



ANNUAL INFORMATION FORM

For the fiscal year ended
December 31, 2024

March 6, 2025

FORWARD LOOKING INFORMATION AND STATEMENTS.....	3
CORPORATE OVERVIEW	5
CORPORATE STRUCTURE	5
GENERAL DEVELOPMENT OF THE BUSINESS.....	6
2024.....	6
2023.....	7
2022.....	7
DESCRIPTION OF THE BUSINESS	8
STRATEGY OVERVIEW.....	8
PRODUCTS & SERVICE OFFERINGS.....	9
REVENUE.....	11
FOREIGN OPERATIONS.....	11
HEALTH, SAFETY AND ENVIRONMENT	11
HUMAN RESOURCES.....	11
INTANGIBLE PROPERTY.....	12
RISK FACTORS	12
DIVIDEND RECORD & POLICY	20
DESCRIPTION OF CAPITAL STRUCTURE	20
MARKET FOR SECURITIES	21
DIRECTORS & OFFICERS	22
DIRECTORS.....	22
BOARD COMMITTEES	23
OFFICERS.....	23
CONFLICTS OF INTEREST.....	24
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS.....	24
TRANSFER AGENTS AND REGISTRARS.....	24
INTERESTS OF EXPERTS.....	24
ADDITIONAL INFORMATION	25
AUDIT COMMITTEE INFORMATION.....	25
COMPOSITION OF THE AUDIT COMMITTEE	25
RELEVANT EDUCATION AND EXPERIENCE	25
PRE-APPROVAL POLICIES & PROCEDURES	26
EXTERNAL AUDITOR SERVICE FEES	26
APPENDIX 1.....	27
AUDIT COMMITTEE CHARTER.....	27
APPENDIX 2.....	31
HUMAN RESOURCES, COMPENSATION & GOVERNANCE COMMITTEE CHARTER	31
APPENDIX 3.....	35
STRATEGY AND CAPITAL ALLOCATION COMMITTEE TERMS OF REFERENCE.....	35

FORWARD LOOKING INFORMATION AND STATEMENTS

The following Annual Information Form (“AIF”), dated March 5, 2025, should be read in conjunction with the cautionary statement regarding forward-looking information and statements below, as well as the audited consolidated financial statements and notes thereto, for the years ended December 31, 2024, and 2023 (the “Financial Statements”). The annual consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”). All amounts in the following AIF are in Canadian dollars unless otherwise stated. References to “McCoy,” “McCoy Global,” “the Corporation,” “we,” “us” or “our” mean McCoy Global Inc. and its subsidiaries, unless the context otherwise requires. All references to “Management” refer to the directors and executive officers of the Corporation. Additional information relating to McCoy Global, including periodic quarterly and annual reports and **Management’s Discussion and Analysis of Financial Results (“MD&A”)**, filed with Canadian securities regulatory authorities, is available on SEDAR+ at sedarplus.ca and our website at mccoyglobal.com. The information in this AIF is current to March 5, 2025, unless otherwise noted.

This AIF contains certain forward-looking statements and forward-looking information (collectively referred to herein as “forward-looking statements”) **within the meaning of applicable Canadian securities laws. All statements** in this AIF other than statements of present or historical fact are forward-looking statements. Forward-looking information is often, but not always, identified by the use of words such as “could”, “should”, “can”, “anticipate”, “expect”, “objective”, “ongoing”, “believe”, “will”, “may”, “projected”, “plan”, “sustain”, “continues”, “strategy”, “potential”, “projects”, “grow”, “take advantage”, “estimate”, “well-positioned” or similar words suggesting future outcomes. In particular, this AIF contains:

Forward-looking statements relating to McCoy Global’s:

- business strategy;
- future development and organic growth prospects;
- **the Corporation’s development and commercialization of its Technology Roadmap;**
- competitive advantages;
- merger and acquisition strategy;
- payment of quarterly dividends;
- the impact of order intake and backlog on expected financial performance;
- the impact of new drilling activity, oil and gas prices, the entry or new market participants and M&A activity on the **demand for the Corporation’s products;**
- potential tariffs imposed by the United States on Canadian imports;
- operational leverage; and
- capital spending forecasts.

Forward-looking statements respecting:

- the business opportunities for the Corporation that are based on the views of Management and current and anticipated market conditions; and
- the perceived benefits of the growth and operating strategies of the Corporation, which are based upon the financial and operating attributes of the Corporation as at the date hereof, as well as the anticipated operating and financial results.

Forward-looking statements regarding the Corporation in this AIF are based on certain key expectations and assumptions of the Corporation concerning anticipated financial performance, business prospects, strategies, the sufficiency of budgeted capital expenditures in carrying out planned activities, the availability and cost of labour and services and the ability to obtain financing on acceptable terms, which are subject to change based on market conditions and potential timing delays. Although Management considers these assumptions to be reasonable based on information currently available to them, they may prove to be incorrect.

By their very nature, forward-looking statements involve inherent risks and uncertainties (both general and specific) and risks that forward-looking statements will not be achieved. Undue reliance should not be placed on forward-looking statements, as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in the forward-looking statements, including those set out below and those detailed elsewhere in this AIF:

- domestic and foreign competition;
- technology;
- replacement or reduced use of products and services;
- international operations and international trade relations, including trade tariffs;
- oil and natural gas price fluctuations;

- supply chain disruption and increasing material costs;
- reliance on key persons and workforce availability;
- major operations disruption due to severe weather events;
- mergers and acquisitions;
- ability to effectively manage growth;
- litigation;
- legal compliance;
- insurance sufficiency, availability, and rate risk;
- breach of confidentiality;
- shareholder activism;
- safety performance;
- information security and cybersecurity;
- foreign exchange;
- challenges by taxation authorities;
- availability of financing and increasing interest rates;
- raising equity through the issuance of shares;
- **customers' inability to obtain credit/financing;**
- sufficiency of internal controls;
- material differences between actual results and Management estimates and assumptions;
- global health crisis;
- terrorist attack or armed conflict;
- change in government administrations;
- Greenhouse Gas ("GHG") regulations and other climate change related measures; and
- conservation measures and technological advances.

Readers are cautioned that the foregoing list is not exhaustive.

The information contained in this AIF, including the documents incorporated by reference herein, identifies additional factors that could affect the operating results and performance of the Corporation. The Corporation urges you to carefully consider those factors.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this AIF are made as of the date of this AIF and the Corporation does not undertake and is not obligated to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless so required by applicable securities laws.

CORPORATE OVERVIEW

McCoy Global Inc. is incorporated and domiciled in Canada and is a leading provider of technologies and equipment designed to support tubular running operations, enhance wellbore integrity, and assist with collecting critical data for the global energy industry. McCoy Global's core products are used predominantly during the well construction phase for both land and offshore wells during both oil and gas exploration and development.

The Corporation is engaged in the following:

- design, production and distribution of capital equipment and technologies to support tubular running operations, enhance wellbore integrity and increase safety;
- design, production and distribution of aftermarket products and services such as technical support, consumables and replacement parts that support its capital equipment sales;
- design, production and distribution of data collection technologies used in rugged applications for the global energy industry as well as in construction, marine and aerospace;
- repair, maintenance and calibration of the Corporation's capital equipment install base and similar competitor products; and
- rental of the Corporation's equipment and technologies.

The following table outlines the McCoy Global operating structure as at December 31, 2024.

Operating Name	Country of Incorporation	Operating Region	Ownership Interest
McCoy Global Canada Corp.	Canada	Canada	100%
McCoy Global FZE.	United Arab Emirates	Eastern Hemisphere	100%
McCoy Global USA, Inc.	United States	United States, Central America & Latin America	100%

Corporate Structure

McCoy Global was originally incorporated on February 29, 1996, under the Business Corporations Act (Alberta) (the "Act") as 686124 Alberta Ltd. Subsequent to incorporation the following events have occurred:

- July 14, 1997, 686124 Alberta Ltd. amended its Articles of Incorporation to change its name to McCoy Bros. Inc.
- December 31, 1997, McCoy Bros. Inc. amalgamated with MBP Holdings Inc.
- January 1, 1999, McCoy Bros. Inc. amalgamated with three of its wholly owned subsidiaries, McCoy Bros. (Red Deer) Ltd., McCoy Bros. Transport Inc., and McCoy Bros. (Calgary) Ltd.
- June 13, 2005, McCoy Bros. Inc. amended its Articles of Incorporation to change its name to McCoy Corporation.
- July 7, 2014, McCoy Corporation amended its Articles of Incorporation to change its name to McCoy Global Inc.

The Corporate head office is located at #300, 14727 87 Avenue NW, Edmonton, Alberta T5R 4E5. The Corporation's registered address is Livingston Place, 1000 - 250 2nd Street SW, Calgary, Alberta T2P 0C1.

McCoy Global Inc. and its subsidiary companies are collectively referred to herein as the "Corporation" or "McCoy Global".

GENERAL DEVELOPMENT OF THE BUSINESS

The general development of McCoy Global's **business during the last three financial years** and to the date of **this document's** filing, which have had an influence on the **Corporation's** development, are described below.

2024

Key changes in senior management [and board of directors of the Corporation (the "Board")]:

- Effective January 1, 2024, Mr. Bing Deng was promoted to Chief Operating Officer, having previously served as VP, Marketing and Technology since 2018.
- Effective January 1, 2024, Mr. **Gareth "Dusty" Sonnier was promoted to VP, Product and Technology, having previously served as Director, Engineering and Technology since 2012.**

On March 14, 2024, McCoy increased its a quarterly dividend to \$0.02 per share.

On August 20, 2024, the Corporation received approval from the TSX to undertake a proposed normal course issuer bid (NCIB) to purchase up to 1,594,179 common shares in the **capital of the Corporation (the "Common Shares")**, representing approximately 10% of the public float Common Shares.

Since January 1, 2024, McCoy achieved key development milestones with regards to its Technology Roadmap:

- McCoy reported continued strong market penetration of its Flush Mount Spiders (FMS) in the North America land market. With a growing number of tools operating in-field, operators have increasingly recognized the benefits of **McCoy's FMS, leading to more widespread adoption. Consolidation in the North American E&P space has also become a favourable trend as safety and efficiency standards are integrated across these mergers.** McCoy's FMS is a hydraulic rotary flush-mounted spider that, when fully connected (smartFMS™), handles casing while providing **information on the state of the tool to the driller's display in real-time** as well as the ability to integrate with McCoy Smart Casing Running Tool (smartCRT™) and McCoy's smarTR™.
- McCoy secured a contract award totaling CAD\$4.3 million for several enhanced smart casing running tools (smartCRT™s) destined for the Middle East market. Our unique, patented solution is a hydraulic option to our smart product suite and is designed to integrate into our smarTR™ system. This represents an important milestone on our journey towards automating tubular running operations. The expedited development and commercialization of this enhancement was a response to certain new Casing Running Tool (CRT) requirements for future contract tender awards announced by National Oil Companies (NOCs) and major operators in certain key regions in the **first quarter of 2024. McCoy's hydraulic smartCRT™** not only addresses the new contract requirements, but also offers an intelligent, connected enhancement to conventional casing running tools available today. This tool provides superior safety, efficiency and simplified operating procedures along with real-time data collection and analysis capabilities. This technology mitigates the risk of conventional, mechanical CRT technology, while providing actionable insights that optimize future performance.
- **Despite being unable to secure rig availability during Q4 2024, McCoy's in-field trials for smarTR™ continued in early 2025 with promising initial results. The success of McCoy's CRT enhancement has alleviated several external hurdles,** while further improving safety, efficiency and simplifying operating procedures of the smarTR™ system. Due to the challenges securing rig availability with our current in-field partner, McCoy expanded the in-field trials to include an additional three partners in separate regions, including both US land and the Middle East. As in-field trials continue, our product development team will focus on promptly addressing challenges, if and when, they are identified. We remain confident in our ability to consistently exceed our internal key performance metrics across several in-field trials in each region. This will allow us to successfully conclude the in-field trials and shift our focus to successful product adoption and market penetration.
- McCoy secured a contract award totaling \$3.7 million for deep-water offshore integrated casing running systems destined for Latin America and accepted an additional \$1.8 million in awards for deep-water systems for separate customers in Brazil. Delivering this technology will complete the first step on a roadmap to a comprehensive smarTR™ system tailored for offshore and deep-water markets. This integrated deep-water system differs from our smarTR™ solution designed for land and shelf that is centered around CRT technology, as deep-water casing installation requires hydraulic power tongs to meet technical specifications for the well profile. The Latin America

contract award also marks the first offshore commercial Software as a Service (SaaS) purchase commitment for its Virtual Thread-Rep™ technology. McCoy's Virtual Thread-Rep™ technology enables customers to remotely monitor and control premium connection make-up. It also facilitates the autonomous evaluation and confirmation of premium connection make-up on location. Delivery of the equipment and technology is scheduled to occur in early 2025.

2023

Key changes in senior management and Board:

- On April 5, 2023, Mr. Cory Janssen announced he would not be standing for re-election at McCoy's Annual Meeting of Shareholders ("AGM") held on May 11, 2023.

In March of 2023, McCoy announced the repayment of its US\$3.4 million senior secured term facility, bearing interest at US Prime + 4.95%.

In May of 2023, McCoy reinstated a quarterly dividend of \$0.01 per Common Share.

On August 18, 2023, the Corporation received approval from the TSX to undertake a proposed normal course issuer bid (NCIB) to purchase up to 1,605,053 Common Shares, representing approximately 10% of the public float Common Shares. McCoy successfully completed the NCIB, repurchasing a total of 1.7 million Common Shares, during the year ended December 31, 2023, at a weighted average price of \$1.47 per Common Share.

Over the course of 2023, McCoy invested \$0.1 million to advance its Technology Roadmap, marking the substantial completion of capital expenditures for the first suite of smart products under its 'Technology Roadmap' initiative. Since January 1, 2023, McCoy achieved key development milestones on McCoy's Smart Tubular Running System (smarTR™):

- Reported thirty-nine (39) commercial sales for McCoy's Flush Mount Spider (FMS) and twenty-three (23) additional tools scheduled for delivery in early 2024. McCoy's FMS is a hydraulic rotary flush mounted spider that when fully connected (smartFMS™), handles casing while providing information on the state of the tool to the driller's display in real-time as well as the ability to integrate with McCoy Smart Casing Running Tool (smartCRT™).
- Reported two (2) commercial sales for McCoy's smartCRT™ and delivered four (4) rental tools in Latin America to a large multinational customer committed to utilizing our technology. In addition, purchase order commitments were received from a new market entrant in Latin America. The smartCRT™ has successfully executed multiple commercial casing jobs in the Middle East North Africa ("MENA") region, proving the in-field application of the tool and display. McCoy's smartCRT™ is an intelligent, connected enhancement of our conventional casing running tool that offers superior safety, efficiency and simplified operating procedure, with real-time data collection and analysis capabilities. This technology effectively mitigates the risk of human error, while providing actionable insights that optimize future performance.
- Completed the development and test-rig trials of the smarTR™ and have since begun in-field trials with a customer in North America.

2022

As the world emerged from the COVID-19 pandemic and greater economic activity resumed, the supply of oil and gas tightened. Global drilling activity increased to meet growing demand. Customer inquiries, quoting activity and order intake continued to improve, particularly in the Eastern Hemisphere, with order intake of \$63.9 million reported for year ended December 31, 2022 (2021 - \$34.8 million) and backlog rebounding to levels not seen since 2015.

Key changes in senior management and Board of Directors:

- On April 25, 2022, Mr. Christopher T. Seaver announced he would not be standing for re-election at McCoy's Annual Meeting of Shareholders ("AGM") held on June 23, 2022.
- On July 15, 2022, Ms. Katherine Demuth was appointed to the Board, effective August 1, 2022.
- On September 29, 2022, the Corporation announced the formation of a Strategy and Capital Allocation Committee of independent members of the Board, comprised of Mr. Alex Ryzhikov (Chair of the Committee), Ms. Katherine Demuth, Mr. Cory Janssen and Mr. John Walker. In conjunction with the formation of the Committee, the Board approved a Directors' Performance Share Unit plan (the "DPSU Plan") for its

independent directors to promote alignment with the longer-term interests of the Corporation and its shareholders. The DPSU Plan is cash settled and contains a payout multiplier of up to four times, based on the share price of Common Shares. With his appointment to the Committee, the Chair of the Committee was awarded 160,000 performance share units and vest, as defined by IFRS, in equal annual tranches over a three-year total vesting period and fully vest on December 30, 2025. On December 31, 2025, a payout multiplier between zero times (0x) and four times (4x) is then applied. The maximum payout multiplier of (4x) occurs when the **Corporation's 20-day volume weighted average [trading] price** as at December 31, 2025, exceeds \$4.00 per Common Share.

In July of 2022, McCoy announced the acceptance of orders totaling CAD\$11.3 million for Hydraulic Power Tongs, Casing Running Tools and McCoy Torque Turn systems and related parts and accessories for a customer based in the Kingdom of Saudi Arabia. Delivery of the equipment and technology took place over the second half of 2022 and first quarter of 2023.

On August 18, 2022, the Corporation received approval from the TSX to undertake a normal course issuer bid to purchase up to 1,420,874 Common Shares, representing approximately 5% of the issued and outstanding Common Shares. The Corporation repurchased 25,700 Common Shares during the year ended December 31, 2022.

On December 22, 2022, McCoy announced the closing of a sale-leaseback transaction of its Cedar Park, Texas production and service facility. The real estate was sold for proceeds of \$9.0 million (US\$6.7 million). Following the sale, the Corporation entered into a 5-year initial term lease agreement for the facility, with a 5-year renewal option.

Over the course of 2022, McCoy invested \$0.8 million to advance its Technology Roadmap. McCoy achieved key **development milestones on McCoy's Smart Tubular Running System (smarTR™)** during the year:

- Reported the first two (2) **commercial sales for McCoy's FMS, the hydraulic rotary flush mounted spider that when fully connected (smartFMS™), handles casing while providing information on the state of the tool to the driller's display in real-time as well as the ability to integrate with the smartCRT™.** McCoy performed tool demonstrations with leading US Tubular Running Services companies and received purchase orders for an additional five (5) tools scheduled for delivery in early 2023. Our McCoy FMS provides value to the customer today by automating manual rig procedures and will be enhanced when later integrated in the smarTR™ system.
- Successfully completed **customer field trials for McCoy's smartCRT™,** an intelligent, connected enhancement of our conventional casing running tool that offers superior safety, efficiency and simplified operating procedure with a Middle East National Oil Company and recorded the first commercial sale of its smartCRT™ tool, with another scheduled for delivery in early Q1 of 2023.
- Completed further software enhancements for our Virtual Thread-Rep™ technology (VTR) for casing running applications using hydraulic power tongs and Casing Running Tools. These enhancements enable the torque turn software to autonomously evaluate and confirm premium connection make-up. We continue to experience strong customer order intake for our McCoy Torque Turn system (MTT) as a result of the enhanced Virtual Thread-Rep offering, which will translate to new product revenues in the coming quarters and years.

DESCRIPTION OF THE BUSINESS

Strategy Overview

McCoy **Global's** vision is to redefine wellbore construction as the foremost global provider of innovative, automated tubular make-up technology and world class support.

The oil & gas extraction industry has experienced an increasingly volatile pricing environment and growing public and investor pressure to reduce its impact on the environment and improve safety. In turn, producers have been focused on managing costs and adapting their business strategy to demonstrate compliance with broader sustainability efforts.

McCoy has a reputation of innovation within tubular running services (TRS) operations globally. The Corporation has extensive application experience launching new products into the markets it serves, offering high quality, technological advancements, and safety standards available, and has done so for more than three decades.

McCoy believes the TRS space is primed for transformation employing automation and advanced software solutions. Tools and processes used in TRS today are mechanical, highly repetitive, require significant labour inputs, have a high rate of

personnel safety exposure, and maintain minimal well integrity data. Recognizing this opportunity, McCoy has **conceptualized a 'smart' TRS system that will operate autonomously using the Corporation's cloud-based data repository** and machine learning to improve effectiveness. Our cloud-based platform and digital infrastructure that was developed in 2019, will enable future product offerings and enhancements. This cloud based, real time, remote data transmission infrastructure will support our ability to integrate, digitize, and automate the historically manual processes of tubular make up through our smarTR™ automated casing running system.

McCoy is engaged with three key customer groups:

Service Companies and Drilling Contractors - Producers are challenging contractors to reduce costs. In most cases, the largest cost is people. With several significant downturns in the last decade and increasing volatility in oil and gas activity, personnel have left the industry to the point where there is now a critical shortage of skilled and experienced labour. This lack of labour and the reality that 65% of TRS cost can be directly attributed to labour is a driving force behind the transition to an **increasingly automated system**. In addition to providing enhanced data, McCoy's smarTR™ targets a reduction of up to 67% of the labour costs associated with TRS.

Producers – McCoy's Virtual Thread Rep™ consolidates data on every connection made in a **producer's completion program**. This repository of data supports verifiable and reliable well integrity that validates Environmental Social Governance (ESG) initiatives.

Tubular Manufacturers – Threaded connection integrity is the standard that all manufacturers are measured by. Tubular connections at wellsite, which are currently made up by people, will be controlled, and torqued to factory specifications by **McCoy's 'smart' tools, leveraging autonomous machine learning**. OEM's and manufacturers will benefit from reduced operational risk with systems in place to ensure connections are made correctly and in accordance with specifications related to project parameters, reducing the environmental impact of faulty connections and leaking wells.

McCoy's technology strategy will meet this demand. Our cloud platform is the nucleus of the Corporation's technology strategy and serves as a repository for real-time, complete well integrity data.

Products & Service Offerings

McCoy Global Inc. is a leading provider of technologies and equipment designed to support tubular running operations, **enhance wellbore integrity, and assist with collecting critical data for the global energy industry**. McCoy Global's core products are used predominantly during the well construction phase for both land and offshore wells during both oil and gas exploration and development.

The Corporation is engaged in the following:

- design, production and distribution of capital equipment and technologies to support tubular running operations, enhance wellbore integrity and to support capital equipment sales through aftermarket products and services such as technical support, consumables, and replacement parts;
- design, production and distribution of data collection technologies used in rugged applications for the global energy industry as well as in construction, marine and aerospace;
- **repair, maintenance and calibration of the Corporation's capital equipment install base and similar competitor products;** and
- **rental of the Corporation's equipment and technologies.**

The Corporation's primary capital equipment product offerings include:

- Casing running tools;
- Flush mount spiders and related handling equipment;
- Hydraulic power tongs used to make-up and break-out casing, tubing, and drill-pipe, for both land and offshore rig applications;
- Tubular running technologies, including remote support service that enables real-time connection makeup evaluation support for Tubular Running Service customers;
- Torque-turn monitoring and control software systems;
- Wireless data subs;
- Mud handling equipment;

- Bucking units used for assembling couplings to casing in tubular manufacturing plants, make up of connections “off-line” at rig site, make/break machines used for assembling or breaking out downhole tool assemblies and testing tubular connections;
- Diesel and electric hydraulic power units;
- Roughnecks;
- Load monitoring systems;
- Portable Aircraft Digital Scales; and
- Winch Control Systems.

The Corporation’s primary aftermarket product and service offerings include:

- Replacement parts for the Corporation’s capital equipment product offerings;
- Dies and inserts for a wide variety of tubular make-up and tubular handling equipment;
- Rental of the Corporation’s technologies;
- Repair, maintenance, training and calibration of the Corporation’s capital equipment and similar competitor products;
- Remote support service for tubular running service;
- Applied calibration machine learning technology for tubular make-up equipment servicing requirements; and
- Gauging service.

These products and services are currently offered under the McCoy Global brand. Several of McCoy Global’s products are also marketed with additional branding including those listed below:

smarTR™	Fully automated, Smart Tubular Running System
smartCRT™	Smart casing running tool and related accessories
smartFMS™	Smart flush mount spider
DWCRT™	Casing running tool
MITT	Torque turn monitoring and control system and software
MDS	Wireless torque and tension sub
Virtual Thread-Rep™	Cloud based IoT technology that enables enhanced connection integrity
GRITFACE™	Dies and inserts with hardened surface
CLINCHER™	Compression load cell-style backup
HYTOPS™	Hydraulic tong positioning system
CHROMEMASTER™	Reduced marking power tong system
LOCKJAW™	Tong back-up
weTORQ™	Roughneck
Autofill™	Casing fill-up tool
AutoValve™	MudSaver valve
DWSES™	Side entry swivel

Revenue

A substantial proportion of the Corporation's revenue is generated from sales outside of Canada (2024 – 93%; 2023 – 97%).

The following chart sets out the geographic distribution of revenue in 2024 and 2023. Revenue is attributed to a geographical region based on the location of the customer invoiced, which may not necessarily reflect the product's final destination.

Geographic Region (CDN\$ 000 except percentages)	For the year ended December 31			
	2024	% of total	2023	% of total
United States & Latin America	39,480	51%	38,741	56%
Middle East & Africa	19,968	26%	19,479	28%
Europe	7,370	9%	4,321	6%
Asia Pacific	5,617	7%	4,746	7%
Canada	5,081	7%	2,402	3%
Total	77,516	100%	69,689	100%

The Corporation sells its products through: (i) direct sales channels utilizing an internal technical sales force; and (ii) agents, re-sellers, and distributors.

Foreign Operations

The Corporation's foreign operations consist of subsidiaries located outside of Canada. Revenue invoiced from these foreign operations was 99% of the Corporation's consolidated revenues in 2023 (2023 – 99%).

The Corporation's property, plant, and equipment (PPE), intangible assets and goodwill are geographically located as follows:

Geographic Region As at December 31	PPE and Intangibles Assets	
	2024	2023
United States	82%	81%
United Arab Emirates	16%	18%
Canada	2%	1%

Health, Safety and Environment

McCoy Global is committed to protecting its employees, equipment, the public and the environment from harm. The implementation, enforcement, and maintenance of McCoy Global's **health, safety and environmental ("HSE") program** are the responsibility of everyone within the Corporation. McCoy Global recognizes that an effective HSE program has a positive impact on long-term business results. Accordingly, management supports the training, equipment and procedures needed to ensure the health and safety of all McCoy Global employees and guests.

All employees have the responsibility for ensuring relevant legislation, policies, procedures, guidelines, and safe work practices are understood and followed and to bring forward any improvements or suggestions they have to the HSE program.

The Corporation is committed to complying with, or exceeding, all relevant external regulations regarding the environment and health and safety in addition to meeting internal standards. McCoy Global strives to meet or exceed external standards by setting annual internal HSE goals and objectives that meet or exceed external regulation standards.

Human Resources

McCoy Global strives to be an exceptional place to work. McCoy Global provides employee programs and policies that ensure employees have the necessary tools to be successful. The Corporation is an equal opportunity employer and has a zero-tolerance policy on discrimination or harassment in the workplace. The Corporation strictly prohibits discrimination by age, religion, disability, race, ethnicity, gender, sexual orientation, or any other characteristic prohibited by law.

McCoy Global values integrity in the organization and expects all employees to maintain the highest standards of conduct. McCoy Global's Business Code of Conduct is designed to commit the Corporation and all employees, directors, and officers to performing business activities and operations with integrity and due regard to the public interest and the interest of

McCoy Global shareholders. Employees, directors, and officers review and confirm compliance with the Business Code of Conduct annually.

As at December 31, 2024, McCoy Global employed a total of 138 employees (December 31, 2023 – 132).

Hiring practices at McCoy Global's foreign locations follow the same standard procedures as in Canada, while also ensuring that local labour and regulatory laws are followed.

Intangible Property

It is the Corporation's practice to protect its intellectual property in several ways, depending on the nature of the property. The Corporation files patent applications on new or improved technology that it develops which it believes has commercial value and represents an advantage over its competitors. Most of the Corporation's patents are filed in Canada and the United States. Applications are filed in other countries when there is a strategic advantage to do so. Access to the Corporation's proprietary information is limited, to the extent possible, through the use of confidentiality and non-disclosure agreements with contractors, employees, consultants, customers, and suppliers. The Corporation also has agreements with its employees who may develop intellectual property during the course of their employment requiring such employees to assign such property to the Corporation. The Corporation evaluates new inventions and discerns whether there is value to patenting the invention.

RISK FACTORS

The Corporation's results of operations, business prospects, financial condition, cash distributions to shareholders and the trading price of the Common Shares are subject to a number of risks. These risk factors include:

- domestic and foreign competition;
- technology;
- replacement or reduced use of products and services;
- international operations and international trade relations, including trade tariffs;
- oil and natural gas price fluctuations;
- supply chain disruption and increasing material costs;
- reliance on key persons and workforce availability;
- change in government administrations;
- major operations disruption due to severe weather events;
- mergers and acquisitions;
- ability to effectively manage growth;
- litigation;
- legal compliance;
- insurance sufficiency, availability, and rate risk;
- breach of confidentiality;
- shareholder activism;
- safety performance;
- information security and cybersecurity;
- foreign exchange;
- challenges by taxation authorities;
- availability of financing and increasing interest rates;
- raising equity through the issuance of shares;
- **customers' inability to obtain credit/financing;**
- sufficiency of internal controls;
- global health crisis;
- terrorist attack or armed conflict;
- Greenhouse Gas ("GHG") regulations and other climate change related measures; and
- conservation measures and technological advances.

A discussion of these risks and other risks associated with investment of the Common Shares is discussed below and are also available in the MD&A available at www.sedarplus.ca.

DOMESTIC AND FOREIGN COMPETITION

The Corporation faces competition from both domestic and foreign entities. Failure to effectively respond to **competitors'** innovations in products, geographic expansion, quality, delivery, pricing and marketing strategies will result in a loss of market share. Additionally, the continuous evolution of hydrocarbon extraction methods, with a focus on safety and automation, poses a risk. If competitors develop products that better meet customer requirements, there is a risk of customer attrition. Furthermore, reduced activity levels in the oil and natural gas industry can heighten competition, leading to pricing **pressures on McCoy Global's products and services, and consequently, lower revenue.**

TECHNOLOGY

The oilfield products and services industry is characterized by rapid and significant technological advancements and introductions of new products and services utilizing new technologies. Other oilfield product and services companies may have greater financial, technical and personnel resources that allow them to expedite development of new technologies before the Corporation. There can be no assurance that the Corporation will be able to respond to such competitive pressures and develop such technologies on a timely basis or at an acceptable cost. One or more of the technologies currently developed by the Corporation or developed in the future may become obsolete which could have a material adverse effect on the Corporation's business, operations, financial condition, results of operations and cash flows. No assurances can be given that McCoy Global's **competitors will not** achieve technological advantages or introduce disruptive technologies.

McCoy Global may seek patents or other similar protections in respect of particular products and technology, however, McCoy Global may not be successful in such efforts. Competitors may also develop similar products and technology thereby adversely affecting McCoy Global's **competitive advantage in one or more of McCoy Global's** product lines. Additionally, there is no assurance that certain products or technology McCoy Global develops, may not be the subject of future patent infringement claims or other similar matters which could result in litigation, the requirement to pay licensing fees or other results that could have a material adverse effect on McCoy Global's **business**, operations, financial condition, results of operations and cash flows. **Furthermore, others may infringe on McCoy Global's intellectual property rights, McCoy Global** may not be successful in defence of such infringement claims.

REPLACEMENT OR REDUCED USE OF PRODUCTS AND SERVICES

Certain products of the Corporation may become obsolete or face reduced demand due to the introduction of competing products that are more cost-effective, offer enhanced performance, or are otherwise preferred by the market. Failure of the Corporation to stay abreast of changes in the oil and natural gas services market, as well as technological and regulatory developments could have a material and adverse effect on the Corporation's business, operations, financial condition, results of operations, and cash flows.

INTERNATIONAL OPERATIONS & INTERNATIONAL TRADE RELATIONS

McCoy Global operates internationally through direct sales and distributors with operations in Canada, the United States, and the United Arab Emirates. **The Corporation's** international operations are subject to risks normally associated with conducting business in foreign countries, including among others:

- an uncertain political and economic environment;
- the loss of revenue or property and equipment as a result of expropriation, confiscation, nationalization, contract deprivation and force majeure;
- war, terrorist acts or threats, civil insurrection, and geopolitical and other political risks;
- fluctuations in foreign currency and exchange controls;
- restrictions on the repatriation of income or capital;
- increases in tariffs, duties, taxes, and governmental royalties, including recent US tariffs on steel and aluminum imports and imports from Canada, Mexico and China;
- changes in laws and policies governing operations of foreign-based companies; and
- trade restrictions, sanctions or embargoes imposed by the U.S. or other countries.

If there is a dispute relating to the Corporation's international operations, McCoy Global may be subject to the exclusive jurisdiction of foreign courts or may not be able to subject foreign persons to the jurisdiction of a court in Canada or the U.S.

In the international markets where the Corporation operates, McCoy Global is subject to various laws and regulations that govern the operation and taxation of its businesses and the import and export of **the Corporation's** equipment from country to country. There may be uncertainty about how these laws and regulations are imposed, applied, or interpreted, and they could be subject to change. Since McCoy Global derives a significant portion of its revenues from subsidiaries outside of Canada and the U.S., the subsidiaries paying dividends or making other cash payments or advances may be restricted from transferring funds in or out of the respective countries, or face exchange controls or taxes on any payments or advances. McCoy Global has organized its foreign operations partly based on certain assumptions about various tax laws (including capital gains and withholding taxes), foreign currency exchange, and capital repatriation laws and other relevant laws of a variety of foreign jurisdictions. McCoy Global believes these assumptions are reasonable; however, there is no assurance that foreign taxing or other authorities will reach the same conclusion. If these foreign jurisdictions change or modify the laws, the Corporation could suffer adverse tax and financial consequences.

While the Corporation has developed policies and procedures designed to achieve compliance with applicable international laws, McCoy Global could be exposed to potential claims, economic sanctions, or other restrictions for alleged or actual violations of international laws related to **the Corporation's** international operations, including anti-corruption and anti-bribery legislation, trade laws and trade sanctions. The Canadian government, the U.S. Department of Justice, the Securities and Exchange Commission, the U.S. Office of Foreign Assets Control, and similar agencies and authorities in other jurisdictions have a broad range of civil and criminal penalties they may seek to impose against corporations and individuals for such violations, including injunctive relief, disgorgement, fines, penalties and modifications to business practices and compliance programs, among other things. While the impact of any of these factors, if any of those risks materialize, cannot be accurately predicted, it could have a material adverse effect on **the Corporation's** reputation, business, financial condition, results of operations and cash flow.

The recent reinstatement of Section 232 tariffs by the US government, imposing a 25% tariff on steel and aluminum imports, as well as the 25% US trade tariff announced on imports from Canada, Mexico and China could have a material adverse effect on the Corporation with further increases to input costs, impacting the Corporation's business, operations, financial condition, results of operations and cashflows.

OIL AND NATURAL GAS FLUCTUATIONS

A downturn in oil and natural gas prices worldwide has **a direct impact on activities of the Corporation's customers.**

Generally, there is higher demand for **the Corporation's products and services** when commodity prices are relatively high, and the opposite is true when commodity prices are low. The volatility of crude oil and natural gas prices accounts for much of the cyclical nature of the oilfield services business. The prices for these commodities are generally driven by supply and demand with global consumption being the leading indicator.

Worldwide military, political, and economic events, expectations for global economic growth, or initiatives by the Organization of the Petroleum Exporting Countries and other major petroleum exporting countries, can affect supply and demand for oil and natural gas. Weather conditions, governmental regulation (in Canada and elsewhere), levels of consumer demand, the availability of pipeline capacity, U.S. and Canadian natural gas storage levels, and other factors beyond the Corporation's control can also affect the supply of and demand for oil and natural gas and lead to future price volatility. A prolonged reduction in oil and natural gas prices would likely depress the level of exploration and production activity. This would likely result in a corresponding decline in the demand for **McCoy Global's products and services** and could have a material adverse effect on **the Corporation's** revenue, cash flow, and profitability.

Periods of low drilling activity could lead to low utilization of the equipment and technologies marketed by McCoy. The industry supply of tubular running equipment and technologies may exceed actual demand because of the relatively long-life span of oilfield services equipment. Excess supply resulting from industry decline could lead to lower demand for McCoy's

equipment and services. Surplus supply of used tubular running equipment and technologies may also intensify price competition for new equipment sales.

McCoy Global has trade receivables with customers in the oil and natural gas industry and their revenues may be affected by fluctuations in commodity prices. **The Corporation's** ability to collect receivables may be adversely affected by any prolonged weakness in oil and natural gas prices.

SUPPLY CHAIN DISRUPTION AND INCREASING MATERIAL COSTS

The Corporation relies on various key suppliers and their risks and costs are ultimately borne by the Corporation. McCoy Global may further outsource key components, raw materials, and component parts from a variety of suppliers in Canada, the U.S. and overseas. McCoy Global may also place advance orders for components or parts that have long lead times. The Corporation may experience cost increases, inferior quality, delays in delivery due to strong activity or financial hardship of suppliers or contractors, or other unforeseen circumstances relating to third parties. If **the Corporation's** current or alternate suppliers are unable to deliver the necessary components, materials, parts, and services required at acceptable quality standards, it may delay delivery of products to **McCoy Global's** customers and have a material adverse effect on the **Corporation's** revenue, cash flow, and earnings.

RELIANCE ON KEY PERSONS AND WORKFORCE AVAILABILITY

The Corporation's future growth is dependent on retaining qualified employees at all levels of the organization. There is no assurance that the Corporation will be able to retain key personnel. Losing these individuals could have a material adverse effect on **McCoy Global's** business, operations, financial condition, results of operations and cash flows.

Additionally, **McCoy's future growth may be** dependent upon its ability to attract additional qualified employees. The inability to recruit skilled personnel could have a material adverse effect on the Corporation's business, financial condition, results of operations and cash flows.

CHANGES IN GOVERNMENT ADMINISTRATIONS

Changes in U.S. administrations may impact operations of McCoy Global as production operations are predominately located within the United States of America. The Corporation cannot predict the impact of administration changes and could have a material adverse effect on its business, operations, financial condition, results of operations and cash flows. The recent reinstatement of Section 232 tariffs by the US government, imposing a 25% tariff on steel and aluminum imports, as well as the 25% US trade tariff announced on imports from Canada, Mexico and China could have a material adverse effect on the Corporation with further increases to input costs, **impacting the Corporation's business, operations, financial condition, results of operations and cashflows.**

MERGERS AND ACQUISITIONS

McCoy Global considers and evaluates mergers and acquisitions of, or investments in, complementary businesses and assets as part of **McCoy Global's** growth strategy. Any merger or acquisition could have a material adverse effect on the **Corporation's** operating results, financial condition, or the price of the Common Shares. Mergers and acquisitions involve numerous risks, including unanticipated costs and liabilities, difficulty in integrating the operations and assets of the acquired business, the ability to properly access and maintain an effective internal control environment over an acquired company to comply with public reporting requirements, potential loss of key employees and customers of the acquired companies, and an increase in **the Corporation's** expenses and working capital requirements.

If McCoy Global is successful in integrating current or future acquisitions into its operations, the full benefits, such as operational or administrative synergies expected from acquisitions may not be realized, which may result in the Corporation committing capital resources and not receiving the expected returns. In addition, McCoy Global may not be able to continue to identify attractive acquisition opportunities or successfully acquire identified targets. In certain situations, the Corporation may find itself competing for targets with other strategic and non-strategic buyers which may have the desire or ability to value targets at a higher purchase price than McCoy Global.

ABILITY TO EFFECTIVELY MANAGE GROWTH

The Corporation may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The **Corporation's** ability to manage growth effectively will require it to continue to implement and improve its

operations and financial systems and to expand, train and manage its employee base. The **Corporation's** inability to deal with this growth could have a material adverse impact on its business, operations, financial condition, results of operations and cash flows.

LITIGATION

In the normal course of the Corporation's business, it may become involved in, named as a party to, or be the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions, related to personal injuries, contractual disputes, patent infringement, labour laws, property damage, and the environment. The outcome of outstanding, pending, or future proceedings cannot be predicted with certainty and may be determined adversely to the Corporation and as a result, could have a material adverse effect on the Corporation's business, operations, financial condition, results of operations and cash flows.

LEGAL COMPLIANCE

The Corporation does business in, and sells goods into, many countries and its operations are subject to many different laws, customs, and cultures. Business is conducted by both McCoy Global personnel and third-party representatives. The Corporation is required to comply with applicable anti-corruption laws, including the Canadian Corruption of Foreign Public Officials Act, the U.S. Foreign Corrupt Practices Act and the United Kingdom Bribery Act 2010, as well as local laws in all countries in which the corporation does business. Furthermore, certain products and services are subject to the export control laws of the United States, Canada, the United Kingdom, Singapore, the United Arab Emirates, and other countries where its products are sold. Failure to comply with the laws and regulations governing exports may result in monetary fines for individuals as well as McCoy Global, loss of McCoy Global's **export privileges**, imprisonment, and other sanctions. The Corporation has established policies and procedures that McCoy Global personnel and third-party representatives must follow to ensure compliance with those laws and regulations.

INSURANCE SUFFICIENCY, AVAILABILITY AND RATE RISK

Although the Corporation believes its insurance coverage to be appropriate for the nature of the risks relative to the costs of coverage, **such coverage may not be adequate. Furthermore, the Corporation's ability to procure effective insurance at favorable rates is dependent on various operational factors including the number of claims and amounts paid out.**

Furthermore, the Corporation may become the subject of claims, lawsuits and and/or administrative proceedings seeking damages or other remedies concerning our commercial operations, products, employees, and other matters. Some of these claims could relate to the activities of businesses that have been acquired, even though these activities may have occurred **prior the Corporation's acquisition of such businesses. The Corporation's insurance may not cover all of its potential losses, or the Corporation may be subject to various retentions or deductibles under its insurance. A judgment may be rendered against the Corporation, in which the Corporation could be uninsured, or which exceed the amounts currently reserved or anticipate incurring for such matters.**

BREACH OF CONFIDENTIALITY

In the normal course of the Corporation's business the Corporation may discuss potential business relationships, transactions with third parties, financing solutions or other activities and at which time the Corporation may disclose confidential information relating to the business, operations, or affairs of the Corporation. The Corporation takes commercially reasonable measures to ensure confidentiality agreements are signed by third parties prior to the disclosure of any confidential information or to otherwise ensure the confidentiality of such information is maintained; however, a breach or failure of these measures could put the Corporation at competitive risk and may cause significant damage to its business. The harm to the Corporation's business from a breach of confidentiality cannot presently be quantified but may be material and may not be compensable in damages. There is no assurance that, in the event of a breach of confidentiality, the Corporation will be able to obtain equitable remedies, such as injunctive relief, from a court of competent jurisdiction in a timely manner, if at all, in order to prevent or mitigate any damage to its business that such a breach of confidentiality may cause.

SHAREHOLDER ACTIVISM

The Corporation may be subject to legal or business challenges due to actions instituted by activist shareholders or others. These activities may not be aligned with long-term shareholder value creation for all. Responding to such actions could be

costly and time-consuming, may not align with **the Corporation's** business strategies, and could divert the attention of Management from the pursuit of its business strategies. Perceived uncertainties as to the future direction as a result of activism may lead to the perception of a change in the direction of the business or other instability and may adversely affect our relationships with vendors, customers, prospective and current employees, and others.

SAFETY PERFORMANCE

Standards for accident prevention in the oil and natural gas industry are governed by service company safety policies and procedures, accepted industry safety practices, customer-specific safety requirements, and health and safety legislation. Safety is a key factor that customers consider when selecting an oilfield product and service company. A decline in McCoy Global's safety performance could result in lower demand for its products and services, and this could have a material adverse effect on the Corporation's revenue, cash flow, and earnings.

The Corporation is subject to various health and safety laws, rules, legislation, and guidelines which can impose material liability, increase its costs, or lead to lower demand for its products and services.

INFORMATION SECURITY AND CYBERSECURITY

The efficient operation of McCoy Global's business is dependent on information technology systems, computer hardware and software. Threats to information technology systems associated with cybersecurity risks and cyber incidents or attacks continue to grow and are increased by the growing complexity of our information technology systems. Cybersecurity attacks could include, but are not limited to, malicious software, attempts to gain unauthorized access to data and the unauthorized release, corruption or loss of data and personal information, account takeovers, and other electronic security breaches that could lead to disruptions in **McCoy's** critical business systems. Other cyber incidents may occur as a result of natural disasters, telecommunication failure, utility outages, human error, design defects, and unexpected complications with technology upgrades. Risks associated with these attacks and other incidents include, among other things, loss of intellectual property, reputational harm, leaked information, improper use of assets, disruption of **McCoy's** and its **customers' business operations**, unauthorized disclosure of personal information which could result in administrative penalties and increased costs to prevent, respond to, or mitigate cybersecurity events. The occurrence of such an attack or incident could go unnoticed for a period of time. Any such attack or incident could have a material adverse effect on **McCoy's** business, operations, financial condition, results of operations and cash flows.

FOREIGN EXCHANGE

McCoy Global's United States and international operations, which account for a **majority of the Corporation's operations**, have revenues, expenses, assets, and liabilities denominated in currencies other than the Canadian dollar. This means that changes in currency exchange rates can result in changes in profitability from period to period.

CHALLENGES BY TAXATION AUTHORITIES

Taxation authorities may not agree with the classification of expenses the Corporation, or its subsidiaries have claimed or may challenge the amount of interest expense deducted. If the taxation authorities successfully challenge these classifications or **deductions**, **it could have an adverse effect on the Corporation's return to shareholders.**

AVAILABILITY OF FINANCING AND INCREASING INTEREST RATES

McCoy Global may need to obtain additional debt or equity financing in the future to support ongoing operations, undertake capital expenditures, repay existing or future debt, or pursue acquisitions or other business combination transactions. Volatility or uncertainty in the credit markets may increase costs associated with issuing debt or equity, and there is no assurance that the Corporation will be able to access additional financing when needed, or on acceptable or favourable terms. If the Corporation is unable to obtain financing to support ongoing operations or to fund capital expenditures, acquisitions, debt repayments, or other business combination transactions, it could limit growth and may have a material adverse effect on **the Corporation's** revenue, cash flow, and profitability.

RAISING EQUITY THROUGH THE ISSUANCE OF COMMON SHARES

The Corporation may issue additional Common Shares in the future to fund its business requirements, as authorized by the Board. Other than as may be required by the TSX or other regulatory bodies in certain circumstances, the Corporation does not require shareholder approval to issue additional Common Shares, and shareholders do not have any pre-emptive rights

related to share issues. The Corporation may make future acquisitions or enter into financings or other transactions involving the issuance of securities of the Corporation which may be dilutive.

CUSTOMERS' INABILITY TO OBTAIN CREDIT/FINANCING

Many of McCoy Global's customers require reasonable access to credit facilities and debt capital markets to finance their business activity. If the availability of credit to McCoy Global's customers is reduced, they may reduce their capital expenditures, thereby decreasing demand for McCoy Global's products and services. Any such reduction in spending by the Corporation's customers could adversely affect the Corporation's business, operations, financial condition, results of operations and cash flows.

SUFFICIENCY OF INTERNAL CONTROLS

Effective internal controls are necessary for the Corporation to provide reliable financial reports and to help prevent fraud. Although the Corporation has undertaken and will undertake a number of procedures in order to help ensure the reliability of its financial reports, including those that may be imposed on it under applicable securities laws, the Corporation cannot be certain that such measures will ensure that the Corporation will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Corporation's results of operations, or cause it to fail to meet its reporting obligations. Additionally, implementing and monitoring effective internal controls can be costly. If the Corporation or its independent auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Corporation's financial statements and harm the trading price of the Common Shares.

GLOBAL HEALTH CRISIS

The Corporation may be impacted by global or regional health pandemics, including supply chain disruption, business interruption, changes in customer demand for McCoy's products and services.

TERRORIST ATTACK OR ARMED CONFLICT

Terrorist activities (including environmental terrorism), anti-terrorist efforts and other armed conflicts involving the jurisdictions in which McCoy Global operates may adversely affect global economies and could prevent the Corporation from meeting its financial and other obligations. If any of these events occur, the resulting political instability and societal disruption could reduce overall demand for oil, natural gas, and natural gas liquids, potentially putting downward pressure on demand for the Corporation's goods and services, causing a reduction in the Corporation's revenues. Oil and natural gas related facilities could be direct targets of terrorist attacks, and the Corporation's sales could be adversely impacted if infrastructure integral to the Corporation's clients' operations is destroyed or damaged. Costs for insurance and other security may increase as a result of these threats, and some insurance coverage may become more difficult to obtain, if available at all.

GREENHOUSE GAS REGULATIONS AND OTHER CLIMATE CHANGE RELATED MEASURES

The oil and natural gas industry's exploration and production facilities and other operations and activities emit greenhouse gases (GHGs), and both oil and gas exploration and production (E&P) companies and oilfield services providers may be required to comply with GHG emissions legislation in Canada, the U.S., and other jurisdictions in which they operate. Climate change policy is evolving at regional, national, and international levels, and political and economic events may significantly affect the scope and timing of climate change measures that are ultimately put in place.

Canada:

- The Government of Canada has committed to reducing GHG emissions by 40-45% below 2005 levels by 2030 and achieving net-zero emissions by 2050. The Pan-Canadian Framework on Clean Growth and Climate Change includes measures such as carbon pricing, clean fuel standards, and regulations to reduce methane emissions from the oil and gas sector.
- The federal carbon pricing system, which includes a carbon tax and a cap-and-trade system, continues to evolve. The carbon price is set to increase annually, reaching \$170 per tonne by 2030.

United States:

- The U.S. Environmental Protection Agency (EPA) has implemented several regulations to reduce GHG emissions. The American Innovation and Manufacturing (AIM) Act of 2020 directs the EPA to phase down the production and consumption of hydrofluorocarbons (HFCs), potent GHGs, by 85% by 2036.
- The EPA has also established stringent emissions standards for light-duty and heavy-duty vehicles, aiming to reduce GHG emissions significantly through 2050.
- The Biden administration has set climate goals, including a 50-52% reduction in GHG emissions by 2030 compared to 2005 levels and achieving net-zero emissions by 2050.

International:

- The Paris Agreement, adopted in 2015, aims to limit global warming to well below 2°C above pre-industrial levels, with efforts to limit the temperature increase to 1.5°C. Countries are required to submit nationally determined contributions (NDCs) outlining their climate actions.
- The 2021 United Nations Climate Change Conference (COP26) resulted in the Glasgow Climate Pact, which emphasizes the need for accelerated action to reduce GHG emissions and phase out coal power.

Compliance with evolving GHG regulations may require the Corporation to invest in new technologies and processes to reduce emissions from its operations and products.

The direct or indirect costs of compliance with these regulations may have a material adverse effect on the business, operations, financial condition, results of operations, and cash flows of the Corporation.

Any such regulations could also increase the cost of consumption, thereby reducing demand for the oil, natural gas liquids, **and natural gas the Corporation's clients produce.**

CONSERVATION MEASURES AND TECHNOLOGICAL ADVANCES

Fuel conservation measures, alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas, and technological advances in fuel economy and energy generation devices could reduce the demand for crude oil and other hydrocarbons **which in turn could reduce the demand for the Corporation's products.** The Corporation cannot predict the impact of changing demand for oil and natural gas products, and any major changes could have a material adverse effect on its business, operations, financial condition, results of operations and cash flows.

DIVIDEND RECORD & POLICY

On May 12, 2023, the Corporation announced that the Board of Directors approved the reinstatement of a quarterly dividend payment of \$0.01 per Common Share. On March 13, 2024, the quarterly dividend was increased to \$0.02 per Common Share.

Dividend record date	Dividend payment date	Amount per common share
June 30, 2023	July 15, 2023	0.01
September 30, 2023	October 15, 2023	0.01
December 31, 2023	January 15, 2024	0.01
March 31, 2024	April 15, 2024	0.02
June 30, 2024	July 15, 2024	0.02
September 30, 2024	October 15, 2024	0.02
December 31, 2024	January 15, 2025	0.02

Future declarations of dividends are at the sole discretion of the Board and will continue to be evaluated on a quarterly basis.

DESCRIPTION OF CAPITAL STRUCTURE

The Corporation is authorized to issue an unlimited number of shares designated as Common Shares and an unlimited number of shares designated as Preferred Shares. As of the date of this AIF there are 27,179,936 Common Shares and nil Preferred Shares issued and outstanding. The Common Shares have attached to them the rights, privileges, restrictions, and conditions as set forth below:

- Except for meetings at which only holders of another specified class of shares of the Corporation are entitled to vote separately as a class, each holder of a Common Share is entitled to receive notice of, to attend and to vote at all meetings of the shareholders of the Corporation.
- Subject to the rights, privileges, restrictions, and conditions attached to any other class of shares of the Corporation then outstanding, the holders of the Common Shares are entitled to receive dividends if, as and when declared by the directors of the Corporation.
- Subject to the rights, privileges, restrictions, and conditions attached to any other class of shares of the Corporation then outstanding, the holders of the Common Shares are entitled to share equally in the remaining property of the Corporation upon liquidation, dissolution or winding-up of the Corporation.

MARKET FOR SECURITIES

The Common Shares trade on the Toronto Stock Exchange under the symbol "MCB". The following is the trading data in respect of the Common Shares for 2024 reported by the Toronto Stock Exchange.

Month	Open \$	High \$	Low \$	Close \$	Volume Traded
January	2.07	2.07	1.92	2.01	672,300
February	2.00	2.46	2.00	2.28	1,278,700
March	2.30	2.33	1.81	1.90	764,000
April	1.90	2.06	1.84	1.92	780,700
May	1.90	2.19	1.86	2.01	1,219,200
June	2.03	2.14	1.87	2.01	738,900
July	1.98	2.19	1.90	2.00	1,037,300
August	2.00	2.21	1.83	2.04	1,026,200
September	2.02	2.49	1.92	2.40	1,727,400
October	2.40	3.84	2.36	3.64	3,282,914
November	3.72	3.72	2.57	2.96	1,825,856
December	2.91	2.95	2.63	2.84	1,422,454

DIRECTORS & OFFICERS

Set forth below are the current directors of the Corporation as at the date of this AIF, together with their municipality of residence, positions and offices held by them with McCoy Global, their principal occupations for the last five years and the year first elected to the Board. Each director holds office until the next Annual General Meeting or until his or her successor is earlier elected or appointed.

Directors

Name & Municipality of Residence	Position	Principal Occupation Last Five Years	Independent	Director Since
MICHAEL BUKER Houston, Texas, USA	Director	Current <i>President & CEO</i> PHX Energy Services Corp.	Yes	2021
KATHERINE DEMUTH, CPA, CA, CMA, CIA Edmonton, Alberta, Canada	Director	Current <i>Consultant</i> Katherine L Demuth Advisory Services Ltd. Past <i>Chief Financial Officer</i> ZCL Composites Inc. (2010 to 2019)	Yes	2022
TERRY FREEMAN, FCPA, FCA, ICD.D ⁽¹⁾ Edmonton, Alberta, Canada	Director Chairman of the Board	Current <i>Head of Investments</i> ATB Private Equity, LP <i>Corporate Director</i>	Yes	2009
JIM RAKIEVICH, ICD.D Edmonton, Alberta, Canada	Director President & CEO	Current <i>President & CEO</i> McCoy Global Inc.	No	2002
ALEX RYZHIKOV Montreal, Quebec, Canada	Director	Current <i>Partner Portfolio Manager</i> LionGuard Capital Management Inc. Past <i>Portfolio Manager</i> Altervest Ltd. <i>Partner, Portfolio Manager</i> Ewing Morris Investment Partners (2015 to 2020)	Yes	2021
WILLIAM "JOHN" WALKER Houston, Texas, USA	Director	Current <i>Corporate Director</i> Past <i>Vice President Tubular Running Services/Advisor to the President</i> Nabors Drilling Technologies Inc. (2017 to 2019)	Yes	2020

⁽¹⁾ Mr. Terry Freeman was a director of GLM Industries Ltd., a private company, until April 9, 2015. GLM Industries Ltd. was placed into receivership on July 6, 2015.

Board Committees

McCoy Global has three committees of the Board: the Audit Committee, the Human Resources, Compensation & Governance (“HRC&G”) Committee and the Strategy & Capital Allocation (“S&CA”) Committee. The members of each of these committees, as at December 31, 2024, are identified below:

Audit Committee	HRC&G Committee	S&CA Committee
Katherine Demuth, Chair Terry Freeman, Alex Ryzhikov	Michael Buker, Chair Katherine Demuth William “John” Walker	Alex Ryzhikov, Chair Katherine Demuth William “John” Walker

The charters of the Audit Committee and HRC&G Committee can be found as Appendices 1 and 2 to this AIF. The terms of reference of the S&CA Committee can be found as Appendix 3 to this AIF. The charter of the Audit Committee was revised and approved by the Board in March 2016. The charter of the HRC&G Committee was approved by the Board in March 2018. The terms of reference of the S&CA Committee was approved by the Board in September of 2022.

Additional information about the Audit Committee can be found later in this AIF under the heading “Audit Committee Information.

Officers

The following table sets forth the name, municipality of residence and principal occupation during the last five years for executive officers of the Corporation as at the date of this AIF.

Name & Municipality of Residence	Position With the Corporation	Principal Occupation Last Five Years
JIM RAKIEVICH, ICD.D Edmonton, Alberta, Canada	President & Chief Executive Officer	Current President & Chief Executive Officer
BING DENG, B.SC. Edmonton, Alberta, Canada	Chief Operating Officer	Current Chief Operating Officer Past <i>McCoy Global Inc.</i> Vice President, Marketing and Technology (2018 to 2023)
LINDSAY MCGILL, CPA, CA Edmonton, Alberta, Canada	Vice President & Chief Financial Officer	Current Vice President & Chief Financial Officer Past <i>EPCOR Utilities Inc.</i> Senior Manager, Taxation (2017 to 2018)
GARETH “DUSTY” SONNIER Lake Arthur, Louisiana, USA	Vice President, Product & Technology	Current Vice President, Products & Engineering Past <i>McCoy Global Inc.</i> Director, Engineering & Technology (2012 to 2023)

Excluding Common Shares that may be issued pursuant to the exercise of stock options, as of December 31, 2024, the directors, and executive officers of the Corporation as a group beneficially owned, directly or indirectly, 1,250,860 Common Shares representing approximately 5.0% of the issued and outstanding Common Shares. The information as to the beneficial ownership of such shares, not being within the knowledge of the Corporation, has been confirmed by the directors and executive officers of the Corporation individually.

Cease Trade Orders and Bankruptcies

Except as described below, to the knowledge of the Corporation, no director or executive officer of the Corporation (nor any personal holding company of any of such persons) is, as of the date of this AIF, or has been within ten (10) years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Corporation), that: (i) was subject to a cease trade order (including a management cease trade order), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in **each case that was in effect for a period of more than 30 consecutive days (collectively, an "Order"), that was issued while** the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Except as described below, to the knowledge of the Corporation no director or executive officer of the Corporation (nor any personal holding company of any of such persons), nor any shareholder of the Corporation holding a sufficient number of Common Shares to affect materially the control of the Corporation: (i) is, as of the date of this AIF, or has been within the ten (10) years before the date of this AIF, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within the ten (10) years before the date of this AIF, 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.

Mr. Terry D. Freeman was a director of GLM Industries Ltd., a private company, until April 9, 2015. GLM Industries Ltd. was placed into receivership on July 6, 2015. Mr. Terry Freeman was a director of Structurlam Mass Timber Corporation, until January 5, 2024. Structurlam Mass Timber Corporation was placed into receivership on April 11, 2023.

Penalties or Sanctions

To the knowledge of the Corporation, no director or executive officer of the Corporation (nor any personal holding company of any of such persons) has been subject to: (i) 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 (ii) 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.

Conflicts of Interest

The existence of existing or potential conflicts of interest is required to be disclosed by directors and officers in accordance with McCoy Global policies governing directors and officers and in accordance with the Business Corporations Act (Alberta). The HRC&G Committee monitors relationships among directors to ensure that business associations do not affect the Board's performance. In a circumstance where a director declares an interest in any material contract or material transaction being considered at a meeting, the director generally abstains from the discussion and consideration of the matter and does not vote on the matter.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Management of the Corporation is not aware of any material interest, direct or indirect, of any insider of the Corporation or any associate or affiliate of any insider of the Corporation in any past or proposed transaction which in either case has materially affected or will materially affect the Corporation during the last three completed financial years or during the current financial year.

TRANSFER AGENTS AND REGISTRARS

Computershare Trust Company of Canada, Toronto, Ontario is the Transfer Agent and Registrar for the Common Shares.

INTERESTS OF EXPERTS

The Corporation's auditors, PricewaterhouseCoopers LLP, have confirmed that they are independent within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Alberta.

ADDITIONAL INFORMATION

Other Information

Other information relating to the Corporation, has been filed on SEDAR+ at www.sedarplus.ca as well as on the Corporation's website at www.mccoyglobal.com. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities, and options to purchase securities is included in the Management Information Circular prepared by the Corporation and sent to shareholders in connection with the Annual General Meeting.

Additional financial information is provided in the Financial Statements and associated MD&A which are included in their entirety in the Corporation's Annual Report for 2024. Single copies of the Annual Report, this AIF and Management Information Circular are available from the Corporation's website, www.mccoyglobal.com, or upon request from the Corporation's Secretary at #300, 14727 87 Avenue NW, Edmonton, Alberta T (780) 453-8451. Requests for multiple copies may be subject to a nominal fee.

AUDIT COMMITTEE INFORMATION

The Corporation's Audit Committee is a standing committee of the Board and is established to assist the Board in fulfilling its fiduciary responsibilities in regard to financial reporting, control systems, and ensuring accountability for the use of assets; communicating effectively with the Board, external auditor, internal auditors, and management; promoting the independence of the external and internal auditors; and reporting regularly to the full Board. The Audit Committee's Charter is attached as Appendix 1 to this AIF.

Composition of the Audit Committee

As at March 6, 2025, the Audit Committee is constituted as set out in the following table.

Name	Independent	Financially Literate
Katherine Demuth, Chair	Yes	Yes
Terry Freeman, Chair	Yes	Yes
Alex Ryzhikov	Yes	Yes

Relevant Education and Experience

Name	Relevant Experience & Education
Katherine Demuth, CPA, CA, CMA, CIA	Ms. Demuth is an independent consultant providing business advisory and financial services to a variety of organizations. Ms. Demuth previously served as Chief Financial Officer of ZCL Composites Inc. (TSX:ZCL), a leading North American manufacturer of environmentally friendly fiberglass plastic underground storage tanks, from 2010 up until its sale to Shawcor Ltd. in 2019. Ms. Demuth is a Chartered Accountant, a Certified Management Accountant, and a Certified Internal Auditor (non-practicing).
Terry Freeman, FCPA, FCA, ICD.D	Terry Freeman is a Fellow of the Institute of Chartered Professional Accountants of Alberta and is Head of Investments for ATB Private Equity LP, a private equity firm investing in Alberta based businesses as well as a member of the Boards of a number of private real estate, construction, and energy services businesses. Mr. Freeman also serves on two public boards, Phoenix Technology Services (PHX.TSX) and Vertex Resource Group (VTX.TSX.V).
Alex Ryzhikov, CFA	Mr. Ryzhikov began his investment career at Burgundy Asset Management in 2011 where he worked as an investment analyst on Burgundy's US Large-Cap team. Mr. Ryzhikov joined Ewing Morris Investment Partners in 2014 and most recently, Mr. Ryzhikov was Partner and Portfolio Manager where he was responsible for the Canadian Small-Cap fund. From January 2019 until August 2020, Alex served as a director of Apteryx Imaging (XRAY.TSX.V), a publicly listed SaaS company providing software technology to the North American dental industry. Mr. Ryzhikov holds a CFA designation, as well as a Bachelor of Commerce degree from McGill University.

Pre-Approval Policies & Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services. See "Appendix 1: Audit Committee Charter – External Auditors."

External Auditor Service Fees

Category	2024	2023
Audit Fees	274,700	239,950
Audit-Related Fees	17,000	26,000
Tax Fees	-	-
All Other Fees	-	-
Total	291,700	265,950

"**Audit Fees**" are those fees billed during the fiscal year by the Corporation's external auditor for the audit of the Financial Statements.

"**Audit-related fees**" are those fees billed for attendance at quarterly audit committee meetings and review of quarterly filings, audit procedures performed related to the IFRS conversions and include audit fees related to statutory audit filings for certain subsidiaries.

"**Tax Fees**" relate primarily to the preparation of certain of the Corporation's employees cross-border income tax returns.

"**All Other Fees**" is comprised of fees related to specified procedures performed over the Corporations internal controls over financial reporting.

APPENDIX 1

Audit Committee Charter

The following is the full text of the Audit Committee's charter (the "Charter") adopted by the Audit Committee (the "Committee") and the Board of Directors of McCoy Global Inc. (the "Corporation") on November 1, 2002, as amended effective September 30, 2011, and March 8, 2016.

A. Mandate

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

- Serve as an independent and objective party to monitor the Corporation's financial reporting and internal control system and review the Corporation's financial statements.
- Review and appraise the performance of the Corporation's external auditors.
- Provide an open avenue of communication among the Corporation's auditors, financial and senior management, and the Board of Directors.

B. Composition

1. The Committee shall be comprised of a minimum of three directors as determined by the Board of Directors, all of whom shall be independent directors, pursuant to the policies of the Toronto Stock Exchange and National Instrument 52-110 - Audit Committees.
2. At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate within a reasonable period of time following appointment to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board on the recommendation of the Human Resources, Compensation & Governance Committee. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

C. Meetings

1. The Committee shall meet at least quarterly, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with management and the external auditors in separate sessions.
2. A quorum for meetings shall be a majority of the Committee members present in person or by telephone or other communication device that permits all persons participating in the meeting to speak and hear each other.
3. Notice of time and place of and an agenda and related materials respecting every meeting shall be given in writing or via electronic communication to each member of the Committee at least 72 hours prior to the time listed for such meeting.
4. The minutes of the Committee meetings shall accurately record the decisions reached and shall be distributed to the Committee members with copies to the Board of Directors, the Chief Financial Officer or such other officer acting in that capacity, and the external auditor. The President & CEO and the Chief Financial Officer shall attend all meetings.

D. Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

1. Documents/Reports Review

- a. Review and update this Charter annually.
- b. Review the Corporation's financial statements, MD&A, and any annual and interim earnings, press releases, and Annual Information Form before the Corporation publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

2. External Auditors

- a. Require the external auditors to report directly to the Committee.
- b. **Oversee the work of the external auditors in preparing or issuing an auditor's report or performing other audit, review, or attest services for the Corporation.**
- c. Resolve any disagreements between management and the external auditors regarding financial reporting of the Corporation.
- d. Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Corporation.
- e. Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Corporation and confirming their independence from the Corporation.
- f. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- g. Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- h. Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval and the compensation of the external auditors.
- i. **Review with management and the external auditors the terms of the external auditors' engagement letter.**
- j. At each meeting, may consult with the external auditors, without the presence of management, about the **quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.**
- k. **Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.**
- l. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- m. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, **provided by the Corporation's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:**
 - i. the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent (5%) of the total amount of revenues paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii. such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and

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

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

3. Financial Reporting Process

- a. In consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external.
- b. Periodically examine the procedures in place for the **review of the issuer's public disclosure of financial information derived from the issuer's financial statements, other than the MD&A and annual and interim profit or loss press releases.**
- c. **Consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.**
- d. **Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management.**
- e. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- f. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- g. Review any significant disagreement among management and the external auditors regarding financial reporting.
- h. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- i. Review the certification process.
- j. Establish procedures for:
 - i. the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
 - ii. the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- k. Adopt specific policies and procedures for the Committee to follow when pre-approving the engagement of external auditors to complete non-audit services for the Corporation, ensuring that:
 - i. such policies and procedures describe in detail the particular non-audit services that may be proposed to be provided;
 - ii. the Committee is informed of each type of non-audit service that the external auditor may provide; and
 - iii. the policies and procedures do not allow the committee to delegate pre-approval of non-audit services to management.

4. Other

- a. Review disclosure of any related-party transactions.

E. Authority

The Committee may:

- a. engage independent outside counsel and other advisors as it determines necessary to carry out its duties;
- b. set and pay the compensation for any advisors employed by the Committee; and
- c. communicate directly with the internal and external auditors.
- d. **The Committee shall have unrestricted access to the Corporation's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.**

APPENDIX 2

Human Resources, Compensation & Governance Committee Charter

The purpose of the HR, Compensation & Governance Committee (the "Committee") is to review, report and make recommendations to the Board on matters of human resources, corporate governance, Board composition, Board succession, the formation and membership of committees, the objectives, performance and compensation of the Chief Executive Officer and other officers, and the content and application of McCoy Global Inc. Business Code of Conduct.

History

Governance Committee

The following is the full text of the Governance Committee's charter adopted by the Governance Committee (the "Committee") and the Board of Directors on March 5, 2001

- Amended Effective March 4, 2018
- Amended Effective March 22, 2012

HR & Compensation Committee

The following is the full text of the HR & Compensation Committee's charter adopted by the HR & Compensation Committee (the "Committee") and the Board of Directors on December 5, 2001

- Amended Effective March 4, 2018
- Amended Effective September 30, 2011, from the Compensation Committee to the HR & Compensation Committee with approval received from the Board.

HR, Compensation and Governance Committee (as amended effective November 8, 2017)

The following is the full text of the HR, Compensation and Governance Committee adopted by the HR, Compensation and Governance Committee on November 8, 2018.

Charter approval on March 7th, 2018, for the merged Committees

A. Mandate

Governance

1. The primary function of the HR, Compensation & Governance Committee (the "Committee") is to assist the Board of Directors with all corporate governance related matters that build and enhance the Board's and the Corporation's effectiveness.

HR and Compensation

The primary function of the HR & Compensation Committee (the "Committee") is to assist the Board of Directors in fulfilling its oversight responsibilities in relation to the Corporation's:

1. Overall compensation and human resource philosophy
2. Appointment, performance, and compensation of the Chief Executive Officer
3. Compensation structure and succession planning for key executive positions
4. Compensation disclosure as per Canadian securities law
5. Share ownership guidelines
6. Key strategic HR issues

B. Composition of the Board and Committees

1. The HR, Compensation and Governance Committee (the "Committee") shall be composed of a minimum of three members of the Board of Directors of the Corporation (the "Board"), all of whom shall be independent directors.

2. Members shall serve one-year terms and may serve consecutive terms, which are encouraged to ensure continuity of experience.
3. The Chairperson shall be a director appointed by the Board for a one-year term and may serve any number of consecutive terms.
4. The Chairperson shall, in consultation with management and the members of the Committee, establish the agenda for the meetings and ensure that properly prepared agenda materials are circulated to the members with sufficient time for study prior to the meeting.
5. The minutes of the Committee meetings shall accurately record the decisions reached and shall be distributed to Committee members with copies to the Board and the Chief Executive Officer, or such other **officer acting in that capacity ("CEO")**.
6. The Committee shall maintain and follow an annual work plan.

C. Meetings

1. The Committee will meet at least three times per year. In addition, the independent directors of the Committee will consider holding regularly scheduled meetings (or holding in-camera sessions at regular Board meetings) at which non-independent directors and members of management are not in attendance. All meetings will be scheduled to permit timely consideration of topics or responsibilities. Additional meetings may be held as deemed necessary by the Chairperson of the Committee or as requested by any member of the Committee.
2. A quorum at meetings of the Committee shall be a majority of the Committee members present in person or by telephone or other communication device that permit all persons participating in the meeting to speak and hear each other.
3. Notice of time and place of and an agenda and related materials respecting every meeting shall be given in writing or via electronic communication to each member of the Committee at least 72 hours prior to the time listed for such meeting.

D. Responsibilities

In respect of Human Resources and Compensation matters, to review and provide recommendations to the Board on the following:

1. Compensation policies and guidelines for supervisory and management personnel of the Corporation and its related entities.
2. Corporate benefits, bonuses, and other incentives, including equity-based compensation.
3. Reviewing and approving corporate goals and objectives relevant to CEO compensation, evaluating the **CEO's performance in light of those corporate goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those corporate goals and objectives and determining the CEO's compensation level based on this evaluation.**
4. Non-CEO officer and director compensation, incentive compensation plans and equity-based plans.
5. The review of executive compensation disclosure before the Corporation publicly discloses such information.
6. Succession plans for the officers and for key employees of the Corporation.
7. Any material changes or trends in human resources policy, procedure, compensation, and benefits.

In respect of Governance matters, to review and provide recommendations to the Board on the following:

1. Develop written corporate governance guidelines and mandate for the Board in which it explicitly acknowledges responsibility for the stewardship of the Corporation and considers (i) measures for receiving feedback from stakeholders and (ii) expectations and responsibilities of directors, including basic duties and responsibilities with respect to attendance at Board meetings and advance review of meeting materials.
2. Develop clear position descriptions for the Chairman of the Board and the Chair of each Board Committee,

and together with the CEO, developing a clear position description for the CEO, which includes delineating **management's responsibilities and developing the corporate goals and objectives that the CEO is responsible for meeting.**

3. Oversee the assessment of the Board, its committees, and each individual director in respect of effectiveness and contribution.
4. **Cause the Board to annually review its definition of an "independent" director.**
5. Develop a comprehensive orientation and continuing education program for all directors.
6. Review aggregate skills and competencies of the Board.
7. Ensure that all members of the Board have been informed of and are aware of their duties and responsibilities as a director of the Corporation.

a) Regulatory Oversight

1. Ensuring compliance by the Board and the Corporation with all applicable securities laws and stock exchange rules.
2. **Develop and monitor the Corporation's general approach to corporate governance issues as they may arise.**
3. Propose changes as necessary from time to time to respond to particular governance recommendations or guidelines from regulatory authorities and ensure that all appropriate or necessary governance systems remain in place and are periodically reviewed for effectiveness.
4. Ensure that the Corporation has in effect adequate policies and procedures to allow the Corporation to meet all of its continuous disclosure requirements.
5. **Develop and monitor the Corporation's policies relating to trading in securities of the Corporation by insiders as well as communication and confidentiality.**

b) Risk Management

1. In conjunction with the Audit Committee, ensure that the Corporation has in effect adequate policies and **procedures to identify and manage the principal risks of the Corporation's business.**
2. Annually reviewing areas of potential personal liability of directors and ensure reasonable protective measures are in place.

c) Corporation Effectiveness

1. Ensure that the vision, values, and strategic direction of the Corporation are reviewed annually including execution by management.
2. Periodically consider the need for special policies of the Corporation, initiated by the Board, in unique or emerging policy areas such as corporate ethics, gender equality, sexual harassment or environmental practices.
3. Develop a written code of business conduct and ethics that is applicable to all directors, officers, and employees of the Corporation.

d) Director Succession Planning

1. Develop and follow a process for identifying, recruiting, and evaluating the potential of new directors.
2. Nominate, to the Board, directors with the appropriate skills and abilities to enable the Board to carry out its responsibilities.

E. Authority

1. The Committee shall be appointed by and report to the Board.

2. The Committee shall have unrestricted access to the Corporation's personnel and documents and will be provided with the resources necessary, including the engagement and compensation of outside advisors, to carry out its responsibilities.

F. Reporting

1. Report, through the Chairperson of the Committee, to the Board following each meeting on the major discussions and decisions made by the Committee.
2. Review the Committee's Charter annually and propose recommended changes to the Board.

APPENDIX 3

Strategy and Capital Allocation Committee Terms of Reference

The following sets forth the terms of reference of the Strategy and Capital Allocation Committee (the “Committee”) of the Board of Directors (the “Board”) of McCoy Global Inc. (“McCoy” or the “Corporation”).

A. Purpose, Mandate and Responsibilities

The purpose, mandate and responsibilities of the Committee shall be as follows:

1. Developing, planning, and assisting the Corporation in attracting a capital structure to support McCoy execute on its Board approved strategic plan.
2. **Overseeing the development and implementation of the Corporation’s investor relations efforts.**
3. **Developing and overseeing the benchmarking of returns on capital in accordance with the Corporation’s strategic plan.**
4. Developing and overseeing Board approved merger and acquisition or divestiture initiatives (collectively, “M&A”) from time to time, including evaluating inquiries relating thereto, and, in connection therewith, undertake and (or) oversee (any or all of) the following:
 - i. seek out, review, consider and evaluate strategic alternatives available to the Corporation and its subsidiaries, including but not limited to a business combination, restructuring, asset disposition or **purchase and (or) sale of all the issued shares of the Corporation (each a “Potential Transaction”);**
 - ii. conduct and carry out such investigations in relation to any Potential Transaction as the Committee may consider necessary or advisable;
 - iii. supervise the negotiation of the terms of any Potential Transaction or the response of the Corporation to any Potential Transaction;
 - iv. review, consider and evaluate the documents which management of the Corporation may propose to enter into in respect of any Potential Transaction;
 - v. supervise the preparation of any valuations or other opinions as to the fairness of any Potential Transaction, and any other financial matters in respect thereof, as the Committee may consider necessary or advisable, and instruct any financial advisor as to the type and form of valuations and opinions required or requested by the Committee and (or) the Board;
 - vi. ensure that shareholders of the Corporation are provided with sufficient information with respect to any Potential Transaction and the business and affairs of the Corporation so as to enable them to make an informed decision with respect to any Potential Transaction, including review and comment upon, in the course of preparation thereof, all circulars or documents mailed or delivered by the **Corporation to the Corporation’s shareholders in connection with any Potential Transaction and any documents entered into by the Corporation in connection with any Potential Transaction and, in particular, to approve those portions of such circulars or documents which pertain to the Committee, any valuation, fairness opinion or other opinions provided to the Committee and the recommendations of the Committee to the Board;**
 - vii. consider such other matters as the Committee shall determine to be necessary or advisable in order to report to the Board with respect to any Potential Transaction;
 - viii. report and make such recommendations to the Board with respect to any Potential Transaction as the Committee considers necessary or advisable, including whether, in the opinion of the Committee, any Potential Transaction is in the best interests of the Corporation (such reporting and recommendations to be as soon as practicable following the receipt by the Committee of all relevant information pertaining to any Potential Transaction) and, in connection with any report of the Committee to the Board in respect of any Potential Transaction, the Committee shall provide its recommendation as to whether the Board should approve such Potential Transaction, or if the

approval of any Potential Transaction requires approval or other action by the shareholders of the Corporation, to provide its recommendation that the shareholders accept or reject any Potential Transaction and the full reasons for making such recommendation, or if the Committee determines that the Board should not make a recommendation to the shareholders, the reasons therefor, with the Board to give appropriate weight to the Committee's recommendations with respect to any Potential Transaction and to take such steps that may be necessary or advisable to ensure that recommendations of the Committee are communicated to the shareholders of the Corporation, if required or thought advisable by the Board, in a manner acceptable to the Committee;

- ix. undertake such other matters as the Committee may consider necessary or advisable so as to allow the Board to comply with its duties and obligations under applicable corporate and securities legislation, regulations, and policies in respect of a Potential Transaction.; and
 - x. do such other acts and carry out such other duties as the Committee considers necessary or advisable in respect of any Potential Transaction.
5. Overseeing the acquisition and deployment of resources to effectively model and evaluate the Corporation's strategic plan and M&A activity.
 6. Assisting McCoy's management on identifying M&A opportunities within identified areas of focus of McCoy.
 7. Assisting McCoy's management with product commercialization plans for new Board approved products.
 8. **Assisting the Human Resources, Compensation & Governance Committee ("HRC&G Committee") and Chief Executive Officer of the Corporation ("CEO") in revising the Corporation's compensation plans from time to time.**
 9. Assisting the Chair of the HRC&G Committee with planning for strategic planning sessions of the Corporation.
 10. Assisting with (including developing and (or) implementing) any other projects or initiatives as specified from time to time in consultation with the Board Chair and CEO.
 11. Reporting to the Board from time to time on the activities of the Committee as the Committee considers appropriate or desirable including in order to keep the Board informed of any Potential Transaction or other course of action or activities.

The Committee shall be permitted to consult, and enter into such discussions with, the Board, management, professional advisors of the Corporation and such other professional advisors, including its own separate financial and other advisors, as the Committee may consider necessary or advisable from time to time in relation to these Terms of Reference.

B. Powers

1. The Committee shall have the power to execute the purpose, mandate and responsibilities of the Committee including, without limitation, to:
 - xi. engage, at the expense of the Corporation, such professional advisors as the considers appropriate, including financial, legal, technical, communications and accounting advisors and consultants (any of which advisors, in the discretion of the Committee, may also be advisors to the Corporation or to the Board, or any other committee thereof), and to direct any advisor to the Corporation or the Board to report directly to the Committee;
 - xii. as appropriate, advise the Board with respect to any matters or issues of concern to the Committee including in connection with any Potential Transaction, that the Committee considers necessary or advisable;
 - xiii. direct management to issue press releases at such times and containing such information as the Committee considers necessary or advisable;
 - xiv. authorize and approve such documents and agreements as may be necessary for the proper performance by the Committee of its responsibilities, including, without limitation, the terms of any compensation, engagement, or indemnification agreements with the financial and professional

advisors to the Committee and to direct the management of the Corporation with respect to the execution and delivery of same;

- xv. direct management of the Corporation and the professional advisors to the Corporation in such manner as the Committee may consider necessary or advisable for the proper performance by the Committee of its responsibilities, including, without limitation, the provision of information to the Committee or its advisors concerning the business and affairs of the Corporation or other matters relating to any Potential Transaction or other activities of the Committee;
- xvi. determine whether and on what terms information (including confidential information) relating to the Corporation and access to management of the Corporation should be made available to third parties, and to approve or ratify the terms of any confidentiality agreement to be entered into with such person, and to direct management of the Corporation with respect to the execution and delivery of same;
- xvii. do such other acts and carry out such other duties as the Committee considers necessary or advisable to execute the purpose, mandate, and responsibilities of the Committee.

C. Eligibility of Membership

- 1. The Committee shall be comprised of three directors, or such other number of directors as may be determined by the Board from time to time, a majority of whom are not officers or employees of the Corporation and are unrelated, independent directors of the Corporation.

D. Structure and Operations

- 1. **The Committee shall appoint a chairman (the "Chairman") by majority vote at its first meeting, or by consent** resolution of all of its members. The Committee shall meet at such times and places as are determined by the Chairman; provided that meetings may be called when considered necessary or desirable by any member of the Committee or its Chairman. The Committee shall govern its affairs by a majority vote.
- 2. The Committee may request, subject to confidentiality considerations, any officer or employee of McCoy or **the Corporation's outside counsel, independent** auditors, or other consultants to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. Members of the Committee may participate in a meeting of the Committee by means of conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other.
- 3. The Chairman shall establish quorum requirements and rules for the calling, holding, and recording of meetings and the nomination and appointment of replacement members. In the event of the resignation, death, or inability to serve of any member of the Committee, the Board may appoint another director as a replacement representative.
- 4. If any member of the Committee is not in agreement as to the recommendation to be set out in any report of the Committee, such disagreement and the reasons for such disagreement shall be set out in the report of the Committee.
- 5. All expenses of the Committee including, without limitation, the fees and expenses of all advisors engaged by the Committee, shall be borne by the Corporation. Members of the Committee shall be entitled to fees for participation on the Committee in accordance with the policies of the Corporation for Board committee participation in effect from time to time.