



**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON
FEBRUARY 10, 2026
AND MANAGEMENT INFORMATION CIRCULAR
TSX: TVK**

January 7, 2026

TERRAVEST INDUSTRIES INC.
NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF THE CORPORATION

TerraVest Industries Inc. (the “**Corporation**” or “**TerraVest**”) will hold its annual and special meeting (the “**Meeting**”) of shareholders of the Corporation (the “**Shareholders**”) on Tuesday, February 10, 2026 at 8:30 a.m. (Eastern time) at the offices of McCarthy Tétrault LLP, 66 Wellington Street West, Suite 5300, TD Bank Tower, Toronto, Ontario, M5K 1E6, for the following purposes:

1. to receive the Corporation’s consolidated financial statements for the year ended September 30, 2025, together with the auditor’s report on those statements;
2. to elect each Director of the Corporation for the ensuing year;
3. to appoint the auditor of the Corporation for the ensuing year and to authorize the Directors to fix the auditor’s remuneration;
4. to consider and, if deemed advisable, pass, with or without validation, the resolution set forth in Appendix “C” of the accompanying management information circular (“**Circular**”), approving the amendment to the Corporation’s deferred share unit plan (the “**DSU Plan**”) to clarify the treatment of dividends on common shares of the Corporation (the “**Shares**”) under the DSU Plan; and
5. to transact any other business properly brought before the Meeting and at any and all adjournments thereof.

The Circular contains more information regarding these matters. The Corporation’s financial statements for the year ended September 30, 2025 are filed on SEDAR+ at www.sedarplus.ca, or are available, free of charge, to Shareholders upon request.

The Directors have fixed the close of business on January 2, 2026 as the record date for the determination of Shareholders entitled to notice of and to vote at the Meeting and only Shareholders of record on such date are entitled to vote on these matters at the Meeting.

The Meeting will be limited to Registered Shareholders and duly appointed proxyholders only. Shareholders are strongly encouraged to exercise their right to vote by dating, signing and returning the enclosed form of proxy to Odyssey Trust Company, Attn: Proxy Dept. 1100 – 67 Yonge St, Toronto ON M5E 1J8, so as to arrive no later than 8:30 a.m. (Eastern time) on Friday, February 6, 2026.

You may also vote through the internet at <https://login.odysseytrust.com/pxlogin>. If voting on the internet, please follow the instructions carefully and ensure that you have your proxy in hand as you will be required to enter the 12-digit control number located on your proxy above your name.

Vegreville, Alberta
January 7, 2026

By Order of the Directors

(signed)
Guillaume Cloutier
Chief Financial Officer

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MANAGEMENT INFORMATION CIRCULAR

All information in this management information circular (the “Circular”) is dated as at January 7, 2026 unless otherwise stated.

SOLICITATION OF PROXIES

This Circular and the accompanying form of proxy are for use at TerraVest Industries Inc.’s (the “Corporation’s” or “TerraVest’s”) annual meeting (the “Meeting”) of shareholders (“Shareholders”) and any adjournments or postponements thereof for the purposes described in the accompanying notice of Meeting. The Meeting is scheduled for 8:30 a.m. (Eastern time) on Tuesday, February 10, 2026 at the offices of McCarthy Tétrault LLP, 66 Wellington Street West, Suite 5300, TD Bank Tower, Toronto, Ontario, M5K 1E6.

The Meeting will be limited to Registered Shareholders and duly appointed proxyholders only. Shareholders are strongly encouraged to exercise their right to vote by dating, signing and returning the enclosed form of proxy to Odyssey Trust Company, Attn: Proxy Dept. 1100 – 67 Yonge St, Toronto ON M5E 1J8, so as to arrive no later than 8:30 a.m. (Eastern time) on Friday, February 6, 2026.

You may also vote through the internet at <https://login.odysseytrust.com/pxlogin>. If voting on the internet, please follow the instructions carefully and ensure that you have your proxy in hand as you will be required to enter the 12-digit control number located on your proxy above your name.

Proxies are being solicited on behalf of management of the Corporation. Proxies will be primarily solicited by mail, but may also be solicited by electronic means, by telephone or in person. The Corporation may retain, if determined advisable, an agency to solicit proxies for the Corporation. The Corporation is bearing the costs associated with this solicitation.

Each common share (a “Share”) of the Corporation outstanding on January 2, 2026 (the “Record Date”) is entitled to one vote at the Meeting.

Quorum

A quorum is required in order to transact business at the Meeting. Quorum for the Meeting is two persons entitled to vote present in person either holding personally or representing by proxy not less in aggregate than 10% of the issued and outstanding Shares.

Registered Shareholders - Appointment and Revocation of Proxies

You are a registered Shareholder if your Shares are held in certificate form in your name (a “Registered Shareholder”). If you are a Registered Shareholder you can vote your Shares:

1. in person at the Meeting; or
2. by signing the enclosed form of proxy.

If you are not a Registered Shareholder, in order to vote your Shares, you must follow the steps described in the next section below entitled “Non Registered (Beneficial) Shareholders – Appointment and Revocation of Proxies”.

If you are a Registered Shareholder and you complete, date, sign and return the enclosed proxy as described below, you give authority to the individuals named in the proxy, or an individual of your choosing, to attend, vote and act on your behalf at the Meeting.

The individuals named in the enclosed form of proxy are directors of the Corporation (the “Directors”). **You have the right to appoint a person of your choice, who does not need to be a Shareholder, to represent you and to**

attend and act on your behalf at the Meeting. If you wish to appoint someone other than the individuals listed in the enclosed proxy, please insert the name of the other person you wish to appoint in the space provided in the proxy for that purpose.

To be valid, you must date and sign your proxy and it must be received by Odyssey Trust Company, Attn: Proxy Dept. 1100 – 67 Yonge St, Toronto ON M5E 1J8 before 8:30 a.m. (Eastern time) on Friday, February 6, 2026. You may also vote through the internet at <https://login.odysseytrust.com/pxlogin>. If voting on the internet, please follow the instructions carefully and ensure that you have your proxy in hand as you will be required to enter the 12-digit control number located on your proxy above your name and address. If the Meeting is adjourned or postponed, the proxy must be signed and received by Odyssey Trust Company before 8:30 a.m. (Eastern time) on the second business day before the adjourned Meeting.

After you or your attorney, duly authorized in writing, have signed and returned a proxy to Odyssey Trust Company, you may revoke your proxy:

1. by you or your attorney, duly authorized in writing, completing, dating and signing a new proxy or written statement with a date later than the previous proxy and delivering it to:
 - (a) Odyssey Trust Company in the manner described above; or
 - (b) to the Corporation's registered office before the end of business on the day before the Meeting or any subsequent adjournments or postponements; or
 - (c) the chairman of the Meeting before the start of the Meeting or before any adjournments or postponements; or
2. in any other manner permitted by law.

Non-Registered (Beneficial) Shareholders - Appointment and Revocation of Proxies

Only proxies deposited by Registered Shareholders can be recognized and acted upon at the Meeting. If your Shares are held in the name of a nominee, such as a bank, trust company, securities broker, trustee (including TFSA, RRSP, RRIF, FHSA or RESP trustee) or other financial institution, you are considered a beneficial Shareholder (a "**Beneficial Shareholder**").

Shares held by a nominee can only be voted according to the instructions of the Beneficial Shareholder. Regulatory policy requires nominees to seek voting instructions from Beneficial Shareholders in advance of Shareholder meetings. If you receive a proxy or voting information form from your nominee, you cannot use that proxy or voting information form to vote your Shares directly at the Meeting.

If you are a Beneficial Shareholder, there are two ways that you can vote your Shares:

1. by providing, well in advance of the Meeting, voting instructions to your nominee who will have sent you either a request for voting instructions or a form of proxy for the number of Shares you hold. You should carefully follow your nominee's procedures and return instructions to ensure that your Shares are voted at the Meeting; or
2. by attending the Meeting. However, as the Corporation generally does not have access to the names of non-Registered Shareholders, if you want to attend the Meeting in person, you must have your nominee appoint you as its proxyholder in respect of your Shares. Only after having been validly appointed as a proxyholder will you be able to vote your Shares at the Meeting. If you plan to vote in this manner, contact your nominee to determine what documentation you need to complete in order to be appointed a proxyholder and, upon your arrival at the Meeting, you will need to register with Odyssey Trust Company.

A Beneficial Shareholder who wishes to revoke a proxy should follow any revocation instructions set forth on the form of proxy or voting instruction form provided to them by their intermediary or its agent.

A Beneficial Shareholder who wishes to appoint some other person as his or her representative at the Meeting should strike out the names of the designated proxyholders in the form of proxy or voting instruction form provided by their intermediary or agent and enter the name(s) of the person(s) to be appointed as representatives at the Meeting in the blank space on the form of proxy or voting instruction form provided to them and return the same to their intermediary or agent well in advance of the Meeting in accordance with the instructions provided by such intermediary or agent.

Voting of Shares Represented by Management Proxies

Unless you specify another individual, the enclosed form of proxy gives authority to two named individuals, who are representatives of the Corporation, to vote or withhold from voting your Shares at the Meeting according to your instructions on any ballot that may be called for and, if you specify on your proxy how you want your Shares to be voted on a particular matter, the proxyholder will vote your Shares that way. **In the absence of specific instructions, the representatives of the Corporation will vote in favour of the matters set forth herein.** The form of proxy also gives the representatives of the Corporation discretionary authority to vote on other matters that properly come before the Meeting.

Interests of Certain Persons or Companies in Matters to be Acted Upon

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any Director or executive officer holding such positions at any time since the beginning of the Corporation's last financial year, or proposed nominee for election as Director or any associate or affiliate of such persons in matters to be acted upon at the Meeting other than the election of directors and the approval of the amendment to the DSU Plan.

Interest of Informed Persons in Material Transactions

Other than as set forth in this Circular, the Corporation is not aware of any material interest, direct or indirect, of any informed person of the Corporation (as such term is defined under applicable securities laws), any proposed nominee for election as Director of the Corporation, or any associate or affiliate of any of the foregoing, in any transaction since the commencement of the Corporation's most recently completed financial year or any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

Particulars of Matters to be Acted on at the Meeting

The matters to be placed before the Meeting are the matters set forth in the notice of Meeting as further described below.

Election of Directors

Unless you specify otherwise by proxy or by ballot, the representatives of the Corporation designated in the form of proxy intend to vote **FOR** the election as Directors of each of Charles Pellerin, Blair Cook, Dale Laniuk, Dustin Haw, Rocco Rossi and Mick MacBean. For further information, please refer to "Election of Directors" below.

Appointment of Auditor

It is proposed that (i) KPMG LLP be appointed as the Corporation's auditor to hold office until the next annual meeting of Shareholders; and (ii) the Directors be authorized to fix the remuneration to be paid to the auditors of the Corporation. KPMG LLP was first appointed as the Corporation's auditors on September 30, 2023.

Unless you specify otherwise by proxy or by ballot, the representatives of the Corporation designated in the form of proxy intend to vote **FOR** the appointment of KPMG LLP as the Corporation's auditor to hold office until the close of the next annual Shareholders' meeting and the authorization of the Directors to set remuneration for the year for KPMG LLP.

Special Business – DSU Plan Amendment Resolution

At the February 11, 2025 meeting of Shareholders, a deferred share unit plan (the "**DSU Plan**") to grant deferred share units ("**DSUs**") to directors ("**DSU Plan Participants**") was approved.

The Board has approved, subject to Shareholder approval at the Meeting, an amendment to the DSU Plan to provide that if and when dividends in cash are paid on Shares, DSU Plan Participants will be credited with dividend equivalents in respect of DSUs held to each of them (the "**DSU Plan Amendment**"). The DSU Plan Amendment increases alignment between the Board and the Shareholders.

An ordinary resolution (the "**DSU Plan Amendment Resolution**") will be placed before the Shareholders to ratify, approve and authorize the DSU Plan Amendment. The Board considers the approval of the DSU Plan Amendment Resolution to be appropriate and in the best interests of the Corporation. Accordingly, unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Shares represented by such form of proxy, properly executed, **FOR** the approval of the DSU Plan Amendment.

The full text of the DSU Plan Amendment Resolution is set out in Appendix "C" hereto.

Other Business

As at the date of this Circular, management of the Corporation is not aware of any amendments or variations or other matters to come before the Meeting.

INFORMATION RESPECTING TERRAVEST INDUSTRIES INC.

General

The Corporation was formed pursuant to a plan of arrangement (the "**Arrangement**") under the *Business Corporations Act* (Alberta) on October 31, 2012. Pursuant to the Arrangement, the predecessor to the Corporation, TerraVest Income Fund (the "**Fund**"), an unincorporated, open-ended, limited purpose, mutual fund trust established under the laws of Alberta pursuant to a declaration of trust dated May 3, 2004, was converted into a corporation called TerraVest Capital Inc. On February 12, 2018, shareholders approved and authorized an amendment to TerraVest's articles to change the name of "TerraVest Capital Inc." to "TerraVest Industries Inc." The name change was effective on February 21, 2018, and TerraVest began trading under the new name effective at the start of trading on February 28, 2018.

TerraVest's head office is 6205 60 Street in Vegreville, Alberta, Canada T9C 1P7 and its registered office is 2900, 10180 – 101 Street, Edmonton, Alberta, T5J 3V5.

Authorized Share Capital

The Corporation currently has one class of Shares issued and outstanding that entitles holders thereof to vote at the Meeting. The Corporation is entitled to issue an unlimited number of Shares. Each Share outstanding at the Record Date is entitled to one vote at the Meeting.

Shares and the Principal Holders

As at January 7, 2026, the Corporation had 21,685,695 Shares issued and outstanding. To the knowledge of the Corporation, no person beneficially owns, directly or indirectly, or controls or directs more than 10% of the outstanding Shares other than as described below:

NAME OF HOLDER	NUMBER OF SHARES HELD DIRECTLY OR INDIRECTLY	PERCENTAGE OF AGGREGATE OUTSTANDING SHARES
Charles Pellerin ⁽¹⁾⁽²⁾	3,413,000	15.7%
Fidelity Investments Canada ULC ⁽³⁾	2,342,000	10.8%

Notes:

- (1) As reported by Charles Pellerin.
- (2) Shares owned by Charles Pellerin, 9162-2803 Quebec Inc., 9202-2599 Quebec Inc. and Société Alexco S.E.N.C.
- (3) As reported by Fidelity Investments Canada ULC.

GOVERNANCE

Under rules adopted by Canadian securities regulatory authorities, the Corporation is required to disclose information relating to its governance. A discussion of the Corporation's governance system within the context of National Instrument 58-101 – Disclosure of Corporate Governance Practices ("**NI 58-101**") is attached to this Circular as Appendix "A".

Relationship Between the Directors and Management

The Directors have in place appropriate structures to ensure that they can function independently of management. The primary responsibility of the Chair is to oversee the Directors' discharge of their responsibilities. Charles Pellerin is the current Chair of the Board of Directors.

The Chief Executive Officer of the Corporation is responsible for the day-to-day administration and management of the Corporation and its subsidiaries. The Directors or a committee thereof make all major policy decisions relating to the Corporation and its subsidiaries.

As applied to a Director herein, "**independent**", except with reference to the Audit Committee, has the meaning ascribed to such term in respect of a director of an issuer in sections 1.4 and 1.5 of National Instrument 52-110 – Audit Committees ("**NI 52-110**") and as may subsequently be in effect from time to time or any successor policy thereto and includes having no direct or indirect material relationship with the Corporation, where a "material relationship" is a relationship which could, in the view of the Directors, reasonably interfere with the exercise of such Director's independent judgement. Members of the Audit Committee are required to be independent in accordance with subsection 3.1(3) of NI 52-110.

Committees

The board of Directors has two committees: (i) the Governance and Nominating Committee; and (ii) the Audit Committee. A discussion of the governance structure of the Corporation and its subsidiaries is provided in Appendix "A" to this Circular.

Information in respect of the Audit Committee, the members of the Audit Committee, the charter of the Audit Committee and certain information regarding the audit fees paid in the 2025 and 2024 fiscal years is contained in the Corporation's annual information form dated December 10, 2025 (the "**AIF**"), under "Audit Committee" and in the Appendix to the AIF, which is incorporated by reference herein. A copy of the AIF may be found on SEDAR+ at www.sedarplus.ca, and, upon request, the Corporation will promptly provide a copy of such document free of charge to a Shareholder.

ELECTION OF DIRECTORS

At the Meeting, Shareholders will be asked to elect each nominee as a Director. The election of each individual Director will be effected by an ordinary resolution approved by a majority of the votes cast at the Meeting.

In the absence of contrary instructions, the representatives of the Corporation named in the form of proxy intend to vote **FOR** each of the nominees to be elected by the Shareholders listed below. Each of the listed nominees is currently a Director. Management of the Corporation believes that each of the listed nominees will be able to serve as a Director but, if for any reason before the Meeting, a nominee is unable to serve as a Director, the persons named in the form of proxy have the discretion to vote for another nominee at the Meeting. Each elected or appointed Director will hold office until the next annual general meeting or until a successor is duly elected or appointed.

The following table sets forth, for each Director nominated, the name, municipality of residence and principal occupation during the last five years and the number of Shares beneficially owned or controlled.

NAME AND MUNICIPALITY OF RESIDENCE	DIRECTOR SINCE	PRINCIPAL OCCUPATION	AGGREGATE NUMBER OF SHARES OWNED DIRECTLY OR INDIRECTLY OR OVER WHICH CONTROL OR DIRECTION IS EXERCISED AS OF THE DATE HEREOF ⁽¹⁾
Charles Pellerin Victoriaville, Quebec, Canada	February 15, 2014	Principal Partner and President of Pellerin Potvin Gagnon S.E.N.C.R.L. Charles is the owner of several privately owned manufacturing businesses and owns residential, commercial and industrial properties throughout North America. Since 2009, Charles has been a board member of Clarke Inc. (TSX:CKI). In addition, he has been the Executive Chairman of TerraVest (TSX:TVK) since 2014, when TerraVest acquired one of Charles's manufacturing companies. He is also a board member of Calfrac Well Services Ltd (TSX:CFW) (since May 2022).	3,413,000
Blair Cook Halifax, Nova Scotia, Canada	October 31, 2012	Blair Cook is a partner at Executive Finance Partners Inc., a thought leadership consulting firm serving the office of the CFO. He is also Senior Director at Diamond Willow Advisory, a strategic debt advisory firm. He was CFO of Mara Renewables Corporation for 6 years, a company developing sustainable sources of Omega 3s and renewable bio-diesel fuel and was formerly CFO of Horizon Maritime, a marine asset and management company for almost 3 years. Mr. Cook serves on the Board of Clarke Inc. (TSX:CKI).	6,085
Dustin Haw Toronto, Ontario, Canada	June 18, 2014	President and CEO of TerraVest. He is responsible for operations, acquisitions and other strategic initiatives. Prior to TerraVest, Mr. Haw was Vice President of Investments at Clarke Inc. (TSX:CKI) – a publicly traded investment company with a focus on distressed investments. Mr. Haw holds a PhD in Physics from the University of Western Ontario and the Chartered Financial Analyst designation.	175,889
Dale H. Laniuk Vegreville, Alberta, Canada	October 31, 2012	Retired investor and corporate director; President and CEO of TerraVest from 2012 to 2015; President and CEO of TerraVest Industries Inc. in 2012; Non-executive Chair of TerraVest Income Fund from 2009 to 2011 with executive responsibility for Processing Equipment.	2,000,000

NAME AND MUNICIPALITY OF RESIDENCE	DIRECTOR SINCE	PRINCIPAL OCCUPATION	AGGREGATE NUMBER OF SHARES OWNED DIRECTLY OR INDIRECTLY OR OVER WHICH CONTROL OR DIRECTION IS EXERCISED AS OF THE DATE HEREOF ⁽¹⁾
Rocco Rossi Toronto, Ontario, Canada	October 31, 2012	Mr. Rossi currently serves on the Board of Directors of the Canada EU Trade and Investment Association (“CEUTIA”). Mr. Rossi was CEO of the Ontario Chamber of Commerce representing the interests of over 60,000 businesses big and small for 6 years. He was formerly for 5 years the CEO of Prostate Cancer Canada which was ranked by the Financial Post as one of the top 3 health charities in Canada in terms of efficiency and financial transparency in 2017.	20,000
Michael (Mick) MacBean Calgary, Alberta, Canada	May 2, 2017	Mick is a Senior Managing Director at TriWest Capital Partners. Prior to joining TriWest, Mick was a founder and CEO of Diamond Energy Services, a Saskatchewan-based energy services firm. Mick successfully operated Diamond from 1998 to 2010. Prior to Diamond, Mick was employed at ARC Financial Corporation, a Calgary-based merchant banking and private equity firm. Mick holds a Bachelor of Commerce degree from the University of Saskatchewan and is a Chartered Professional Accountant and a Chartered Director. Mick also currently serves on the Board of Directors of a number of private companies.	5,004

Note:

- (1) Information provided by nominee, such information not being within the knowledge of the Corporation.

To the knowledge of the Corporation, except as disclosed below:

1. no proposed nominee is at the date hereof, or has been within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company that:
 - (a) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation (an “**Order**”) that was in effect for more than 30 consecutive days while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (b) was subject to an Order that was issued after the proposed director ceased to be a director or chief executive officer or chief financial officer and which resulted from an event which occurred while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer;
2. no proposed nominee is, as at the date hereof, or has been within 10 years before the date hereof, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; and
3. no proposed nominee has within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets.

Majority Voting Policy for Directors

To ensure accountability to the Shareholders and in accordance with the Toronto Stock Exchange (the “**TSX**”) rules, the Board has adopted a majority voting policy. Under this policy, in an uncontested election of Directors, any nominee who receives a greater number of “withheld” votes than “for” votes will tender his or her resignation following certification of the Shareholder vote. The Governance and Nominating Committee will consider the resignation and recommend to the Board whether or not to accept the resignation. The Board expects that resignations will be accepted except in situations where extenuating circumstances would warrant the applicable Director to continue to serve on the Board. The Board’s decision and process will be publicly disclosed by news release, which will be filed on SEDAR+ at www.sedarplus.ca.

Equity Compensation Plan Information

The following information is provided as of September 30, 2025 with respect to compensation plans under which equity securities of the Corporation are authorized for issuance. The current stock option plan of the Corporation was approved, as amended, by Shareholders at the meeting of Shareholders held on February 9, 2022, for a period of three (3) years, and subsequently renewed at the meeting of Shareholders held on February 11, 2025 (the “**Current Plan**”), and is available on the Corporation’s SEDAR+ profile at www.sedarplus.ca. At the February 11, 2025 meeting of Shareholders, the DSU Plan was also approved, and is available on the Corporation’s SEDAR+ profile at www.sedarplus.ca.

PLAN CATEGORY	NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS (A)	WEIGHTED-AVERAGE EXERCISE PRICE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS (B)	NUMBER OF SECURITIES REMAINING AVAILABLE FOR FUTURE ISSUANCE UNDER EQUITY COMPENSATION PLANS (EXCLUDING SECURITIES REFLECTED IN COLUMN (A)) (C)⁽¹⁾
Equity compensation plans approved by security holders	616,500	\$28.00	1,552,070 ⁽²⁾
Equity compensation plans not approved by security holders	Nil	N/A	Nil
Total	616,500	\$28.00	1,552,070

Notes:

- (1) Up to 10% of the Shares issued and outstanding from time to time may be reserved for issuance pursuant to Options granted under the Current Plan and DSUs granted under the DSU Plan. See “Equity Information Compensation Plan Information – Current Plan Terms” and “Equity Information Compensation Plan Information– DSU Plan Terms” for further information.
- (2) Representative of approximately 7.16% relative to the issued and outstanding Shares.

Current Plan Terms

The following is a summary of the terms of the Current Plan, and is qualified in its entirety by reference to the full text of the Current Plan.

Administration

The Current Plan is administered by the Directors. The Directors have the power to establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of the Current Plan.

Eligibility

Options may be granted under the Current Plan to any officer or other senior management employee of the Corporation or any subsidiary or affiliate of the Corporation or a corporation controlled by such persons (collectively, “**Eligible Persons**”). Options are not assignable or transferrable except as provided for in the Current Plan, which allows for limited circumstances whereby the personal representatives, heirs or legatees may exercise the Options upon the death of the holder of the Options (see the section entitled “Retirement; Resignation; Death, Etc.” below for a description of these circumstances).

Shares Subject to the Current Plan

The maximum number of aggregate Shares that may be subject to Options under the Current Plan and DSUs under the DSU Plan is 10% of the Shares issued and outstanding from time to time. The Current Plan is considered a “rolling maximum plan”, since the number of Shares that may be reserved for issuance pursuant to the Current Plan may increase from time to time as the number of issued and outstanding Shares increases.

No fractional Shares may be purchased or issued under the Current Plan. In no event shall: (a) the aggregate number of Shares issuable under the Current Plan and any of the Corporation’s other security based compensation arrangements (including, without limitation, the DSU Plan) to Insiders exceed 10% of the Shares then issued and outstanding; (b) Insiders be issued, pursuant to the Current Plan and any of the Corporation’s other security based

compensation arrangements (including, without limitation, the DSU Plan), within any one year period, a number of Shares which exceeds 10% of the Shares then issued and outstanding; and (c) any one Insider be issued, pursuant to the Current Plan and any of the Corporation's other security based compensation arrangements (including, without limitation, the DSU Plan), within any one-year period a number of Shares which exceeds 5% of the Shares then issued and outstanding. For the purposes of this summary of the Current Plan, "Insider" has the meaning given to such term in the TSX Company Manual, as may be amended from time to time, for the purposes of Section 613 of the TSX Company Manual.

Terms of Options

Unless otherwise determined by the Directors, the price at which Shares may be purchased under an Option (the "**Option Price**") shall be equal to the volume weighted average trading price of the Shares on the TSX for the five (5) trading days immediately preceding the date that the Option is granted by the Directors (the "**Market Price**"). The Option Price will be fixed for the term of an Option, and in no event shall the Option Price be less than the Market Price of the Shares on the date that the Option is granted by the Directors (the "**Grant Date**"). Unless otherwise determined by the Directors, the period in which the holder of an Option may exercise an Option (the "**Option Period**") shall be ten (10) years from the Grant Date, provided that in the event that the Option Period should end within a blackout period in which Eligible Persons cannot trade securities of the Corporation pursuant to the Corporation's policies on trading restrictions, or within the nine (9) business days following the expiry of such blackout period, the Option Period will end on the date which is ten (10) business days after the expiry of such blackout period. Unless otherwise determined by the Directors, each Option shall become exercisable in respect of 33⅓% of the Shares subject to such Option after each anniversary of the Grant Date (i.e. 33⅓% of such Shares after each of the first, second and third anniversaries of the Grant Date).

In lieu of a holder making payment by cash or cheque for the Option Price of the Shares then being purchased, the holder may make payment in full by way of a cashless exercise in accordance with such procedures as may be determined by the Board from time to time.

Retirement; Resignation; Death, Etc.

If before the expiry of an Option, the holder of an Option becomes qualified for retirement from his office or employment with the Corporation and any subsidiary or affiliate, the Option granted to such holder shall be exercisable by the holder until the earlier of: (i) the expiration date of the Option; and (ii) the end of the thirty-six (36) month period which commences on the date the holder retired; to the same extent that the Option would have otherwise been exercisable by such holder during such period (unless the Directors determine otherwise). After such period, the Option and all rights of the holder shall immediately expire and terminate.

If before the expiry of an Option, the holder of an Option dies, the Option granted to such holder shall be exercisable by the personal representatives, heirs or legatees of the deceased holder until the earlier of: (i) the expiration date of the Option; and (ii) the end of the one hundred and eighty (180) day period which commences on the date of the holder's death; to the same extent that the Option would otherwise have been exercisable by such holder during such period (unless the Directors determine otherwise). After such period, the Option and all rights of the holder thereunder shall immediately expire and terminate.

If before the expiry of an Option, the holder of an Option qualifies for benefits under the Corporation's long-term disability plan ("**LTD**"), the Option granted to such holder shall be exercisable by the holder until the earlier of: (i) the expiration date of the Option; and (ii) the end of the one hundred and eighty (180) day period which commences on the date that the holder became eligible for benefits under the LTD; to the same extent that the Option would have otherwise been exercisable by such holder during such period (unless the Directors determine otherwise). After such period, the Option and all rights of the holder thereunder shall immediately expire and terminate.

If before the expiry of an Option the holder of an Option resigns from his office or employment with the Corporation and any subsidiary or affiliate, the Option granted to such holder shall be exercisable by the holder until the earlier of: (i) the expiration date of the Option; and (ii) the end of the thirty (30) day period which commences on the date

the holder tenders his resignation; to the same extent that the Option would have otherwise been exercisable by such holder prior to the date of such resignation (unless the Directors determine otherwise). For certainty, during such thirty (30) day period, the Option shall only be exercisable in respect of those Shares for which the Option would have otherwise been exercisable during such thirty (30) day period. After the period when the Option may be exercised, the Option and all rights of the holder thereunder shall immediately expire and terminate.

If before the expiry of an Option, the holder's employment or office with the Corporation and any subsidiary or affiliate is terminated by the Corporation or any such subsidiary or affiliate for cause, the Option granted to such holder and all rights of the holder thereunder shall expire and terminate effective the date that the holder's employment or office is terminated (unless the Directors determine otherwise).

Unless otherwise determined by the Board and provided for in the applicable option agreement, if before the expiry of an Option, the holder's employment or office with the Corporation and any subsidiary or affiliate is terminated by the Corporation or any such subsidiary or affiliate without cause, the Option granted to such holder shall be exercisable by the holder until the earlier of: (i) the expiration date of the Option; and (ii) the end of the ninety (90) day period which commences on the effective date that the holder's employment or office is terminated without cause. During such period, the Option shall be exercisable in respect of all Shares for which the Option would have been exercisable during the notice or severance period provided by the Corporation. After such period, the Option and all rights of the holder thereunder shall immediately expire and terminate.

Amendments to, or Discontinuance of, the Current Plan

The Current Plan includes provisions which allow the Corporation to make such amendments to outstanding Options that are appropriate to prevent dilution or enlargement of the rights granted under Options issued under the Current Plan, or to account for the reclassification, reorganization or other changes to the Shares, or to account for the consolidation, merger or amalgamation of the Corporation.

Subject to any required approval of any regulatory authority or the TSX, the Directors may at any time or from time to time suspend, terminate or discontinue the Current Plan provided that without the consent of the Option holders, such suspension, termination or discontinuance may not in any manner adversely affect the rights under any Options previously granted under the Current Plan.

Subject to any required approval of any regulatory authority, the Directors may at any time alter, amend or vary the Current Plan or any outstanding Option without the approval of the Shareholders, if the alteration, amendment or variance: (a) is of a housekeeping nature, including without limitation, for the purpose of curing any ambiguity, error or omission in the Current Plan or to correct or supplement any provision of the Current Plan that is inconsistent with any other provision of the Current Plan; (b) is necessary to comply with applicable law or the requirements of the TSX; (c) changes the vesting provisions of any Option; or (d) changes the termination provisions of an Option or the Current Plan which does not entail an extension beyond the original expiry date.

Shareholder approval must be obtained in the event of any alteration, amendment or variance to the Current Plan which: (a) increases the number of Shares issuable under the Current Plan; (b) changes the class of eligible participants under the Current Plan which has the potential of broadening or increasing participation by Insiders of the Corporation; (c) provides additional benefits to Eligible Persons at the expense of the Corporation and its existing Shareholders; (d) reduces the Option Price of Options held by Insiders of the Corporation; or (e) extends the Option Period applicable to Options held by Insiders of the Corporation.

The Current Plan was amended and restated with shareholder approval on February 9, 2022 to (among other amendments): (i) a "rolling" plan, whereby the amount of Shares that may be reserved for issuance shall be up to 10% of the issued Shares outstanding from time to time; and (ii) provide that the number of Shares that may be issued to any one Insider of the Corporation within any one-year period not exceed 5% of the then issued Shares outstanding from time to time. The Current Plan was further renewed with shareholder approval on February 11, 2025.

Annual Burn Rate

The following table outlines the Burn Rate (as defined below) for the Current Plan for the past three fiscal years.

	2025	2024	2023
Burn Rate ⁽¹⁾	-	-	-

⁽¹⁾ The “**Burn Rate**” is calculated using the TSX prescribed methodology, which is the total number of Options granted under the arrangement during the applicable fiscal year, divided by the weighted average number of Shares outstanding for the fiscal year.

Acceleration Events

Unless otherwise determined by the Board and provided for in an option agreement, in the event that: (a) the Corporation obtains approval from the Shareholders for a transaction which, if completed, would constitute an Acceleration Event (defined below); (b) an Acceleration Event has occurred; or (c) the Board adopts a resolution to the effect that an Acceleration Event has occurred or is imminent; the Board shall: (a) permit the exercise of all outstanding Options within the twenty (20) day period next following the date of such notice (notwithstanding the terms of such Options which specify when such Options would otherwise be exercisable) and determine that upon the expiration of such twenty (20) day period all Options shall expire and terminate; or (b) require such holders to surrender their Options, among other matters, provided that; (i) as a result of the Acceleration Event, the holders of Shares receive equity securities of the successor corporation or entity or the acquirer; (ii) such successor corporation or entity or the acquirer has provided an irrevocable and unconditional undertaking to grant replacement options to the holders on the equity securities offered as consideration; and (iii) the Directors have determined, in good faith, that such replacement options have substantially the same economic value as the Options being surrendered. In the event that the Option holder’s employment or office is terminated without cause from the successor entity within twenty-four (24) months after the date of the change of control, the holder’s replacement options would immediately vest and would be exercisable until the earlier of: (i) the expiration date of the “replacement options”; and (ii) the end of the 90-day period which commences on the effective date of the termination of the holder’s employment or office. For the purposes of this summary, an “**Acceleration Event**” means the occurrence of any one or more of the following events: (a) any transaction or series of transactions with or into any other person or entity that affects any transfer, conveyance, sale, lease or exchange of all or substantially all of the assets of the Corporation (other than a person who is an associate or an affiliate of such entity); (b) any acquisition or series of acquisitions by any means whatsoever by any person (other than the Corporation or any subsidiary or affiliate thereof) or by a group of persons acting jointly or in concert (other than with the Corporation or any subsidiary or affiliate thereof) of that number of securities of the Corporation which have associated with them that number of votes which is equal to or greater than 66 2/3% of the votes associated with the then issued and outstanding voting securities of the Corporation, as the case may be; or (c) any transaction or event in which the Corporation ceases to be a “reporting issuer” under the *Securities Act* (Alberta), as may be amended from time to time, or in which the Shares cease to be listed for trading on the TSX.

DSU Plan Terms

The following is a summary of the terms of the current DSU Plan, and is qualified in its entirety by reference to the full text of the DSU Plan. The DSU Plan was adopted by the Corporation with shareholder approval on February 11, 2025.

Administration

The DSU Plan is administered by the Board, provided, however, that the Board may at any time appoint a committee to perform some or all of its administrative functions thereunder. Pursuant to the DSU Plan, the Board has the authority to: (i) adopt, alter and repeal such administrative rules, guidelines and practices governing the DSU Plan as it, from time to time, deems advisable; (ii) interpret the terms and provisions of the DSU Plan and any DSUs issued

under the DSU Plan; and (iii) otherwise supervise the administration of the DSU Plan. Directors may elect to receive their annual board retainer in either all cash or all DSUs.

DSUs

The DSU Plan provides for the granting of DSUs to non-executive directors of the Corporation. Under the DSU Plan, directors who are not employees of the Corporation or its affiliates may elect to defer receipt of all of their annual remuneration in an applicable fiscal year until termination of Board service or employment with the Corporation. Each DSU provides for the right to receive from the Corporation, on a deferred payment basis, a distribution in an amount equal to the volume-weighted average trading price of one Share on the TSX for the five (5) trading days preceding the applicable date of distribution, of one Share on the terms contained in the DSU Plan.

Vested DSUs are not redeemable and paid except upon the earlier of the death or other termination of employment or service (including as a Director) of the DSU Plan Participant with the Corporation or any of its affiliates. A DSU award may be settled in Shares, cash, or in any combination of both, however, a determination to settle a DSU in whole or in part in Shares, cash or in any combination of both will be made by the Board, in its sole discretion.

Shares Subject to the DSU Plan

The maximum number of aggregate Shares that may be subject to DSUs under the DSU Plan and Options under the Current Plan is 10% of the Shares issued and outstanding from time to time. The DSU Plan is considered a “rolling maximum plan”, since the number of Shares that may be reserved for issuance pursuant to the DSU Plan may increase from time to time as the number of issued and outstanding Shares increases. The Corporation will reserve, for the purposes of the DSU Plan and the Current Plan, such amount of Shares. The number of Shares subject to each DSU award and other terms and conditions relating to such DSU awards will be determined by the Board. In no event shall: (a) the aggregate number of Shares issuable under the DSU Plan and any of the Corporation’s other security based compensation arrangements (including, without limitation, the Current Plan) to Insiders exceed 10% of the Shares then issued and outstanding; (b) Insiders be issued, pursuant to the DSU Plan and any of the Corporation’s other security based compensation arrangements (including, without limitation, the Current Plan), within any one year period, a number of Shares which exceeds 10% of the Shares then issued and outstanding; (c) any one Insider be issued, pursuant to the DSU Plan and any of the Corporation’s other security based compensation arrangements (including, without limitation, the Current Plan), within any one-year period a number of Shares which exceeds 5% of the Shares then issued and outstanding; and (d) the value of all DSUs granted to any DSU Plan Participant during a calendar year, as calculated on the grant date (excluding DSUs granted in lieu of Board and committee retainers and meeting fees), under the DSU Plan and combined with the value of grants to such DSU Plan Participant under all other established or proposed security based compensation arrangements of the Corporation, exceed \$150,000 in value. For the purposes of this summary of the DSU Plan, “Insider” has the meaning given to such term in the TSX Company Manual, as may be amended from time to time, for the purposes of Section 613 of the TSX Company Manual.

If, and to the extent, DSU awards granted under the DSU Plan terminate, expire, cancel, are exercised or are forfeited without being exercised and/or delivered, Shares subject to such awards will again be available for grant under the DSU Plan. In addition, if and to the extent a DSU award is settled for cash, the Shares subject to the award will again be available for grant under the DSU Plan.

In the event of any recapitalization, reorganization, arrangement, amalgamation, subdivision or consolidation, stock dividend or other similar event or transaction, substitutions or adjustments will be made by the Board: (i) to the aggregate number, class and/or issuer of the securities reserved for issuance under the DSU Plan; and (ii) to the number, class and/or issuer of securities subject to outstanding DSU awards, in each case (A) in a manner that reflects equitably the effects of such event or transaction and (B) is subject to the TSX’s consent for so long as the Shares or any of the securities of the Corporation are listed on the TSX.

DSU awards under the DSU Plan are non-assignable and non-transferable in any manner, either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent and distribution. Distributions in settlement of DSUs may only be made to the participant or to their legal representatives.

The Corporation maintains for each DSU Plan Participant a notional account which will be credited with grants of DSUs in accordance with the terms of the DSU Plan. DSUs shall vest immediately upon being credited to the DSU Plan Participant's DSU account.

Amendments to the DSU Plan

Shareholder approval is required for amendments to the DSU Plan in order to: (i) extend the term under a DSU award under the DSU Plan beyond its initial expiry; (ii) have the effect of cancelling any DSU awards and concurrently reissuing such DSU awards on different terms; (iii) permit DSU awards to be transferable or assignable by DSU Plan Participants, other than by will or by relevant laws of descent and distribution; (iv) remove or exceed the limits in the DSU Plan on participation by Insiders of the Corporation; (v) increase the maximum number of securities issuable, either as a fixed number or a fixed percentage of the Corporation's outstanding capital represented by such securities; or (vi) amend an amending provision within the DSU Plan.

Pursuant to the DSU Plan, the Board is able to, without Shareholder approval, amend the DSU Plan with respect to: (i) amendments of a "housekeeping nature"; (ii) changes to the vesting or exercise provisions of any DSU award or the DSU Plan or any award in a manner that would not otherwise require Shareholder approval; (iii) changes to the provisions of the DSU Plan relating to the expiration of DSU awards prior to their respective expiration dates upon the occurrence of certain specified events determined by the Board; or (iv) the cancellation of an award.

Further, pursuant to the terms of the DSU Plan, the Board is able to waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, the DSU Plan or any DSU award previously granted, prospectively or retroactively; provided that no such amendment, alteration, suspension, discontinuance, cancellation or termination of the DSU Plan or any DSU awards granted thereunder may materially impair any rights of a participant or materially increase any obligations of a participant under the DSU Plan without the consent of the participant, unless the Board determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements.

Termination

In the event that a DSU Plan Participant ceases to be a Director or is otherwise terminated:

1. due to death, unless otherwise specified by the Board, any award that was granted to a DSU Plan Participant less than 180 days before the death of such participant will immediately and automatically expire and terminate as of the date of such DSU Plan Participant's death;
2. for cause and where the DSU Plan Participant has engaged in misconduct resulting in a financial restatement by the Corporation, (i) any DSU award (whether vested or unvested) will automatically expire as of the date of such termination; (ii) all rights to receive payments thereunder will be forfeited by the DSU Plan Participant as of the date of such termination; and (iii) any Shares for which the Corporation has not yet delivered share certificates or the DSU Plan Participant has not received a customary confirmation through the facilities of The Canadian Depository for Securities Limited (or its successor) in respect thereof, as applicable, will be immediately and automatically forfeited; or
3. for any other reason, any unvested DSUs held by such DSU Plan Participant will terminate 30 days following the date of termination and all rights to receive payment thereunder forfeited.

Change of Control

Under the DSU Plan, in the event of a change of control of the Corporation, unless provided otherwise in an individual employment agreement, (A) the Board and the successor corporation or entity (the “**Successor**”) may execute such instruments and do such things as are necessary, if any, to establish that upon the consummation of such transaction the Successor will have assumed all covenants and obligations of the Corporation under the DSU Plan outstanding on consummation of the transaction in a manner that substantially preserves and does not impair the rights of the participants thereunder in any material respect (including the right to receive shares, securities, cash or other property of the Successor in lieu of Shares upon the subsequent settlement or payment of DSU awards) and (B) if, within 12 months following a change of control, a DSU Plan Participant’s employment relationship or service as Director with the Corporation, an affiliate or the continuing entity is terminated without cause, or the participant resigns from their employment or service as a result of either (i) a substantial diminution in the participant’s authorities, duties, responsibilities, status (including titles and reporting requirements) from those in effect prior to the change of control, (ii) the Corporation requiring the participant to be based at a location in excess of 100 km from the participant’s principal job location prior to the change of control, or (iii) a material reduction in the participant’s base salary or substantial reduction in the participant’s target compensation under any incentive compensation plan, then the vesting of all DSU awards then held by such participant (and, if applicable, the time during which such DSU awards may be exercised) will be accelerated and such participant will have all of their DSUs immediately vest.

Indebtedness of Directors and Executive Officers

To the knowledge of the Corporation, as at January 7, 2026, none of the Directors, executive officers or senior officers of the Corporation were indebted to the Corporation or its subsidiaries.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The following is a discussion of the significant elements of compensation awarded to, earned by, paid, or payable to the Chief Executive Officer (“**CEO**”) of the Corporation, the Chief Financial Officer (“**Former CFO**”) of the Corporation at the end of the most recently completed financial year, and the three most highly paid executive officers of the Corporation or a subsidiary thereof, other than the CEO and Former CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 (the “**NEOs**”).

Governance and Nominating Committee

The Governance and Nominating Committee consists of all the members of the Board. In respect of compensation matters, the Governance and Nominating Committee is responsible for:

1. reviewing, at least annually, the overall compensation policies and guidelines and its objectives related to Director, Board and executive compensation, as well as its corporate succession and development plans for the senior management team; and
2. determining that the compensation of Directors and Board members realistically reflects the responsibilities and risks involved in being an effective Director or Board member, as the case may be.

In addition, in conjunction with the compensation responsibilities of the Governance and Nominating Committee, the Board shall review on an ongoing basis the overall compensation policies and guidelines and its objectives related to executive and senior officer compensation and succession and development plans.

Each of the current and former members of the Governance and Nominating Committee referred to above is an experienced business person with a broad range of relevant experience to assist them in the performance

of their responsibilities as Committee members. The Governance and Nominating Committee discharges its mandate and performs its duties at the Board meetings, as opposed to at stand-alone meetings.

The Governance and Nominating Committee has not retained a compensation consultant or advisor in each of the two most recently completed financial years or since the end of the last completed financial year.

Compensation Philosophy

The Governance and Nominating Committee's executive compensation philosophy is guided by its objective to attract and retain executives critical to the success of, as appropriate, the Corporation or the specific portfolio business for which the executive is responsible.

Trading Restrictions

NEOs and Directors are permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or Director.

CEO Employment Agreement

The Corporation and Mr. Dustin Haw are parties to a letter agreement that provides for certain termination provisions. If Mr. Haw's employment is terminated by the Corporation without cause, he would receive one month base salary. If Mr. Haw's employment had been terminated by the Corporation on September 30, 2025, for any reason other than just cause, the Corporation would have been obligated to pay Mr. Haw an incremental payment of \$62,500.

Other NEOs

The Governance and Nominating Committee sets base compensation for each NEO based on the scope of the position and prior experience.

Performance Objectives

For 2025, the Governance and Nominating Committee assessed individual performance based on role descriptions. Any bonus payments to NEO's were determined by the board of directors of the relevant portfolio business based on the board's assessment of individual performance based on the factors the board of directors of the relevant portfolio business determines appropriate.

Risk Considerations

The compensation of each of the NEOs, which is at the complete discretion of the Governance and Nominating Committee, is composed of base salary and, if applicable, a bonus component (which may be paid through the purchase of Shares on the TSX) and an option-based award. In determining the bonus to be paid in a particular year, neither the Governance and Nominating Committee nor the board of directors of the relevant portfolio business relies on any formalized set of subjective or objective criteria. In considering the potential risks associated with the Corporation's executive compensation structure, the Governance and Nominating Committee believes that this mix of base salary and discretionary bonus does not incentivize or encourage inappropriate risk taking on the part of NEOs, as any bonus awards are discretionary and determined on the basis of the Committee's assessment of individual performance based on the factors the Committee, or the board of directors of the relevant portfolio business, determines appropriate. The Governance and Nominating Committee takes into account previous grants of options when considering new grants. The Board and the Corporation's executive officers consider the implementation of and amendments to any share-based or option-based incentive plans the Corporation may have in place from time to time.

Summary Compensation Table

The following table summarizes the compensation paid to NEOs at the end of the three most recently completed financial years, for each NEO in the most recently completed financial year:

NAME AND PRINCIPAL POSITION	YEAR	SALARY	OPTION-BASED AWARD	NON-EQUITY INCENTIVE PLAN ANNUAL INCENTIVE PLAN ⁽¹⁾	ALL OTHER COMPENSATION ⁽²⁾	TOTAL COMPENSATION
Dustin Haw, CEO	2025	\$685,577	Nil	\$324,675	Nil	\$1,010,252
	2024	\$462,500 ⁽³⁾	Nil	\$207,900	Nil	\$670,400
	2023	\$412,500	Nil	\$196,835	Nil	\$609,335
Marilyn Boucher, Former CFO ⁽⁴⁾	2025	\$291,501	Nil	\$49,233	Nil	\$340,734
	2024	\$260,490	Nil	\$32,560	Nil	\$293,050
	2023	\$238,536	Nil	\$31,028	\$14,064	\$283,628
Mitchell Debelsler, President, Compressed Gas Equipment Segment	2025	\$343,708	Nil	\$308,616	Nil	\$652,324
	2024	\$334,000	Nil	\$265,122	Nil	\$599,122
	2023	\$309,000	Nil	\$272,160	Nil	\$581,160
Pierre Fournier, President, HVAC Equipment Segment	2025	\$345,816	Nil	\$207,017	Nil	\$552,833
	2024	\$331,758	Nil	Nil	Nil	\$331,758
	2023	\$330,044	Nil	\$147,521	\$26,627	\$504,192
Ryan Rockafellow, President, EnTrans International LLC ⁽⁵⁾	2025	\$485,500	Nil	Nil	Nil	\$485,500

Notes:

- (1) Amounts reflect bonus payments made in the year in respect of performance in the prior year.
- (2) Includes the amounts that reflect matching contributions to employer's deferred profit sharing plan. The aggregate amount of perquisites and other personal benefits, securities or property received in the fiscal year which were not greater than 10% of the total salary for each NEO for such fiscal year were not disclosed in the table.
- (3) Beginning January 1, 2025, Mr. Haw's base salary was increased to \$750,000 per year.
- (4) Ms. Boucher resigned as Chief Financial Officer of the Corporation on October 31, 2025, following the end of the most recently completed financial year. Mr. Guillaume Cloutier was appointed as CFO effective October 31, 2025. Ms. Boucher remained involved with the Corporation and was compensated as non-CFO until December 12, 2025.
- (5) Mr. Rockafellow became an officer of the Corporation following the acquisition of EnTrans Holding, Inc. in March 2025.

Option-Based Awards

There are 616,500 Options outstanding under the Current Plan.

Incentive Plan Awards

The following table sets forth certain information, in relation to the NEOs, regarding share-based and option-based awards outstanding as of the end of the financial year of the Corporation ended September 30, 2025.

	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options ⁽¹⁾ (\$)	Number of Shares That Have not Vested (#)	Market or Payout Value of Share-Based Awards That Have not Vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Dustin Haw, CEO	33,333 66,667 100,000 100,000	26.99 29.49 31.99 34.49	February 18, 2032 February 18, 2032 February 18, 2032 February 18, 2032	3,743,629 7,320,703 10,731,000 10,481,000	-	-	-
Marilyn Boucher, Former CFO ⁽²⁾	Nil	N/A	N/A	N/A	-	-	-
Mitchell Debelser, President, Compressed Gas Equipment Segment	Nil	N/A	N/A	N/A	-	-	-
Pierre Fournier, President, HVAC Equipment Segment	Nil	N/A	N/A	N/A	-	-	-
Ryan Rockafellow, President, EnTrans International LLC	Nil	N/A	N/A	N/A	-	-	-

Notes:

- (1) Represents the aggregate dollar amount of in-the-money unexercised Options held at the end of the most recent financial year of the Corporation. The value of in-the-money unexercised Options is calculated based on the difference between the market value per Share as at September 30, 2025 (\$139.3 per Share on the Toronto Stock Exchange) and the exercise price of the Option.
- (2) Ms. Boucher resigned as Chief Financial Officer of the Corporation on October 31, 2025, following the end of the most recently completed financial year. Mr. Guillaume Cloutier was appointed as CFO effective October 31, 2025. Ms. Boucher remained involved with the Corporation and was compensated as non-CFO until December 12, 2025.

The following table sets forth certain information, in relation to the NEOs, regarding the value vested or earned in connection with incentive plan awards during the financial year of the Corporation ended September 30, 2025.

Name	Option-Based Awards – Value Vested During the Year (\$)	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Dustin Haw, CEO	9,324,000	N/A	324,675
Marilyn Boucher, Former CFO ⁽¹⁾	N/A	N/A	49,233
Mitchell Debelsler,	N/A	N/A	308,616
Pierre Fournier, President, HVAC Equipment Segment	N/A	N/A	207,017
Ryan Rockafellow, President, EnTrans International LLC	N/A	N/A	Nil

Note

- (1) Ms. Boucher resigned as Chief Financial Officer of the Corporation on October 31, 2025, following the end of the most recently completed financial year. Mr. Guillaume Cloutier was appointed as CFO effective October 31, 2025. Ms. Boucher remained involved with the Corporation and was compensated as non-CFO until December 12, 2025.

COMPENSATION OF DIRECTORS

The non-management Directors receive compensation that is intended to accomplish three goals: to retain and attract qualified Directors; to align the interests of Directors with the interests of Shareholders; and to encourage the Directors to hold a continuing equity interest in the Corporation. The compensation paid to each individual, other than members of management, for acting as a Director is: a retainer of: (x) prior to January 1, 2025, \$40,000 per year; and (y) following January 1, 2025, \$70,000 per year; an additional \$10,000 per year if serving as Chair, an additional \$10,000 per year if serving as a committee chair and \$1,000 for each meeting of Directors and/or committee meeting attended in person or by telephone (except that each individual receives only \$1,000 for attending a meeting of Directors and a committee meeting that occur on the same day). Some or all of this compensation may be paid in Shares purchased on the TSX and DSUs. The Corporation also reimburses the Directors for out-of-pocket expenses for attending meetings.

The following compensation table sets out the compensation provided to the Corporation's non-management Directors in the year ended September 30, 2025.

NAME AND BOARD POSITION	FEES EARNED ⁽¹⁾	SHARE-BASED AWARDS	OPTION-BASED AWARDS	NON-EQUITY INCENTIVE PLAN COMPENSATION	PENSION VALUE	ALL OTHER COMPENSATION	TOTAL COMPENSATION
Charles Pellerin ⁽²⁾	Nil	Nil	Nil	Nil	Nil	\$441,000	\$441,000
Blair Cook, Chair of the Audit Committee	\$76,500	Nil	Nil	Nil	Nil	Nil	\$76,500
Rocco Rossi	\$66,500	Nil	Nil	Nil	Nil	Nil	\$66,500
Dale Laniuk	\$66,500	Nil	Nil	Nil	Nil	Nil	\$66,500
Mick MacBean	\$66,500	Nil	Nil	Nil	Nil	Nil	\$66,500

Notes:

- (1) Includes all fees awarded, earned, paid, or payable in cash for services as Director, including annual retainer fees, committee, chair, and meeting fees. See attached Appendix “A” under the section entitled “Further Information Regarding the Directors” for the record of meeting attendance.
- (2) As of January 1, 2026, Mr. Pellerin’s company, Pellerin Strategies Conseils Inc., was paid a total of \$504,000 per year for consulting fees, which include compensation for Mr. Pellerin’s Board fees. Before January 1, 2025, which fell during the Corporation’s most recently completed financial year, these consulting fees were base at \$252,000 per year.

Incentive Plan Awards

The following table sets forth certain information, in relation to the Corporation’s non-management Directors, regarding share-based and option-based awards outstanding as of the end of the financial year of the Corporation ended September 30, 2025.

	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options ⁽¹⁾ (\$)	Number of Shares That Have not Vested (#)	Market or Payout Value of Share-Based Awards That Have not Vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Charles Pellerin	150,000	24.49	Feb. 18, 2032	\$17,221,500	-	-	-

Note:

- (1) Represents the aggregate dollar amount of in-the-money unexercised Options held at the end of the most recent financial year of the Corporation. The value of in-the-money unexercised Options is calculated based on the difference between the market value per Share as at September 30, 2025 (\$139.30 per Share on the Toronto Stock Exchange) and the exercise price of the Option.

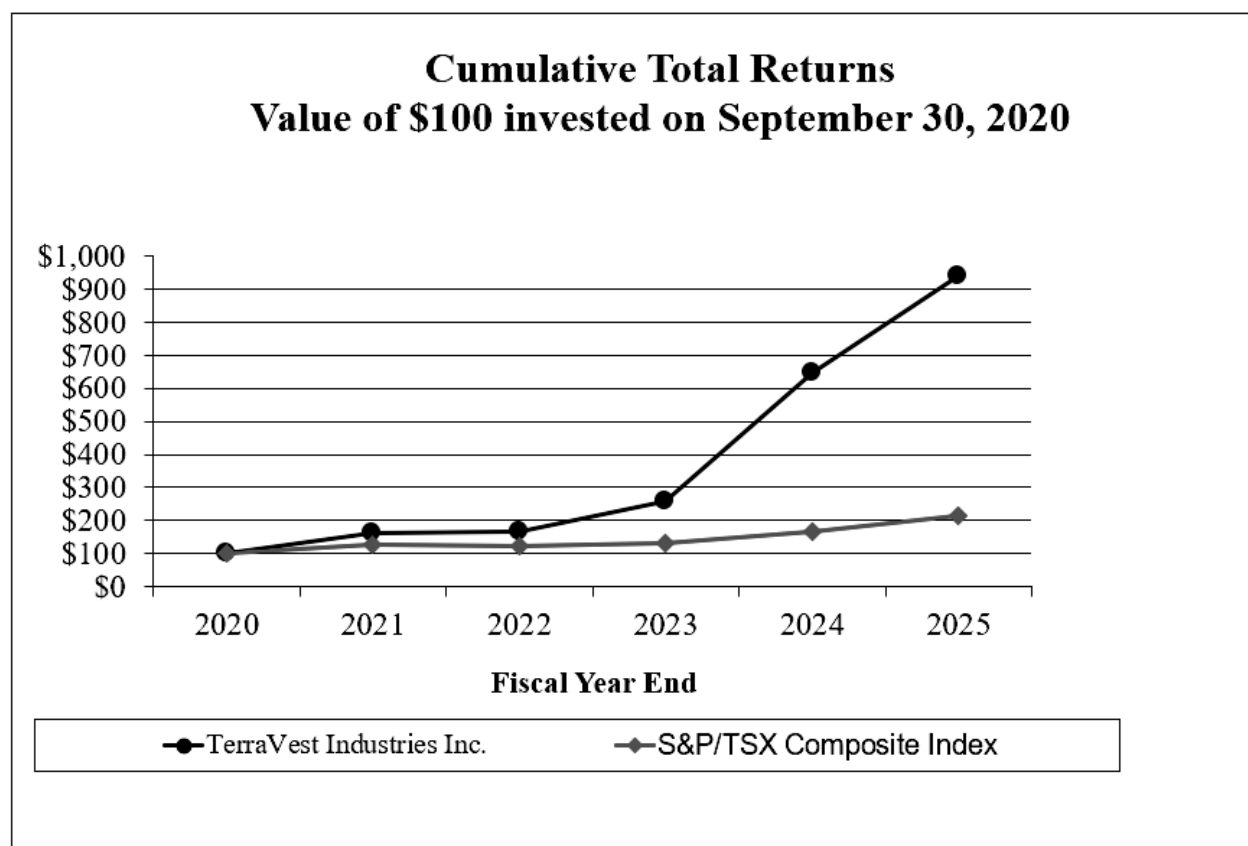
The following table sets forth certain information, in relation to the Corporation’s non-management Directors, regarding the value vested or earned in connection with incentive plan awards during the financial year of the Corporation ended September 30, 2025.

Name	Option-Based Awards – Value Vested During the Year (\$)	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Charles Pellerin	4,787,000	N/A	N/A

The Directors and officers of the Corporation are covered by insurance in respect of liability that may be incurred by them acting in such capacity with a maximum coverage of \$10,000,000 a year and a deductible of up to \$100,000 per claim, depending on the type of claim, unless the liability arises because such Director or officer fails to act honestly and in good faith with a view to the best interests of each of the Corporation and its subsidiaries, as the case may be. There are certain exclusions, including exclusions for related party transactions, claims by holders of ten percent or more of any class of securities and bodily injury, property damage, and for acts resulting in personal advantage to which the Director or officer was not legally entitled. Some exclusions are covered under other insurance policies. For the period from September 30, 2024 to September 30, 2025, the total premium was \$49,500.

PERFORMANCE GRAPH

The following graph compares the total return for \$100 invested in Shares (and assuming reinvestment of Distributions and dividends) on September 30, 2020 to September 30, 2025 with the total return of the S&P/TSX Composite Index over the same period.



	30-Sep-20	30-Sep-21	30-Sep-22	30-Sep-23	30-Sep-24	30-Sep-25
TerraVest Industries Inc.	\$100	\$162	\$165	\$256	\$634	\$917
S&P/TSX Composite	\$100	\$128	\$121	\$133	\$168	\$216

Compensation Trend

The Share price has generally not been in line with executive compensation increases and decreases, base salary and discretionary bonuses are generally independent of the Share price. The Share price has been affected by, among other matters, change in dividend policy, acquisitions, public offerings and the sale of certain subsidiaries.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is included in its AIF, its audited financial statements for the twelve months fiscal year ended September 30, 2025 (the Corporation's most recently completed fiscal year) and the related management's discussion and analysis ("**MD&A**"). Financial information is provided in the Corporation's comparative financial statements and MD&A for its most recently completed financial year. Shareholders may contact the Corporation to request copies of the Corporation's financial statements and MD&A by sending a request to the Office of the Corporation. The Corporation may require a non-Shareholder to pay a reasonable charge for the material requested. This and other additional information relating to the Corporation may also be found on SEDAR+ at www.sedarplus.ca.

TerraVest Industries Inc.
Attention: Dustin Haw, CEO
98, des Industries
Cowansville, QC J2K 0A1

Or by phone: (450) 378-2334
Or by fax: (450) 378-5202
Or by email: ir@terravestindustries.com

APPENDIX “A”

STATEMENT OF GOVERNANCE PRACTICES AND GUIDELINES

TerraVest Industries Inc. and its related portfolio businesses (referred to in this Statement of Governance Practices and Guidelines as “**TerraVest**” or the “**Corporation**”) are committed to maintaining a high standard of corporate governance and stakeholder accountability. This discussion is intended to provide an overview of TerraVest’s approach to governance and to set out and describe the mandates, terms of reference, policies, codes and other governance-related documents that together are relied upon by TerraVest to meet its commitment to good governance.

TERRAVEST GOVERNANCE

In order to understand TerraVest’s approach to governance, it is important to understand the organizational structure of TerraVest and the primary decision-making bodies within TerraVest that have responsibility for overseeing various elements of the corporate governance framework. TerraVest’s structure can best be understood as being made up of two components: (1) the Corporation-level; and (2) the portfolio business level. Each of these components is described below.

The Corporation is governed by its directors (the “**Directors**”), the members of which are elected by the Shareholders of the Corporation.

The portfolio business structure primarily consists of limited partnerships and corporate entities through which the Corporation invests. In the case of its limited partnerships, the Corporation holds its investment in each of the limited partnerships directly.

The applicable corporate entity or general partner of each limited partnership is the primary entity through which decisions relating to each portfolio business are made. Each general partner has a board of directors made up of a combination of representatives of TerraVest and, in some cases, representatives of the existing management team of the portfolio business (reflecting the ongoing investment of such team in the portfolio business). Representatives of TerraVest, acting on behalf of the Corporation always constitute a majority of the board of directors of each portfolio business.

This Statement of Governance Practice and Guidelines contains a number of references to the “**senior management team**” of TerraVest. The senior management team includes the chief executive officer and the chief financial officer of the Corporation and the president of each portfolio business within TerraVest.

GOVERNANCE FRAMEWORK

TerraVest Boards and Committees

In very brief form, the primary focus of each of the TerraVest boards (being the Board of the Corporation and the boards of the portfolio businesses) is as follows:

- Directors: investment and management of the Corporation’s property; overall responsibility for governance framework
- boards of directors of portfolio businesses: stewardship of the business and affairs of the portfolio business

Further details with respect to these roles and responsibilities are contained in the TerraVest Board Mandate and in the related TerraVest Board and committee Charters that form part of TerraVest’s governance documentation that are summarized herein. The Directors have developed written position descriptions for the Chair of the Board, the chair of each committee, and the senior management team.

Mandate of the Directors

The Directors have primary responsibility and accountability for the overall stewardship of TerraVest, which they fulfill either directly or by delegating specific responsibilities to the boards and management of TerraVest's portfolio businesses, and then overseeing and ensuring that those responsibilities are being appropriately fulfilled.

The major responsibility of the Directors is to protect the interest of the Shareholders of the Corporation by overseeing the investment and management of the Corporation's property. This responsibility is met directly by the Directors by retaining decision-making authority in respect of matters such as approving the overall governance model used by TerraVest, determining if and when new Shares should be offered, approving dividends to Shareholders, approving investment decisions being made by or on behalf of the Corporation and ensuring that at all times proper structures, processes and individuals are in place to manage the business and affairs of TerraVest.

Responsibility for the general and day-to-day business, operational and financial affairs of TerraVest has been delegated by the Directors to the boards and management of TerraVest's portfolio businesses, as set out in the mandates and contractual arrangements for these entities. On an ongoing basis, the Directors monitor the stewardship of TerraVest by its delegates.

The text of the mandate of the Board is set forth on Appendix "B".

Independence of the Directors

The Board of Directors, on advice from the Governance and Nominating Committee, has determined that four of the six Directors who serve in that capacity had no material relationship with the Corporation and therefore may be considered "independent" under sections 1.4 and 1.5 of NI 52-110. The following Directors have been determined by the Board to be independent: Messrs. Cook, Rossi, MacBean and Laniuk. Messrs. Pellerin and Haw are not considered independent as (i) they sit or have sat on the Executive Committee of the Corporation within the last three years, which oversees the operations of the Corporation; and (ii) Mr. Pellerin's company, Pellerin Strategies Conseils Inc., is paid consulting fees, which are detailed above in the Circular.

Further Information Regarding the Directors

The following Directors are directors of other reporting issuers:

- Blair Cook – Clarke Inc.
- Charles Pellerin – Clarke Inc.; Calfrac Well Services Ltd.

At their discretion, the independent Directors hold regularly scheduled meetings, or designate regularly scheduled portions of full Director meetings, at which non-independent Directors and management are not in attendance.

The following table discloses the record of meeting attendance for all meetings held in the year ended September 30, 2025:

DIRECTOR	NUMBER OF MEETINGS ATTENDED	
	BOARD OF DIRECTORS	COMMITTEES
Dale H. Laniuk ⁽¹⁾	4 of 4	4 of 4
Charles Pellerin ⁽¹⁾	4 of 4	4 of 4
Blair Cook	4 of 4	4 of 4
Dustin Haw ⁽¹⁾	4 of 4	4 of 4
Rocco Rossi	4 of 4	4 of 4
Mick MacBean	4 of 4	4 of 4

Notes:

- (1) Attended all audit committee meetings but was not compensated for those meetings as he was not on the Audit Committee.

SUMMARY OF BOARD OF DIRECTORS AND COMMITTEE MEETINGS HELD	NUMBER
Board of Directors	4
Audit	4
Governance and Nominating	0 ⁽¹⁾

Note:

- (1) As the Governance and Nominating Committee is comprised of the entire TerraVest Board, this committee's mandate was carried out during regular board meetings throughout the 2025 fiscal year, and as such, there were no stand-alone meetings of the Governance and Nominating Committee.

Relationship with Management

The TerraVest Board's stewardship responsibilities are primarily focused on oversight and monitoring of TerraVest's investments, management, financial performance, policies, procedures, communications, reporting and compliance. Management of TerraVest is responsible for the development and implementation of the long-term strategy for the Corporation and for the administration of the day-to-day business and affairs of TerraVest, with the role of the TerraVest Board being to review and monitor the implementation and results of such strategies and business performance. The TerraVest Board will support and encourage management in the performance of their duties.

The Directors have open access to management for relevant information to permit the Corporation to fully comply with its legal and other regulatory obligations and to allow the Directors and the Board to fulfill their duties.

Orientation and Continuing Education of Board Members

The Governance and Nominating Committee has the responsibility for developing an orientation program and continuing education program for new Directors and new members of the portfolio businesses within TerraVest with respect to their duties as directors. The Statement of Expectations of Directors of the Corporation and Board Charter and Mandate provide that each Director is expected to, among other things: (a) become generally knowledgeable of the investments of the Corporation; (b) participate in Director orientation and development programs developed by the Governance and Nominating Committee from time to time; (c) maintain a current understanding of the regulatory, legislative, business, social and political environments within which TerraVest operates; (d) become acquainted with the senior managers and advisors of TerraVest; and (e) visit TerraVest's offices and the offices of business in which TerraVest has invested, when appropriate. The Position Descriptions for the Chairs of the Board of Directors and the boards of the entities in TerraVest provide that the Chairs have responsibility, together with the Governance and Nominating Committee, for facilitating continuous education of Board members both within and outside formal Board meeting, including through appropriate orientation of new Board members, regular dialogue

between the Chair and Board members and encouraging and creating opportunities for Board members to interact with and establish relationships with the senior management team.

Committees

BOARD	BOARD OF DIRECTORS TERRAVEST INDUSTRIES INC.
COMMITTEE	Governance and Nominating Committee
COMMITTEE	Audit Committee

Certain of the duties and responsibilities of the TerraVest Boards are delegated to committees. These committees are intended to assist in the effective functioning of the TerraVest Boards and to help ensure that the views of independent Directors are effectively represented. The Director committees should be comprised entirely of independent Directors. In particular, the Directors have established a Governance and Nominating Committee and an Audit Committee. The delegated authority, roles and responsibilities of each of these committees are set out in a Charter approved for each committee.

Management and the boards of directors of the portfolio businesses may also establish committees for specific purposes.

Board and Committee Chairs

Each TerraVest Board, and each committee of a TerraVest Board, appoints a chair from among its members, giving consideration to any recommendation made by the Governance and Nominating Committee. The duties and responsibilities of the chair are set out in a Position Description that has been approved for the chair of each TerraVest Board and committee.

Audit Committee

Information in respect of the Audit Committee, the members of the Audit Committee, the charter of the Audit Committee and certain information regarding the audit fees paid in the 2025 and 2024 fiscal years is contained in the Corporation’s annual information form dated December 10, 2025 under “Audit Committee” and the Appendix to the annual information form, both of which are incorporated by reference herein and may be found on SEDAR+ at www.sedarplus.ca. The Audit Committee is comprised of Blair Cook (Chair), Rocco Rossi and Mick MacBean.

Governance and Nominating Committee

The Governance and Nominating Committee is comprised of the Board as a whole and its mandate is to oversee and assess the functioning of the Directors and the senior management team of TerraVest and for the development, recommendation to the Directors and/or the Board, implementation and assessment of effective corporate governance principles applicable to the Corporation, the Board and the portfolio businesses in which the Corporation holds business investments, including reviewing TerraVest’s overall compensation policies and guidelines and succession and development plans for the Directors, the Board and the senior management team.

The Governance and Nominating Committee is responsible for reviewing, approving or making recommendations to the Directors or the Board in respect of:

1. criteria for qualification as a member of the Directors or the Board, as the case may be;
2. the long-term plan for the composition of the Directors and the Board that takes into consideration current strengths, skills and experience and the overall strategic direction of TerraVest;
3. annually, in consultation with the Chair of the Board and management, proposing the nominees for election as Directors and members of the Board, including identifying and proposing new qualified nominees to act as Directors and/or directors;
4. the membership of committees of the Board and the membership of the boards of each of the portfolio businesses; and
5. retaining and terminating any search firm to be used to identify director candidates.

In respect of compensation matters, the Governance and Nominating Committee is responsible for:

1. reviewing, at least annually, TerraVest's overall compensation policies and guidelines and its objectives related to Director and executive compensation, as well as its corporate succession and development plans at the senior management team level; and
2. determining that the compensation of Directors realistically reflects the responsibilities and risks involved in being an effective Director or Board member, as the case may be.

In addition, in conjunction with the compensation responsibilities of the Governance and Nominating Committee, the Board shall review on an ongoing basis TerraVest's overall compensation policies and guidelines and its objectives related to executive and senior officer compensation and succession and development plans.

The Governance and Nominating Committee duties comprise four areas: governance, nominations, compensation and disclosure. In respect of governance, the Governance and Nominating Committee is responsible for reviewing, approving or making recommendations to the Board in respect of guidelines, policies, procedures and practices related to matters of corporate governance. As noted above, the Governance and Nominating Committee is also responsible for the nomination process and compensation. In respect of disclosure, the Committee has been delegated responsibility for reviewing, monitoring and evaluating TerraVest's disclosure and communications policies and practices to ensure compliance with applicable legislative, regulatory and stock exchange requirements and to ensure adherence to standards of good governance. Primary responsibility for disclosure and communications rests with the senior management team, and the Committee's role is focused on ensuring that appropriate policies and procedures are in place and being observed.

The Governance and Nominating Committee is responsible for assessing on an on-going basis (and at least annually) in accordance with an evaluation process approved by the Directors, the performance of the members of the Board, committees of the Directors and the boards of the portfolio businesses, including the effectiveness of each board or committee as a whole and the contribution of individual members of the Board.

TerraVest's, Codes and Procedures

The TerraVest Boards have adopted three primary policies that are applicable to all TerraVest personnel:

- Code of Business Conduct and Ethics
- Disclosure, Communications and Insider Trading Policy
- Whistleblower Policy

These policies have been adopted in order to promote honest and ethical conduct, including fair dealing and the ethical handling of actual or apparent conflicts of interest, to promote full, fair, accurate, timely and understandable disclosure, to promote compliance with applicable laws and governmental rules and regulations, to protect TerraVest's legitimate business interests, including corporate opportunities, assets and confidential information, and to deter wrongdoing. All TerraVest personnel are expected to be familiar with these policies and to adhere to those principles and procedures that apply to them.

Ethical Business Conduct

The Board of Directors has developed a Code of Business Conduct and Ethics (the "Code"), which is available on SEDAR+ at www.sedarplus.ca and on the Corporation's website at www.terravestindustries.com. The Code is applicable to all directors, officers and employees of TerraVest.

The chair of the Board of Directors and each chair of the other TerraVest Boards is responsible for overseeing compliance with the Code of each member of their respective Boards. The Governance and Nominating Committee is responsible for the Corporation's compliance with the Code, including ensuring that there is an adequate process administered by the Audit Committee to encourage all levels of employees to bring "whistleblower" issues to the attention of the Audit Committee in accordance with TerraVest's Whistleblower Policy. The Audit Committee has the responsibility to review with management and the external auditor the Code and report to the Board of Directors and Governance and Nominating Committee, as appropriate, in respect thereof.

The Code further provides that conflicts of interest are prohibited as a matter of corporate policy, except as specifically approved by the Directors and except in accordance with applicable laws and regulations. Directors are expected to immediately declare any conflict of interest and not to participate in any decision or board action respecting the subject matter of the conflict.

Director Term Limits and Other Mechanisms of Board Renewal

Each director elected serves until the next annual meeting of shareholders unless his or her office is earlier vacated in accordance with the by-laws of the Corporation. The Board does not currently have a limit on the number of consecutive terms for which a director may sit as it believes that arbitrary term or age limits often prevent or restrict the continued service on the Board of the most experienced and valuable directors who will have acquired an institutional knowledge of the Corporation from such years of service. The imposition of inflexible term limits may not necessarily correlate with returns or benefits for stakeholders. Rather, the Board maintains a flexible approach to Board succession whereby it considers the addition of potential candidates in conjunction with its assessments of current directors and the Board as a whole. The Governance and Nominating Committee has an effective director evaluation process which is used at least annually and which the Board believes is a more effective method to assess the fitness for service on the Board than age or term served. Further, the Governance and Nominating Committee surveys each director individually prior to each meeting of shareholders at which directors are to be elected to determine whether each director has sufficient time to devote to his or her Board duties and whether there is any other reason for which such director does not believe he or she should stand for re-election. The Board believes that the above approach allows the Corporation to maintain an effective Board succession process.

Policies Regarding the Representation of Women on the Board

The Corporation has not adopted a written policy relating to the identification and nomination of women directors. The members of the Board have diverse backgrounds and expertise and were selected on the belief that the Corporation and its stakeholders would benefit materially from such a broad range of talent and experience. As the need for new directors or executive officers arises, the Governance and Nominating Committee assess candidates on the basis of knowledge, industry experience, financial literacy, professional ethics and business acumen. While the Governance and Nominating Committee recognize the potential benefits from new perspectives that could manifest through greater gender diversity and recognizes that diversity can enhance culture and create value for the Corporation and its stakeholders, the Corporation has not formally adopted a written diversity policy.

Consideration of the Representation of Women in the Director Identification and Selection Process

The Governance and Nominating Committee considers the level of representation of women as one of the factors in identifying and nominating candidates for election or re-election to the Board, by attempting to identify the most diverse (including gender-diverse) and inclusive pool of available candidates. The Corporation to date has sought to increase diversity at the Board level through the recruitment efforts of the Governance and Nominating Committee and the Board remains receptive to increasing the representation of women on the Board, as director turnover occurs. The Governance and Nominating Committee takes into consideration diversity (including gender diversity) as one of the many factors to maintain an appropriate mix and balance of diversity, attributes, skills and experience. The other factors that the Governance and Nominating Committee considers are: the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess; the competencies and skills that the Board considers each existing director to possess; the competencies and skills each new nominee will bring to the Board; the time and energy of the proposed nominee to devote to the Board tasks; the independence of the proposed nominee; and the understanding by the proposed nominee of the nature of the business and operations of the Corporation. Ultimately, Board appointments are based on merit measured against objective criteria, having due regard to the benefits of diversity in board composition, with the goal of maximizing the effectiveness of corporate decision-making and fulfilling the best interests of stakeholders.

Consideration Given to the Representation of Women in Executive Officer Appointments

The Corporation does consider the level of representation of women in executive officer positions when making executive officer appointments. The Corporation also considers the skills and experience necessary for the position, as well as each individual candidate's competence, qualification, experience and performance regardless of gender, age, ethnic origin or other aspects of diversity when determining executive officer appointments. While the Corporation has not adopted a target regarding women in executive officer positions of the Corporation (discussed below), it is committed to advancing women, and other individuals representing a diversity of backgrounds, into leadership roles in the Corporation through mentoring, continuing educational development and succession planning processes.

Targets Regarding the Representation of Women on the Board and in Executive Officer Positions

The Corporation has not adopted a target regarding women on the Board, as the Board does not believe a fixed target regarding the representation of women on the Board or in senior leadership (including executive officer positions) would automatically result in the identification or selection of the most appropriate candidates for the Corporation's specialized business and its current stage of operations. None (0%) of the directors on the Board are women. None (0%) of the executive officers of the Corporation are women. Diversity, including gender, age, nationality, cultural and educational background and business and other experience, is one of the factors that the Governance and Nominating Committee considers in identifying and nominating candidates for election or re-election to the Board. The Governance and Nominating Committee believes all of these factors are relevant to ensure high functioning board members and that establishing fixed targets based upon only one of these factors may disqualify desirable director candidates. Further, the Governance and Nominating Committee believes that appointments of directors and executive officers should be made, and should be perceived as being made, on the merits of individuals and that the adoption of a fixed target could interfere with the application of this approach. Merit is considered by the Governance and Nominating Committee against objective criteria, while having due regard to the benefits of diversity and to the needs of the Corporation. The Corporation is committed to providing an environment in which all employees and directors are treated with fairness and respect, and have equal access to opportunities for advancement based on skills and aptitude.

APPENDIX "B"

See attached.

APPENDIX "B"
TERRAVEST GROUP BOARD OF DIRECTORS CHARTER FOR
TERRAVEST INDUSTRIES INC.

Background and Purpose

This Charter sets out the mandate, authority, responsibilities, structure and procedures of the board (the "Board") of directors (the "Directors") of TerraVest Industries Inc. (the "Corporation"). The Directors carry out their mandate and fulfill their responsibilities in conjunction with the boards of directors of the portfolio companies (i.e. the corporations and limited partnerships) in which the Corporation holds business investments (e.g. RJV and Diamond) (the Corporation and all of the portfolio companies of the Corporation from time to time being referred to herein as the "TerraVest Group") and the Senior Management Team of the TerraVest Group. References to the "Senior Management Team" include the chief executive officer and chief financial officer of the TerraVest Group and the president of each portfolio company in the TerraVest Group.

Authority

The organization of the Board and its authority are subject to any restrictions, limitations or requirements set out in the Corporation's constituting documents, including its articles and by-laws, as well as any restrictions and limitations or requirements set out under applicable laws, including the Business Corporations Act (Alberta) (the "Act"), Canadian securities laws as well as the standards, policies and guidelines of the stock exchange(s) on which the Corporation's securities are listed (collectively, the "Applicable Law").

Mandate of the Board

1. Purpose

The primary function of the Directors is to supervise the management of the business and affairs of the Corporation and provide for stewardship of the TerraVest Group. In doing so, the Directors' fundamental objectives are to enhance and preserve long-term shareholder value, to ensure that the TerraVest Group meets its obligations on an ongoing basis and to ensure that the TerraVest Group operates in a reliable and safe manner. In performing its functions, the Board should consider the legitimate interests that its stakeholders, including shareholders, employees, customers and communities, may have in the TerraVest Group.

2. Procedure and Organization

The Directors operate by delegating certain of their responsibilities and duties to management or committees of the Directors and by reserving certain responsibilities and duties to themselves. In addition to regular committees of the Board, the Directors may appoint ad hoc committees periodically to address issues of a more short-term nature. The Directors retain the responsibility for managing their own affairs including selecting their Chair, nominating candidates for election as Directors, setting Director compensation, constituting committees of the Directors and committee charters.

3. **Responsibilities and Duties**

The Directors' principal responsibilities and duties fall into a number of categories, which are outlined below:

Legal Requirements

The Directors have the responsibility to ensure that legal requirements have been met and documents and records have been properly prepared, approved and maintained.

The Directors are responsible for considering and approving all major decisions affecting the Corporation including all acquisitions, dispositions, capital expenditures, debt financing and the issuance of shares.

The Directors have the statutory responsibility to:

- (a) supervise the management of the business and affairs of the Corporation;
- (b) act honestly and in good faith with a view to the best interests of the Corporation;
- (c) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances; and
- (d) act in accordance with the obligations contained in the Business Corporations Act (Alberta), the Corporation 's articles and by-laws and other relevant legislation and regulations.

The Directors have the statutory responsibility for considering the following matters as a full board which in law may not be delegated to management or to a committee of the Directors:

- (a) any submission to the shareholders of the Corporation of a question or matter requiring the approval of the shareholders of the Corporation;
- (b) the filling of a vacancy on the Board or in the office of auditor, or the appointment or removal of any of the Chief Executive Officer, however designated, the Chief Financial Officer, however designated, the Chair or the President of the Corporation;
- (c) except as contemplated under Section 103 the Business Corporations Act (Alberta), the issuance of securities of the Corporation except in the manner and on the terms authorized by the Board of Directors;
- (d) the declaration of dividends;
- (e) the purchase, redemption or any other form of acquisition of shares issued by the Corporation;
- (f) the payment of a commission to any person in consideration of the person's purchasing or agreeing to purchase shares of the Corporation from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares;

- (g) the approval of a management information circular in respect of the solicitation of proxies;
- (h) the approval of a take-over bid circular, directors' circular or issuer bid circular;
- (i) the approval of the Corporation's financial statements to be filed with securities regulators, mailed to shareholders of the Corporation or presented at a meeting of the shareholders of the Corporation;
- (j) the approval of a vertical or horizontal short-form amalgamation or the approval of an amendment to the articles of the Corporation to divide any class of unissued shares into a series; and
- (k) the adoption, amendment or repeal of by-laws of the Corporation.

Strategy Determination

The Directors shall be responsible for ensuring there are long-term goals and a strategic planning process in place for the TerraVest Group and shall participate with management directly or through their committees in developing and approving, on an annual basis, the strategy by which they propose to achieve these goals (taking into account, among other things, the opportunities and risks of the business in which the TerraVest Group is engaged).

Managing Risk

The Board of Directors shall be responsible for safeguarding the assets and business of the TerraVest Group. It is incumbent on the Directors to understand the principal risks of the business in which the Terravest Group is engaged, to achieve a proper balance between risks incurred and the potential return to shareholders, and to ensure that there are systems in place which effectively monitor and manage those risks with a view to the long-term viability of the TerraVest Group.

Appointment, Training and Monitoring Senior Management

The Directors shall:

- (a) appoint the CEO; with the advice of the Governance and Nominating Committee, develop corporate goals and objectives that the CEO is responsible for meeting, monitor and assess CEO performance in light of those corporate goals and objectives and determine CEO compensation; and provide advice and counsel in the execution of the CEO's duties;
- (b) approve the appointment of all corporate officers; and approve, upon the recommendation of the Governance and Nominating Committee and the CEO, the remuneration of all corporate officers;
- (c) approve, upon the recommendation of the Governance and Nominating Committee, incentive-compensation plans and equity-based plans; and
- (d) ensure that adequate provision has been made to train and develop management and for the orderly succession of management, including the CEO.

Ensuring Integrity

The Directors shall satisfy themselves as to the integrity of the CEO and other senior officers and shall ensure that the CEO and other senior officers are creating a culture of integrity throughout the TerraVest Group.

Each Director, at all times when acting as a Director, must represent the interests of all shareholders of the Corporation generally, not just those of a particular shareholder or group of shareholders. Any Directors unable to act in this manner should refrain from discussing or taking action in respect of the particular issue. The Directors must ensure that communications with shareholders are complete and open.

Policies, Procedures and Compliance

The Directors shall:

- (a) ensure that the TerraVest Group operates at all times within applicable laws and regulations and to the highest ethical and moral standards;
- (b) ensure that the TerraVest Group sets appropriate environmental standards in its operations and is in compliance with environmental laws and legislation;
- (c) ensure that the TerraVest Group has a high regard for the health and safety of its employees in the workplace and has appropriate programs and policies in place;
- (d) examine the corporate governance practices observed within the TerraVest Group and alter such practices when circumstances warrant;
- (e) approve and monitor compliance with policies and procedures adopted by the Directors, including the TerraVest Group's Code of Business Conduct and Ethics (the "Code") and related policies; and
- (f) approve the Corporation's significant operating policies and procedures, including reviewing and approving material changes to existing policies.

Reporting and Communication

The Directors shall:

- (a) ensure that the TerraVest Group has in place policies and programs to enable the TerraVest Group to communicate effectively with its shareholders, other stakeholders and the public generally;
- (b) ensure that the financial performance of the TerraVest Group is adequately reported to shareholders and regulators on a timely and regular basis in accordance with Applicable Law, and that reasonable steps are taken to ensure timely reporting of events, in accordance with Applicable Law, having a significant and material impact on the Corporation;
- (c) ensure that the financial results are reported fairly and in accordance with generally accepted accounting standards;

- (d) ensure the timely reporting of any other developments that have a significant and material impact on the value of the TerraVest Group; and
- (e) report annually to shareholders on its stewardship of the affairs of the TerraVest Group for the preceding year.

Monitoring and Acting

The Directors shall:

- (a) monitor the TerraVest Group's progress towards its goals and objectives and revise and alter its direction through management in response to changing circumstances;
- (b) take action when performance falls short of its goals and objectives or when other special circumstances warrant;
- (c) ensure that the TerraVest Group has implemented adequate internal control and management information systems which ensure the effective discharge of its responsibilities;
- (d) assess the individual performance of each Director as well as the collective performance of the Board; and
- (e) oversee the number and composition of the Board to facilitate more effective decision-making.

Succession Planning

The Directors shall be responsible for ensuring that the TerraVest Group implements a succession plan for its Senior Management Team in order to preserve and enhance the prospect of the TerraVest Group's business. The Directors shall be responsible for appointing the Senior Management Team and ensuring that there are appropriate measures in place to provide senior management with proper training and to monitor the performance of the Senior Management Team.

The Governance and Nominating Committee is responsible for developing an orientation program for new Directors and a continuing education program for Directors with respect to their duties as Directors of the Corporation and the responsibilities of directors of publicly-traded entities. Directors are encouraged to participate in or attend these programs.

Corporate Governance

The Board shall, or shall delegate to a committee of the Directors the responsibility to, consider corporate governance issues, including developing a set of corporate governance principles and guidelines that are specifically applicable to the TerraVest Group.

Exercise of Responsibilities and Duties

The Directors exercise their responsibility in respect of the foregoing matters by:

- ensuring that they have before them the necessary information and recommendations, and have received the appropriate professional advice, in order to make decisions;
- considering and acting upon the recommendations of the Board, the Governance and Nominating Committee, the Audit Committee or another appropriate body authorized by the Board; and
- satisfying themselves that the appropriate groups or individuals are doing the required work to discharge their duties in respect of any delegated matters.

For matters initially within the delegated authority of the Audit Committee or another body primarily accountable to the Board, approval of the Board will be based upon the recommendation of the relevant body to the Board.

4. Directors' Expectations of Management

The Directors expect each member of management to perform his or her duties, as may be reasonably assigned by the Directors from time to time, faithfully, diligently, to the best of his or her ability and in the best interests of the TerraVest Group. Each member of management is expected to devote substantially all of his or her business time and efforts to the performance of such duties. Management is expected to act in compliance with and to ensure that the TerraVest Group is in compliance with any and all laws, rules and regulations applicable to them.

5. Meetings

The Directors shall meet on at least a quarterly basis and shall hold additional meetings as required or appropriate to deal with other issues. In addition, the Directors shall meet on an annual basis to deal with strategic planning on behalf of the TerraVest Group. Financial and other information shall be made available to the Directors for review in advance of meetings in order to assure effectiveness of action at such meetings. Attendance at meetings shall be recorded.

The Corporation's secretary, or if there is no Corporation secretary, any Board member attendee nominated by the Chair of the Board, will be the secretary of the meeting. The Corporation secretary will circulate minutes of all Board meetings to the Board and will ensure that all minutes of meetings, or written resolutions in lieu of a meeting, are filed in the Corporation's minute book.

Management may be asked to participate in any meeting of the Directors but in such event the Directors are expected to meet separately from management immediately before and after such meeting to ensure that the Directors function independently of management.

6. **Evaluation**

Each of the Directors is expected to agree to an evaluation of his or her individual performance as well as to a review of the collective performance of the Board and of each committee of the Board. In that regard, each year an informal survey is to be undertaken, which compares: (a) the performance of the Directors to this mandate; (b) the performance of the committees of the Directors to their respective charters; and (c) the performance of Directors to their applicable position descriptions and expected competencies and skills. Directors shall be encouraged to exercise their duties and responsibilities in a manner that is consistent with this Charter and with the best interests of the TerraVest Group and its shareholders generally.

7. **Feedback from Shareholders**

The Directors shall communicate with and receive feedback from stakeholders, including shareholders, in accordance with the policies and procedures the TerraVest Group may put in place from time to time.

8. **Resources**

The Board shall have the authority to retain independent legal, accounting and other consultants to advise it. The Directors may request any officer or employee of the TerraVest Group or its outside counsel or the external/internal auditors to attend a meeting of the Directors or to meet with any members of, or consultants to, the Directors.

An individual Director shall be permitted to engage an outside legal or other advisor at the expense of the TerraVest Group where for example he or she is placed in a conflict position through activities of the TerraVest Group, but any such engagement shall be subject to the prior approval of the Governance and Nominating Committee.

9. **Qualifications**

Each Director shall have such skills and abilities appropriate to his or her appointment as a Director as shall be determined by the Board upon the recommendation of the Governance and Nominating Committee. At least one quarter (1/4) of the Directors shall be resident Canadians, for the purpose of the Income Tax Act (Canada). All Directors shall satisfy the minimum qualifications required by any applicable requirements under securities laws, other legislation and the rules of the Toronto Stock Exchange.

Directors are expected to commit the required time necessary to enable the Directors to effectively fulfill the responsibilities set out in this Charter and to strive to fully meet the other expectations set out in the TerraVest Group's Statement of Expectations of Board Members.

10. **Independence**

A majority of the Directors shall be "independent", "outside" and "unrelated" (collectively, "independent"), as affirmatively determined by the Board, which, for the purposes of this Charter shall mean:

- (a) a Director who is independent of management and is free from any interest in any business or other relationship which could, or could reasonably be perceived to materially interfere with the Director's ability to act with a view to the best

interests of the Corporation, other than interests and relationships arising from shareholdings;

- (b) a Director who has no direct or indirect material relationship with the Corporation (a material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a Director's independent judgment), including any relationship explicitly considered to be material under National Instrument 52-110 of the Canadian Securities Administrators and any other applicable Canadian law or regulation;
- (c) other than as a member of the Board or a committee of the Board, a Director who does not and has not accepted any consulting, advisory or compensatory fee from the Corporation; and
- (d) a Director who is not an "affiliated person" of the Corporation or any subsidiary thereof within the meaning of applicable Canadian law and regulation.

The independent Directors shall hold regularly scheduled meetings, or designate regularly scheduled portions of full Board meetings, at which non-independent Directors and management are not in attendance.

11. **Chair**

The Board shall, on an annual basis and in consultation with the Governance and Nominating Committee, appoint a Chair to oversee the Board, ensure that the Directors are carrying out their responsibilities effectively and to assess the effectiveness and contribution of each Director and each committee of the Board. The Chair shall be an independent Director and shall be governed by the Chair's Position Description approved by the Board.

Related Governance Documents:

- Mandate of the Board of Directors of Portfolio Companies
- Chair Position Description
- Governance and Nominating Committee Charter
- Audit Committee Charter
- Statement of Expectations of Board Members
- Code of Conduct and Business Ethics
- Whistleblower Policy
- Disclosure, Communications and Insider Trading Policy

APPENDIX "C"

DEFERRED SHARE UNIT PLAN AMENDMENT RESOLUTION

TERRAVEST INDUSTRIES INC.
(the "Corporation")

RESOLUTION OF THE SHAREHOLDERS

WHEREAS the board of directors of the Corporation (the "**Board**") has, subject to shareholder approval, approved an amendment (the "**Amendment**") to the deferred share unit plan of the Corporation (the "**DSU Plan**") to add a new Section 3(d) to the DSU Plan, which would read as follows:

"3(d) Dividends. If and when dividends in cash are paid on the Shares, a Participant shall be credited with dividend equivalents in respect of DSUs granted to the Participant as of the date each such dividend is paid by the Corporation. Such dividend equivalents shall be converted into additional DSUs (including fractional DSUs) based on the Fair Market Value on the date each such dividend is paid."

AND WHEREAS the Board considers the Amendment to be beneficial to the Corporation;

AND WHEREAS the Corporation wishes to ratify, approve and authorize the Amendment.

NOW THEREFORE BE IT RESOLVED BY ORDINARY RESOLUTION THAT:

1. the Amendment, as approved by the Board, be and is hereby ratified, approved and authorized;
2. any one director or officer of the Corporation be and is hereby authorized and directed, acting for and on behalf of the Corporation, to do and perform all acts and things and to execute and deliver all documents, certificates, instruments and agreements, whether under the corporate seal of the Corporation or otherwise, and to take all such actions as in the opinion of the officer or director may be necessary or advisable in order to carry out and give full effect to this resolution, the execution and delivery of such applications, documents, certificates, instruments and agreements by such director or officer being conclusive evidence of such determination.

