

**MICHICHI CAPITAL CORP.**

**NOTICE OF ANNUAL GENERAL AND SPECIAL  
MEETING OF THE SHAREHOLDERS OF MICHICHI  
CAPITAL CORP. TO BE HELD ON DECEMBER 6, 2024**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**DATED NOVEMBER 4, 2024**

*This management information circular and the accompanying materials require your immediate attention. If you are in doubt as to how to deal with these documents or the matters to which they refer, please consult your financial, legal, tax or other professional advisor.*

**MICHICHI CAPITAL CORP.**

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF  
SHAREHOLDERS TO BE HELD ON DECEMBER 6, 2024**

**NOTICE IS HEREBY GIVEN** that the annual general and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (“**Common Shares**”) of Michichi Capital Corp. (the “**Company**”) will be held at Vintage Tower II, 326 11<sup>th</sup> Ave SW, Conference Centre Main Floor, Calgary, AB T2R 0C5 at 10:30 a.m. (Calgary time) on December 6, 2024, for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended December 31, 2023, together with the notes thereto and the auditors’ report thereon;
2. to fix the number of directors to be elected at the Meeting at three (3);
3. to elect the board of directors of the Company (the “**Board**”) to hold office until the next annual meeting of the Shareholders or until their successors are duly elected or appointed;
4. to re-appoint KPMG LLP, Chartered Professional Accountants, as auditors of the Company for the ensuing year at such remuneration as may be fixed by the Board;
5. to ratify and approve the Company’s stock option plan (the “**Plan**”) and authorize the directors to make such changes to the Plan as may be required by the TSX Venture Exchange without further Shareholder approval; and
6. to transact any other business as may properly be brought before the Meeting or any adjournment(s) or postponement thereof.

The details of all matters proposed to be put before the Shareholders at the Meeting are set forth in the management information circular (“**Information Circular**”) of the Company accompanying this Notice of Annual General and Special Meeting.

**A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. To be valid, the proxy must be received by Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 (Attention: Proxy Department), not later than forty-eight (48) hours (excluding Saturdays, Sundays, and statutory holidays) prior to the Meeting or any adjournment or postponement thereof. Registered Shareholders may also use the Internet ([www.investorvote.com](http://www.investorvote.com)) to vote their Common Shares.**

If you are an unregistered Shareholder and received these materials through your broker or another intermediary, please complete and return the form of proxy or voting instruction form provided to you by such broker or through another intermediary, in accordance with the instructions provided. Late forms of proxy may be accepted or rejected by the Chairman of the Meeting in his sole discretion and the Chairman is under no obligation to accept or reject any particular late form of proxy.

The form of proxy confers discretionary authority with respect to: (i) amendments or variations to the matters of business to be considered at the Meeting; and (ii) other matters that may properly come before the Meeting. As of the date hereof, management of the Company knows of no amendments, variations, or other matters to come before the Meeting other than the matters set forth in this Notice of Annual General and Special Meeting. Shareholders who are planning on returning the accompanying form of proxy are encouraged to review the Information Circular carefully before submitting the proxy form.

The record date for determination of the Shareholders entitled to receive notice of and to vote at the Meeting is October 31, 2024 (the “**Record Date**”). Only the Shareholders whose names have been entered in the register of Common Shares on the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

**DATED** as of November 4, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
MICHICHI CAPITAL CORP.**

*/s/ Elson McDougald*

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Elson McDougald  
Chief Executive Officer, Chief Financial Officer,  
President, Corporate Secretary and Director  
Michichi Capital Corp.

**MICHICHI CAPITAL CORP.**

**ANNUAL GENERAL AND SPECIAL MEETING OF  
SHAREHOLDERS TO BE HELD ON DECEMBER 6, 2024**

**MANAGEMENT INFORMATION CIRCULAR**

**GENERAL**

This management information circular (the “**Information Circular**”) is furnished to holders (“**Shareholders**”) of common shares (“**Common Shares**”) of Michichi Capital Corp. (the “**Company**”) in connection with the solicitation of proxies and voting instruction forms by the management of the Company for use at the annual general and special meeting (the “**Meeting**”) of Shareholders to be held at Vintage Tower II, 326 11<sup>th</sup> Ave SW, Conference Centre Main Floor, Calgary, AB T2R 0C5 at 10:30 a.m. (Calgary time) on December 6, 2024, and at any adjournment or postponement thereof, for the purposes set forth in the accompanying Notice of Annual General and Special Meeting (the “**Notice of Meeting**”).

The information contained herein is given as of November 4, 2024, except where otherwise indicated. Enclosed herewith is a form of proxy or voting instruction form for use at the Meeting. Each Shareholder entitled to attend at meetings of Shareholders is encouraged to participate in the Meeting and Shareholders are urged to vote on matters to be considered in person or by proxy.

Shareholders should not construe the contents of this Information Circular as legal, tax or financial advice and should consult with their own professional advisors in considering the relevant legal, tax, financial or other matters contained in this Information Circular.

If you hold Common Shares through a broker, investment dealer, bank, trust company, nominee, or other intermediary (collectively, an “**Intermediary**”), you should contact your Intermediary for instructions and assistance in voting the Common Shares that you beneficially own.

**Persons Making the Solicitation**

This solicitation is made on behalf of the management of the Company. The costs incurred in the preparation of both the form of proxy and this Information Circular will be borne by the Company. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone, or any form of electronic communication or by directors, officers and employees of the Company who will not be directly compensated therefor.

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the Notice of Meeting, this Information Circular and the form of proxy have been sent by the Company to its registered Shareholders (Shareholders holding a paper share certificate or Direct Registration Statement registered in their name) and the Company has also sent such proxy-related materials directly to those unregistered (beneficial) Shareholders that have consented to the release of their addresses to the Company (“**NOBOs**”).

The Company has paid for intermediaries such as stockbrokers, securities dealers, banks, trust companies, clearing agencies, trustees and their agents and nominees (“**Intermediaries**”) to deliver proxy-related materials or Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to the beneficial Shareholders that have refused to release their addresses to the Company (“**OBOs**”). The OBOs and NOBOs are herein collectively referred to as the “**Non-Registered Shareholders**”. See also “*Proxy Related Information – Advice to Non-Registered Shareholders*” in this Information Circular.

The Company will not be providing the Notice of Meeting, the Information Circular, or the form of proxy to registered Shareholders or Non-Registered Shareholders through the use of notice-and-access, as such term is defined in NI 54-101.

## PROXY RELATED INFORMATION

### Appointment and Revocation of Proxies

Those Shareholders desiring to be represented at the Meeting by proxy must deposit their respective forms of proxy with Computershare Trust Company of Canada (“**Computershare**”), 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 (Attention: Proxy Department), not later than forty-eight (48) hours (excluding Saturdays, Sundays, and statutory holidays) prior to the Meeting or any adjournment or postponement thereof. A form of proxy must be executed by the Shareholder or by his attorney authorized in writing, or if the Shareholder is a corporation, under its seal or by an officer or attorney thereof duly authorized. A proxy is valid only at the Meeting in respect of which it is given or any adjournment or postponement of the Meeting.

Registered Shareholders may also use the Internet [at www.investorvote.com](http://www.investorvote.com) to vote their Common Shares. Shareholders will be prompted to enter the control number which is located on the form of proxy when voting by the internet. Votes by the internet must be received not later than forty-eight (48) hours (excluding Saturdays, Sundays, and statutory holidays) prior to the time of the Meeting or any adjournment or postponement thereof. The Internet may also be used to appoint a proxyholder to attend and vote at the Meeting on the Shareholder’s behalf and to convey a Shareholder’s voting instructions.

**The Company may refuse to recognize any instrument of proxy deposited in writing or by the Internet received later than forty-eight (48) hours (excluding Saturdays, Sundays, and statutory holidays) prior to the Meeting or any adjournment or postponement thereof.**

**The persons named in the enclosed form of proxy are officers and directors of the Company. Each Shareholder submitting a proxy has the right to appoint a person, who need not be a Shareholder, to represent them at the Meeting other than the persons designated in the form of proxy furnished by the Company. A Shareholder may exercise this right by inserting the name of the desired representative in the blank space provided in the form of proxy or by completing another form of proxy and, in either case, depositing the proxy with Computershare, at the place and within the time specified above for the deposit of proxies.**

A Shareholder who has given a proxy has the power to revoke it at any time prior to the exercise thereof. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing signed by the Shareholder or by the Shareholder’s attorney authorized in writing, and either delivered to Computershare at the place specified above at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof, or deposited with the Chairman of the Meeting prior to the commencement of the Meeting or any adjournment or postponement thereof.

### Exercise of Discretion

All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting in accordance with the instructions of the Shareholder where voting is by way of a show of hands or by ballot and, if the Shareholder specifies a choice with respect to any matter to be voted upon, the

Common Shares represented by the proxy will be voted in accordance with such instructions. **In the absence of any such instructions, the persons whose names appear on the enclosed form of proxy will vote in favour of the matters set forth in the Notice of Meeting and in this Information Circular.**

**The enclosed form of proxy confers discretionary authority on the persons named therein with respect to any amendments or variations of those matters specified in the form of proxy and Notice of Meeting and with respect to any other matters which may be properly brought before the Meeting or any adjournment or postponement thereof, except for in relation to any resolutions electing any person as a director of the Company. If any such amendment, variation or other matter should come before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote such proxies in accordance with their best judgment, unless the Shareholder has specified to the contrary or that Common Shares are to be withheld from voting. At the time of printing this Information Circular, management of the Company knows of no such amendment, variation, or other matter.**

### **Advice to Non-Registered Shareholders**

**The information in this section is of significant importance to Non-Registered Shareholders, as most Shareholders do not hold their Common Shares in their own name.** Non-Registered Shareholders are advised that only proxies from Shareholders of record can be recognized and voted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms).

#### *Voting by Non-Registered Shareholders*

Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Non-Registered Shareholder. Without specific instructions, brokers and their nominees are prohibited from voting Common Shares for their clients. The directors and officers of the Company do not know for whose benefit the Common Shares registered in the name of CDS & Co. are held, and directors and officers of the Company do not necessarily know for whose benefit the Common Shares registered in the name of any Intermediary are held.

Applicable regulatory policy requires brokers and other Intermediaries to seek voting instructions from Non-Registered Shareholders in advance of Shareholders' meetings. Every broker and other Intermediary has its own mailing procedure, and provides its own return instructions, which should be carefully followed. The form of proxy supplied by brokers and other Intermediaries to Non-Registered Shareholders may be very similar and, in some cases, identical to that provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Non-Registered Shareholder.

In Canada, the vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Non-Registered Shareholders, and asks Non-Registered Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Non-Registered Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be**

**communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted.** If you have any questions respecting the voting of Common Shares held through a broker or other Intermediary, please contact that broker or other Intermediary for assistance.

Although a Non-Registered Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker or other Intermediary, a Non-Registered Shareholder may attend the Meeting as proxyholder for the registered Shareholder that holds the Non-Registered Shareholder's Common Shares and vote those Common Shares in that capacity. **Non-Registered Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker or agent.**

**Non-Registered Shareholders should contact their broker or other Intermediary through which they hold Common Shares if they have any questions regarding the voting of such Common Shares.**

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

### **Voting Rights**

The authorized share capital of the Company consists of an unlimited number of voting Common Shares and an unlimited number of non-voting preferred shares ("**Preferred Shares**") without nominal or par value and issuable in series. As at the date of this Information Circular, there are 2,100,000 Common Shares currently issued and outstanding, and no Preferred Shares issued and outstanding. Shareholders of the Record Date are entitled to receive notice of and attend and vote at the Meeting.

**Each Shareholder will be entitled to one vote at the Meeting for each Common Share held by them on the Record Date.**

### **Record Date**

The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting or any adjournment or postponement thereof is October 31, 2024 (the "**Record Date**").

The Company will prepare or cause to be prepared a list of the Shareholders recorded as holders of Common Shares on its register of Shareholders as of the close of business on the Record Date, each of whom shall be entitled to vote the Common Shares shown opposite their name on the list at the Meeting or any adjournment or postponement thereof.

In addition, persons who are Non-Registered Shareholders as of the Record Date will be entitled to exercise their voting rights in accordance with the procedures established under NI 54-101. See "*Proxy Related Information – Advice to Non-Registered Shareholders*" in this Information Circular.

### **Principal Holders of Common Shares**

To the best of the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, or controls or directs, directly or indirectly, 10% or more of the voting rights attached to all the issued and outstanding Common Shares as at the date of this Information Circular.

Under the articles of the Company (the “**Articles**”), a quorum for the Meeting is two individuals who are Shareholders, proxy holders representing Shareholders or duly authorized representatives of corporate Shareholders personally present and representing Common Shares aggregating not less than 10% of the issued Common Shares of the Company carrying the right to vote at the Meeting.

#### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

No person who has been a director or executive officer of the Company at any time since the beginning of the last financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors, or the appointment of auditors of the Company, and as otherwise disclosed in this Information Circular.

Certain directors and officers of the Company hold Options (as defined herein). At the Meeting, Shareholders will be asked to approve and adopt an ordinary resolution relating to the approval of the Option Plan (as defined herein). See “*Matters to be Considered at the Meeting – Approval of the Stock Option Plan*” in this Information Circular.

#### **MATTERS TO BE CONSIDERED AT THE MEETING**

To the knowledge of the board of directors of the Company (the “**Board**”), the only matters to be brought before the Meeting are those matters set forth in the Notice of Meeting.

##### **Financial Statements**

At the Meeting, the audited financial statements of the Company for the financial year ended December 31, 2023, together with the notes thereto and the independent auditor’s report thereon (the “**Financial Statements**”) will be presented. No vote by the Shareholders with respect to the Financial Statements is required or proposed to be taken.

In accordance with applicable laws, the Financial Statements have been delivered to Non-Registered Shareholders who have requested copies of the Company’s annual financial statements and to registered Shareholders who have not informed the Company in writing that they do not wish to receive copies of annual financial statements of the Company. The Financial Statements are available on the System for Electronic Document Analysis and Retrieval (“**SEDAR+**”) at [www.sedarplus.ca](http://www.sedarplus.ca) under the Company’s profile and will be sent by the Company free of charge to any Shareholder upon request.

##### **Fixing Number of Directors**

At the Meeting, it will be proposed that three (3) directors be elected to hold office for the next ensuing year, subject to the provisions of the Articles relating to subsequent appointments by the Board. Management therefore intends to place before the Meeting, for approval a resolution setting the number of directors to be elected until the next annual meeting of Shareholders, subject to the Articles of the Company relating to subsequent appointments by the Board, at three (3) members.

The ordinary resolution fixing the number of directors must be approved by a simple majority of the votes cast at the Meeting by the Shareholders voting in person or by proxy. **The Board believes the passing of the above resolution is in the best interests of the Company and recommends that the Shareholders vote IN FAVOUR of the resolution. Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy or voting instruction form to vote in favour of the ordinary resolution setting the number of directors to be elected at the Meeting at three (3).**

## Election of Directors

The Company currently has three (3) directors, all of whom are being nominated for re-election. It is proposed to set the number of directors for the following year at the same number. This requires the approval of the Shareholders by an ordinary resolution, which approval will be sought at the Meeting.

The directors of the Company are elected annually. At the Meeting, Shareholders will be asked to elect the three (3) nominees set forth in the table below as directors of the Company. Each of the nominees elected as a director of the Company will hold office until the next annual general meeting of Shareholders or until a successor is duly elected or appointed or their office is vacated earlier in accordance with the Articles and the provisions of the *Business Corporations Act* (British Columbia) (“BCBCA”).

Each director nominee will be elected on an individual basis and not as a member of a slate. Management does not contemplate that any of such nominees will be unable to serve as directors.

The following is a brief description of the nominees, including the name and province or state and country of residence of each of the nominees, the date each first became a director of the Company, their principal occupation and the number of Common Shares beneficially owned, or controlled or directed, directly or indirectly, by each of the foregoing as of the date of this Information Circular.

**The Board believes the election of the below named nominees as directors of the Company is in the best interests of the Company and recommends that the Shareholders vote IN FAVOUR of electing the nominees. Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy or voting instruction form to vote in favour of the election of the nominees set forth in the table below as directors of the Company.**

<b>Name and Province/Country of Residence</b>	<b>Current Principal Occupation and Past 5 Years</b>	<b>Effective Date Became a Director</b>	<b>Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly as at the date hereof<sup>(1)</sup></b>
Elson McDougald <sup>(2)</sup> <i>Drumheller, Alberta, Canada</i>	Chief Executive Officer, Chief Financial Officer and Corporate Secretary of the Corporation since (March 2021- Present); Independent Businessman (August 2015 – Present)	March 16, 2021	200,000
Brent Moen <sup>(2)</sup> <i>Calgary, Alberta, Canada</i>	President of Verus Swine Management Services Ltd. (2008-Present)	March 16, 2021	200,000
Jeffrey J. McCaig <sup>(2)</sup> <i>Calgary, Alberta, Canada</i>	Director and Chair of Trimac Transportation (2005-Present); Director of MEG Energy (2014-Present)	March 16, 2021	200,000

### Notes:

- (1) Information respecting the number of Common Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, as at the date of this Information Circular has been furnished to the Company by the above-named individuals.
- (2) A member of the audit committee.

### *Cease Trade Orders*

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

### *Bankruptcies*

To the knowledge of the Company, no proposed director of the Company (nor any personal holding company of any of such persons): (i) is, as at the date of this Information Circular, or has been within ten (10) years before the date of this Information Circular, a director or executive officer of any corporation (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within the ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### *Penalties and Sanctions*

To the knowledge of the Company, no proposed director of the Company (nor any personal holding company of any of such persons) has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in deciding whether to vote for a proposed director.

### **Appointment of Auditors**

Management of the Company intends to nominate KPMG LLP, Chartered Professional Accountants (“**KPMG**”), for re-appointment as the auditors of the Company, to hold office for the ensuing year until the close of the next annual general meeting of Shareholders or until KPMG is removed from office or resigns, at a remuneration to be fixed by the Board. KPMG have been the auditors of the Company since March 16, 2021.

**The Board believes the re-appointment of KPMG as auditors of the Company is in the best interests of the Company and recommends that the Shareholders vote IN FAVOUR of re-appointing KPMG as auditors. Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy or voting instruction form to vote in favour of the election of KPMG as auditors of the Company.**

## Approval of Stock Option Plan

The Company has adopted an incentive stock option plan (the “**Option Plan**”), substantially in the form attached as Schedule “A” to this Information Circular, which provides that the Board may from time to time, in its discretion, and in accordance with TSX Venture Exchange (“**TSXV**”) requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options (“**Options**”) to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed ten percent (10%) of the issued and outstanding Common Shares of the Company. Such Options will be exercisable for a period of up to ten (10) years from the date of grant. In connection with the foregoing, the Option Plan provides that: (i) no more than five percent (5%) of the issued shares of the Company will be granted to any individual in any twelve (12) month period; (ii) no more than two percent (2%) of the issued shares of the Company will be granted to any single consultant in any twelve (12) month period; and (iii) no more than an aggregate of two percent (2%) of the issued shares of the Company will be granted to all persons retained to provide investor relations activities in any twelve (12) month period.

Options must be exercised within twelve (12) months following cessation of the optionee’s position with the Company unless the optionee was engaged in investor relations activities, in which case such exercise must occur within thirty (30) days after the cessation of the optionee’s services to the Company, provided that if the cessation of office, employment, directorship, or consulting arrangement was by reason of death, the Option may be exercised within a maximum period of one (1) year after such death, subject to the expiry date of such Option.

The exercise price of the Options shall be determined by the Board at the time any Option is granted. In no event shall such exercise price be lower than the exercise price permitted by the TSXV. Subject to any vesting restrictions imposed by the TSXV, the Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, or that no vesting restriction shall exist.

Pursuant to the policies of the TSXV, stock option plans which reserve for issuance up to ten percent (10%) of a listed company’s shares must be approved annually by shareholders of the listed corporation. This approval is being sought at the Meeting.

At the Meeting, Shareholders will be asked to consider, and, if deemed advisable, to approve, with or without variation, an ordinary resolution approving the Option Plan. The text of the ordinary resolution which management intends to place before the Meeting for the approval of the Option Plan is as follows:

“**BE IT HEREBY RESOLVED** as an ordinary resolution that:

1. the stock option plan of the Company, substantially in the form attached as Schedule “A” to the Information Circular (the “**Option Plan**”), be and is hereby approved and adopted as the stock option plan of the Company;
2. any one director or officer may amend the form of the Option Plan in order to satisfy the requirements or requests of any regulatory authorities, including the TSXV, without requiring further approval of the shareholders of the Company; and
3. any one director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents, and other instruments and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”

The foregoing ordinary resolution must be approved by a simple majority of the votes cast at the Meeting by the Shareholders voting in person or by proxy. **The Board believes the passing of the above resolution is in the best interests of the Company and recommends that the Shareholders vote IN FAVOUR of the resolution. Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy to vote proxies in favour of the ordinary resolution approving the Option Plan for the ensuing year.**

### **Other Business**

Management is not aware of any other matters to come before the Meeting, other than those set out in the Notice of Meeting. **If other matters come before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the same in accordance with their best judgment in such matters.**

## **EXECUTIVE COMPENSATION**

### **Compensation Discussion and Analysis**

The Company is currently a capital pool company (“CPC”). Pursuant to Policy 2.4 – *Capital Pool Companies* of the TSXV (“**Policy 2.4**”), and until the Company completes a Qualifying Transaction (as such term is defined in Policy 2.4), no compensation of any kind may be provided to the Company’s directors or officers, directly or indirectly, by any means, including payment of salary, other than compensation that may be provided by way of Options pursuant to the Company’s Option Plan.

The Company chooses to issue Options to maintain a competitive position in the CPC marketplace and because it is the only permissible form of compensation that may be awarded to its directors and officers while it is a CPC.

The objective and purpose of any Option reward is to encourage the Company’s directors and officers to find a Qualifying Transaction that is in the best interest of the Shareholders. If a Qualifying Transaction is not successfully completed, or if one is completed that does not increase the value of the Common Shares during the term of the Option, the directors and officers will receive no benefit, or very little benefit, from any Options.

With respect to the grant of Options, the Chief Executive Officer of the Company recommends to the Board the individual equity incentive awards for each executive officer and director. The Board then takes these recommendations into consideration when making final decisions on compensation for those executive officers. The Board does not use formulas or benchmarks for each grant but is restricted by the policies of the TSXV and the terms of the Option Plan in how many Options it may grant. Options under the Option Plan are awarded to executive officers by the Board based upon the level of responsibility and contribution of the individuals towards the Company’s goals and objectives. Previous grants of Options to a particular individual will be taken into account when considering future grants of Options to that particular individual.

Following the completion of a Qualifying Transaction by the Company, if any, it is anticipated that the Company will pay compensation to its directors and officers in accordance with industry standards, depending on the nature and size of the particular business that the Company acquires in connection with any Qualifying Transaction that it may complete.

### **Risks of Compensation Policies and Practices**

The Company’s compensation program is designed to provide executive officers incentives for the achievement of near-term and long-term objectives, without motivating them to take unnecessary risk. As

part of its review and discussion of executive compensation, the Board noted the following facts that discourage the Company's executives from taking unnecessary or excessive risk: (i) the Company's business strategy and related compensation philosophy; and (ii) the effective balance, in each case, between near-term and long-term focus, corporate and individual performance, and financial and non-financial performance.

Based on this review, the Board believes that the Company's total executive compensation program does not encourage executive officers to take unnecessary or excessive risk.

### **Financial Instruments**

The Company has not implemented any policies which restrict its executive officers and directors from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the executive officer or director.

### **Compensation Governance**

For a discussion on policies and practices by the Board to determine the compensation of the Company's directors and executive officers, see "*Executive Compensation – Compensation Discussion and Analysis*" in this Information Circular. The Company has not established a compensation committee and does not intend to do so before the completion of a Qualifying Transaction, if any.

### **Benefit, Contribution, Pension, Retirement, Deferred Compensation and Actuarial Plans**

The Company currently has no defined benefit, defined contribution, pension, retirement, deferred compensation or actuarial plans for its Named Executive Officers or directors of the Company.

**"Named Executive Officer"** means: (i) each of the Chief Executive Officer and Chief Financial Officer of the Company; (ii) each of the Company's four (4) most highly compensated executive Officers, or the four (4) most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year and whose total compensation exceeds \$150,000 for that financial year; and (iii) each individual for whom disclosure would have been provided under (iv) but for the fact that the individual was not serving as an Executive Officer of the Company at the end of the most recently completed financial year ended of the Company.

**"Executive Officer"** means: (i) the chair, vice-chair, or president of the Company; (ii) a vice-president of the Company in charge of a principal business unit, division or function including sales, finance, or production; or (iii) an individual performing a policy-making function in respect of the Company.

### **Director and Named Executive Officer Compensation, Excluding Options and Compensation Securities**

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each Named Executive Officer, in any capacity, and each director, in any capacity, during the two most recently completed financial years ending December 31, 2022 and 2023, excluding any compensation securities:

**Table of Compensation Excluding Compensation Securities**

Name and position	Year <sup>(1)</sup>	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Elson McDougald</b> <i>Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
<b>Brent Moen</b> <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
<b>Jeffrey J. McCaig</b> <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil

(1) For the year-ended December 31

### External Management Companies

The Company has no management contracts or other arrangement in place where management functions are performed by a person or company other than the directors or executive officers of the Company.

### Stock Options and Other Compensation Securities

The following table provides information regarding all compensation securities granted or issued to each Named Executive Officer and director of the Company:

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion, or exercise price (\$)	Closing Price of security or underlying security		Expiry Date
					On date of grant (\$)	At year end (\$)	
<b>Elson McDougald</b> <i>Director, Chief Executive Officer, Chief Financial Officer, Corporate Secretary</i> Drumheller, Alberta	stock option	70,000 <sup>(1)</sup>	July 15, 2021	\$0.50	\$0.50	\$0.50	July 15, 2026
<b>Brent Moen</b> <i>Director</i> Calgary, Alberta	stock option	70,000 <sup>(1)</sup>	July 15, 2021	\$0.50	\$0.50	\$0.50	July 15, 2026
<b>Jeffrey J. McCaig</b> <i>Director</i> Calgary, Alberta	stock option	70,000 <sup>(1)</sup>	July 15, 2021	\$0.50	\$0.50	\$0.50	July 15, 2026

**Notes:**

- (1) An aggregate of 210,000 Options were granted on July 15, 2021 in connection with the closing of the Company’s initial public offering.

No compensation securities were exercised by any director or Named Executive Officer during the financial year ended December 31, 2023.

**Stock Option Plans and Other Incentive Plans**

The Company has no other incentive plans other than the Option Plan. See “*Matters to be Considered at the Meeting – Approval of the Stock Option Plan*” in this Information Circular.

**Employment, Consulting and Management Agreements**

As at the Record Date, the Company did not have any plan, contract or arrangement, compensatory or otherwise regarding the employment of a Named Executive Officer.

Other than as provided for at common law, there is no agreement or arrangement that provides for payments to the Named Executive Officers at, following or in connection with any termination (whether voluntary, involuntary, or constructive), resignation, retirement, a change of control of the Company or a change in the Named Executive Officers’ responsibilities.

**Oversight and Description of Director and Named Executive Officer Compensation**

Pursuant to Policy 2.4 of the TSXV, and until the Company completes a Qualifying Transaction, no compensation of any kind may be provided to the Company’s directors or officers, directly or indirectly, by any means, including payment of salary, other than compensation that may be provided by way of Options pursuant to the Company’s Option Plan.

**Pension Disclosure**

The Company does not have a pension plan or any other plan that provides for payments or benefits at, following or in connection with retirement and is not currently providing a pension to any directors of the Company or Named Executive Officers. The Company does not have a deferred compensation plan.

**SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets forth the Company’s equity compensation plans under which equity securities are authorized for issuance as at December 31, 2023, the end of the most recently completed financial year.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by the security holders	210,000 <sup>(1)(2)</sup>	\$0.50 <sup>(1)(2)</sup>	0 <sup>(1)(3)</sup>
Equity compensation plans not approved by security holders	N/A	N/A	N/A

<b>Total</b>	<b>210,000</b> <sup>(1)(2)</sup>	<b>N/A</b> <sup>(1)(2)</sup>	<b>0</b> <sup>(1)(3)</sup>
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**Notes:**

- (1) The Option Plan is a “rolling” stock option plan which reserves for issuance a maximum of 10% of the issued and outstanding Common Shares at the time of the Option grant.
- (2) An aggregate of 210,000 Options were granted on July 15, 2021 in connection with the closing of the Company’s initial public offering.
- (3) The Company currently has 0 Options available for further issuance under the Option Plan.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No current or former director, executive officer or employee of the Company, or any proposed nominee director, or any of their respective associates or affiliates, is or has been at any time since the beginning of the last completed fiscal year, indebted to the Company or any of its subsidiaries nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Company or any of its subsidiaries.

### **INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as set forth herein, the Company is not aware of any material interest, direct or indirect, of any “informed person” of the Company, any proposed director of the Company or any associate or affiliate, of any of the foregoing in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

For the purposes of the above, “informed person” means: (i) a director or executive officer of the Company; (ii) a director or executive officer of a company that is itself an informed person or subsidiary of the Company; (iii) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and (iv) the Company after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

There are potential conflicts of interest to which all of the directors and officers of the Company may be subject in connection with the operations of the Company. All of the directors and officers are engaged in and will continue to be engaged in corporations or businesses, including publicly traded corporations, which may be in competition with the search by the Company for businesses or assets in order to close a Qualifying Transaction. Accordingly, situations may arise where all of the directors and officers will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA.

### **MANAGEMENT CONTRACTS**

The Company has no management contracts or other arrangement in place where management functions are performed by a person or company other than the directors or executive officers of the Company.

### **CORPORATE GOVERNANCE DISCLOSURE**

#### **General**

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires the Company to disclose information about its corporate governance practices that they have adopted.

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. The Board is committed to sound corporate governance practices, which are both in the interest of the Shareholders and contribute to effective and efficient decision making.

The following information is provided in accordance with Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* under NI 58-101.

### **Board of Directors**

The Board, which is responsible for supervising the management of the business and affairs of the Company, is currently comprised of three (3) directors. Following the Meeting, it is anticipated that there will be three (3) directors, of which two (2) are independent, as such term is defined in National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). The independent directors are Brent Moen and Jeffrey J. McCaig. Elson McDougald, the Chief Executive Officer, the Chief Financial Officer and the Corporate Secretary of the Company is not independent by virtue of being a member of the Company’s management or a related party thereto.

The Board has not adopted any formal terms of reference or mandate for the Board other than a charter (“**Audit Committee Charter**”) for the audit committee of the Company (“**Audit Committee**”) which is attached hereto as Schedule “B”.

The Board has plenary power to manage and supervise the management of the business and affairs of the Company and to act in the best interest of the Company. The Board is responsible for the overall stewardship of the Company and approves all significant decisions that affect the Company before they are implemented. The Board also considers their implementation and reviews the results. The Board has the responsibility to participate with management in finding, and ultimately approving, the Company’s Qualifying Transaction.

### **Directorships**

Jeffrey J. McCaig currently serves as a Director of MEG Energy Corp. and has served since March 2014. No other of the Company’s directors or nominee directors are currently directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction.

### **Orientation and Continuing Education of Board Members**

The Company currently does not have any formal orientation or continuing education programs in place for new directors, as there have been no changes in Board membership since incorporation. At such time as there is a change in the Board, this policy will be reviewed.

### **Ethical Business Conduct**

The Board is of the view that the fiduciary duties placed on individual directors pursuant to corporate legislation and the common law, and the conflict of interest provisions under corporate legislation which restricts an individual director’s participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

## **Nomination of Directors**

The size of the Board is reviewed annually when the Board considers the number of directors to recommend for election at the annual meeting of Shareholders. The Board takes into account the number of directors required to carry out the Board duties effectively, and to maintain a diversity of view and experience.

## **Compensation of Directors and Officers**

Other than Options granted pursuant to the Option Plan, the directors and officers of the Company are not currently compensated for acting in such capacities. See “*Executive Compensation*” in this Information Circular.

## **Other Board Committees**

The Board has no standing committees other than the Audit Committee.

## **Assessment of Directors, the Board and Board Committees**

The Board monitors the adequacy of information given to directors, the communications between the Board and management and the strategic direction and processes of the Board and its Audit Committee, to satisfy itself that the Board, its Audit Committee, and its individual directors are performing effectively.

## **AUDIT COMMITTEE**

The Company is subject to NI 52-110, which prescribes certain requirements in relation to audit committees. The following information is provided in accordance with Form 52-110F2 – *Disclosure by Venture Issuers* under NI 52-110.

### **Audit Committee Charter**

The Audit Committee is a committee of the Board established for the purpose of overseeing the accounting and financial reporting processes of the Company and annual external audits of the financial statements. The Audit Committee has formally set out its responsibilities and compensation requirements in fulfilling its oversight in relation to the Company’s internal accounting standards and practices, financial information, accounting systems and procedures. The Audit Committee Charter is set forth in Schedule “B” attached hereto.

### **Composition of the Audit Committee**

The Audit Committee of the Board consists of Elson McDougald, Brent Moen, and Jeffrey J. McCaig. Each member of the Audit Committee is financially literate, with Brent Moen and Jeffrey J. McCaig comprising its independent members, as such terms are defined in NI 52-110.

### **Relevant Education and Experience of Audit Committee Members**

***Elson McDougald – Drumheller, Alberta – Director, President, Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Promoter***

Mr. McDougald, age 80, brings over 60 years of experience in the oil and natural gas services business in his role as a director of the Company. He is currently an independent businessman and founder and director of Indigena Drilling Inc., a private corporation. He served as a director of Stampede Drilling Inc., TSXV listed company, from August of 2017 to February 2023. Mr. McDougald was the Executive Chairman of CanElson, a company formerly listed on the Toronto Stock Exchange (“TSX”), until it was acquired on

August 10, 2015 by Trinidad Drilling Ltd., a TSX listed company, after which he served as a director until he resigned on March 1, 2016. Mr. McDougald was Chief Executive Officer of CanElson from December 2008 to December 2010 and Chairman of Savanna Energy Services Corp., a TSX listed company, from August 2006 to May 2008. He was the founding Chairman, President and Chief Executive Officer of Western Lakota Energy Services Inc. (a company formerly listed on the TSX) from 2001 to 2006 and the founding Chairman and Chief Executive Officer of Tetonka Drilling Inc. (a company formerly listed on the TSX) from 1997 to 2000. Prior thereto, he was founder, Chairman, President and Chief Executive Officer of Laredo Drilling Ltd. and is a past director or Chairman of Phoenix Technology Income Fund (now PHX Energy Services Corp., a company listed on the TSX), the Alberta Treasury Branch, Alberta Petroleum Equipment Company Ltd., Lakeside Farm Industries Ltd. and Vencap Equities Alberta.

***Brent Moen – Calgary, Alberta – Director and Promoter***

Mr. Moen, age 70, has over 35 years of feed mill and livestock management experience, obtained while working for Maple Leaf Foods, Landmark Feeds, Elite Swine and Cargill. Mr. Moen is currently the President of Verus Swine Management Services Ltd. in Calgary, a position held since 2008 and a director of Indigena Drilling Inc., a private corporation, since July 2023. He also served as the general manager of Verus Animal Health Alliance from July 2008 to December 2018. Mr. Moen is also the nominated company representative for Red Willow Farms in Alberta. Mr. Moen holds directorship roles in the not-for-profit organizations, Alberta Pork and the Western Hog Exchange. Mr. Moen holds a Diploma in Applied Arts, majoring in Accounting, from Saskatchewan Polytechnic (formerly the Saskatchewan Institute of Applied Science and Technology) in Moose Jaw, Saskatchewan.

***Jeffrey J. McCaig – Calgary, Alberta – Director***

Mr. McCaig, age 73, has served as a director of MEG Energy Corp., a TSX listed company, since March 2014. Mr. McCaig is currently a director and Chair of Trimac Transportation of which he was Chief Executive Officer until December 31, 2015. Mr. McCaig is a director of Indigena Drilling Inc., a private corporation, since July 2023, a director of Grayhawk Wealth Holdings Inc., a private corporation, since January 2022, and a director of Bantrel Company since 2000, becoming its Chairman in December 2007. Mr. McCaig was a director of Potash Corporation of Saskatchewan from January 2001 to May 2017. Mr. McCaig is also a director and co-owner of the Calgary Flames Hockey Club. Mr. McCaig holds a degree in Economics from Harvard University, a Law degree from Osgoode Hall Law School, and a Master of Science in Management degree from Stanford University. He is also a member of the Institute of Corporate Directors.

**Audit Committee Oversight**

At no time since the commencement of the Company’s most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

**Reliance on Certain Exemptions**

As a venture issuer, the Company is exempt from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of NI 52-110.

**Pre-Approval Policies and Procedures**

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services under the heading “*External Auditor*” of the Audit Committee Charter of the Company which is attached hereto as Schedule “B”.

## External Auditor Service Fees (By Category)

The aggregate fees paid by the Company to the external auditors of the Company for the last two financial years for audit fees are described below.

<u>Financial Period</u>	<u>Audit Fees<sup>(1)</sup></u>	<u>Audit Related Fees<sup>(2)</sup></u>	<u>Tax Fees<sup>(3)</sup></u>	<u>All Other Fees<sup>(4)</sup></u>
Financial Year Ended December 31, 2022	\$12,187	Nil	Nil	Nil
Financial Year Ended December 31, 2023	\$15,779	Nil	Nil	Nil

### Notes:

The aggregate fees billed for audit services.

- (1) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's Financial Statements and are not disclosed in the "Audit Fees" column.
- (2) The aggregate fees billed for tax compliance, tax advice, and tax planning services.
- (3) The aggregate fees billed for professional services other than those listed in the other three columns.

## ADDITIONAL INFORMATION

Additional information relating to the Company is available under the Company's profile on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca). Financial information in respect of the Company and its affairs is provided in the Company's Financial Statements. Copies of the Company's Financial Statements and related management's discussion and analysis ("MD&A") are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Shareholders may contact the Company at its office by mail at 12 Royal Vista Way NW, Suite 1242, Calgary, AB T3R 0N2 to request copies of the Financial Statements and MD&A which will be sent to the Shareholder upon request without charge. Financial information is provided in the Company's comparative Financial Statements and MD&A for its financial year ended December 31, 2023.

**SCHEDULE A**  
**STOCK OPTION PLAN**

(see attached)

**STOCK OPTION PLAN  
OF  
MICHICHI CAPITAL CORP.**

**1. Purpose**

The purpose of the Stock Option Plan (the “**Plan**”) of **Michichi Capital Corp.**, a corporation incorporated under the *Business Corporations Act* (British Columbia) (the “**Corporation**”) is to advance the interests of the Corporation by encouraging the directors, senior officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Corporation (the “**Shares**”), thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

**2. Administration**

This Plan shall be administered by the board of directors of the Corporation or by a special committee of the directors appointed from time to time by the board of directors of the Corporation pursuant to rules of procedure fixed by the board of directors (such committee or, if no such committee is appointed, the board of directors of the Corporation, is hereinafter referred to as the “**Board**”). A majority of the Board shall constitute a quorum, and the acts of a majority of the directors present at any meeting at which a quorum is present, or acts unanimously approved in writing, shall be the acts of the directors.

Subject to the provisions of this Plan, the Board shall have authority to construe and interpret this Plan and all option agreements entered into thereunder, to define the terms used in this Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to this Plan and to make all other determinations necessary or advisable for the administration of this Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all participants in this Plan and on their legal personal representatives and beneficiaries.

Each option granted hereunder may be evidenced by an agreement in writing, signed on behalf of the Corporation and by the optionee, in such form as the Board shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

**3. Stock Exchange Rules**

All options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or exchanges on which the Shares of the Corporation are then listed and any other regulatory body having jurisdiction hereinafter (hereinafter collectively referred to as, the (“**Exchange**”).

In particular, during the time that the Corporation is a Capital Pool Company (as defined in Policy 2.4 of the Exchange), this Plan is subject to Section 6 of Policy 2.4 of the Exchange as it relates to the issuance of options.

#### **4. Shares Subject to Plan**

Subject to adjustment as provided in Section 17 hereof, the Shares offered under this Plan shall consist of the Corporation's authorized but unissued common shares. Subject to Section 10 hereof, the aggregate number of Shares issuable upon the exercise of all options granted under this Plan shall not exceed 10% of the issued and outstanding common shares of the Corporation from time to time. If any option granted hereunder expires or terminates for any reason in accordance with the terms of this Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Plan.

#### **5. Maintenance of Sufficient Capital**

The Corporation shall at all times during the term of this Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of this Plan.

#### **6. Eligibility and Participation**

Directors, senior officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company that provides management services to the Corporation or its subsidiaries (“**Management Company Employees**”) shall be eligible for selection to participate in this Plan (such persons hereinafter collectively referred to as (“**Participants**”). Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by this Plan in the same manner as if the options were held by the Participant.

Subject to the terms hereof, the Board shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted and vested, and the number of Shares subject to each option. In the case of employees or consultants of the Corporation or Management Company Employees, the option agreements to which they are party must contain a representation of the Corporation and that Participant that such employee, consultant or Management Company Employee, as the case may be, is a bona fide employee, consultant or Management Company Employee of the Corporation or its subsidiaries.

A Participant who has been granted an option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange, be granted an additional option or options if the Board shall so determine.

#### **7. Exercise Price**

- (a) The exercise price of the Shares subject to each option is determined by the Board, subject to applicable Exchange approval, at the time any option is granted. In no event shall such exercise price be less than the Discounted Market Price (as defined in Policy 1.1 of Exchange).
- (b) Once the exercise price has been determined by the Board, accepted by the Exchange and the option is granted, the exercise price of an option may only be reduced if at least 6 months have elapsed since the later of the date of the commencement of the term, the date the Corporation's shares commenced trading or the date the exercise price was reduced. In the case of options held by insiders of the Corporation (as defined in the policies of the Exchange), the exercise price of an option may be reduced only if disinterested shareholder approval is obtained.

## **8. Number of Optioned Shares**

- (a) The number of Shares subject to an option granted to any one Participant is determined by the Board, but no one Participant shall be granted an option which exceeds the maximum number permitted by the Exchange.
- (b) The aggregate number of options granted to any single Participant in a twelve-month period must not exceed 5% of the issued common shares of the Corporation unless the Corporation has obtained disinterested shareholder approval in respect of such grant and the grant meets all other applicable Exchange requirements.
- (c) The aggregate number of options granted to any single consultant of the Corporation in a twelve-month period must not exceed 2% of the issued common shares of the Corporation.
- (d) The aggregate number of options granted to all persons retained to provide investor relations activities must not exceed 2% of the issued common shares of the Corporation in any twelve month period. Options granted to consultants performing investor relations activities will contain vesting provisions such that vesting occurs over at least twelve (12) months with no more than  $\frac{1}{4}$  of the options vesting in any 3 month period.
- (e) The aggregate number of options granted at any given time to Eligible Charitable Organizations (as such term is defined in Policy 4.4 of the Exchange) in aggregate will not exceed 1% of the issued common shares of the Corporation.

## **9. Duration of Option**

Each option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and subject to earlier termination as provided in Sections 13 and 14, provided that in no circumstances shall the duration of an option exceed the maximum term permitted by the Exchange. For greater certainty, if the Corporation is listed on the TSX Venture Exchange, the maximum term may not exceed ten (10) years.

## **10. Corporation as a Capital Pool Company**

Pursuant to Policy 2.4 of the Exchange, as may be amended from time to time, during the time that the Corporation is a Capital Pool Company the following restrictions apply:

- (a) the aggregate number of Shares issuable upon the exercise of all options granted under this Plan shall not exceed 10% of the common shares of the Corporation issued and outstanding at the date of grant of any options;
- (b) the aggregate number of Shares issuable upon exercise of all options granted under this Plan to any director or senior officer of the Corporation shall not exceed 5% of the common shares of the Corporation issued and outstanding at the date of grant of any options;
- (c) the aggregate number of Shares issuable upon the exercise of all options granted under this Plan to any technical consultant of the Corporation shall not exceed 2% of the common shares of the Corporation issued and outstanding at the date of grant of any options;

- (d) the aggregate number of Shares issuable upon the exercise of all options granted under this Plan to any Eligible Charitable Organizations shall not exceed 1% of the common shares of the Corporation issued and outstanding at the date of grant of any options
- (e) the exercise price of the options granted prior to the closing of the initial public offering of the Corporation (the “IPO”) cannot be less than the lowest price at which any Shares were issued by the Corporation prior to the IPO;
- (f) no options may be granted to a person providing investor relations activities, promotional or marketing services;
- (g) the term of any option grant must expire not later than twelve (12) months after the Participant ceases to be a director, senior officer or technical consultant of the Corporation while it is a Capital Pool Company, or of the Resulting Issuer (as defined in Policy 2.4 of the Exchange), as the case may be, subject to any earlier expiry date of such option; and
- (h) no options may be granted by the Corporation while it is a Capital Pool Company unless the Participant first enters into a CPC Escrow Agreement (as defined in Policy 2.4 of the Exchange) agreeing to deposit the options, and the common shares of the Corporation acquired pursuant to the exercise of such option, into escrow as described in Part 10 Policy 2.4 of the Exchange.

#### **11. Option Period, Consideration and Payment**

- (a) The option period is a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the option period shall be reduced with respect to any option as provided in Sections 13 and 14.
- (b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist.
- (c) Subject to any vesting restrictions imposed by the Board, options may be exercised in whole or in part at any time and from time to time during the option period. To the extent required by the Exchange, no options may be exercised under this Plan until this Plan is approved by a resolution duly passed by the shareholders of the Corporation.
- (d) Except as set forth Sections 13 and 14, no option may be exercised unless the Participant is, at the time of such exercise, a director, senior officer, consultant, or employee of the Corporation or any of its subsidiaries, or a Management Company Employee of the Corporation or any of its subsidiaries.
- (e) The exercise of any option is contingent upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Shares with respect to which the option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the option is exercised. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares of the Corporation unless and until the certificates for Shares issuable pursuant to options under this Plan are issued to him or them under the terms of this Plan.

## **12. Exchange Hold Period**

In addition to any resale restrictions under securities laws and any other circumstance for which the Exchange Hold Period (as defined in Policy 1.1 of the Exchange) may apply, where the exercise price of any options granted pursuant to this Plan is at a discount to the Market Price (as defined in Policy 1.1 of the Exchange), all such options and any Listed Shares (as defined in Policy 1.1 of the Exchange) under such options exercised prior to the expiry of the Exchange Hold Period must be legended with the Exchange Hold Period commencing on the date such options were granted.

## **13. Ceasing To Be a Director, Senior Officer, Consultant or Employee**

- (a) Subject to subsection 13(b), if a Participant ceases to be a director, senior officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee, for any reason (other than death), such Participant may exercise his option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within twelve (12) months after the Participant ceases to be a director, senior officer, consultant, employee or a Management Company Employee, unless such Participant was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of the Participant's services to the Corporation.
- (b) If the Participant does not continue to be a director, senior officer, consultant, employee of the Resulting Issuer upon completion of the Corporation's Qualifying Transaction (as such terms are defined in the policies of the Exchange), the options granted hereunder must be exercised by the Participant within twelve (12) months after completion of the Qualifying Transaction.
- (c) Nothing contained in this Plan, nor in any option granted pursuant to this Plan, shall as such confer upon any Participant any right with respect to continuance as a director, senior officer, consultant, employee or Management Company Employee of the Corporation or of any of its subsidiaries or affiliates.

## **14. Death of Participant**

Notwithstanding Section 13, in the event of the death of a Participant, the option previously granted to him shall be exercisable only within the one (1) year after such death and then only:

- (a) by the person or persons to whom the Participant's rights under the option shall pass by the Participant's will or the laws of descent and distribution; and
- (b) if and to the extent that such Participant was entitled to exercise the option at the date of his death.

## **15. Rights of Optionee**

No person entitled to exercise any option granted under this Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such option until certificates representing such Shares are issued and delivered.

## **16. Proceeds from Sale of Shares**

The proceeds from the sale of Shares issued upon the exercise of options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine.

## **17. Adjustments**

If the outstanding common shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation or another corporation or entity through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, any adjustments relating to the Shares optioned or issued on exercise of options and the exercise price per Share as set forth in the respective stock option agreements shall be made in accordance to the terms of such agreements.

Adjustments under this Section 17 shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Share are required to be issued under this Plan on any such adjustment.

## **18. Transferability**

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of this Plan are neither transferable nor assignable unless specifically provided herein or the extent, if any, permitted by the Exchange. During the lifetime of a Participant any benefits, rights and options may only be exercised by the Participant.

## **19. Amendment and Termination of Plan**

Subject to the policies, rules and regulations of any lawful authority having jurisdiction (including any exchange on which the Shares are listed for trading), the Board may at any time, without further action by the shareholders, amend this Plan or any option granted hereunder in such respects as it may consider advisable and, without limiting the generality of the foregoing, it may do so to ensure that options granted hereunder will comply with any provisions respecting stock options in the income tax or other laws in force in any country or jurisdiction of which a person to whom an option has been granted may from time to time be resident or citizen or the Board may at any time, without action by shareholders, terminate this Plan. The Board may not, however, without the consent of the option holder, alter or impair any of the rights or obligations under any option theretofore granted.

## **20. Necessary Approvals**

The ability of a Participant to exercise options and the obligation of the Corporation to issue and deliver Shares in accordance with this Plan is subject to any approvals that may be required from shareholders of the Corporation and any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any option exercise price paid to the Corporation returned to the Participant.

**21. Effective Date of Plan**

This Plan has been adopted by the Board, subject to the approval of the Exchange, and if so approved, subject to the discretion of the Board, this Plan becomes effective upon such approvals being obtained.

**22. Interpretation**

This Plan is governed by and construed in accordance with the laws of the Province of British Columbia.

**SCHEDULE B**  
**AUDIT COMMITTEE CHARTER**

(see attached)

## MICHICHI CAPITAL CORP.

### AUDIT COMMITTEE CHARTER

#### 1. **Mandate**

The primary function of the audit committee (the “**Committee**”) is to assist the board of directors (the “**Board**”) of Michichi Capital Corp. (the “**Company**”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. The Committee’s primary duties and responsibilities are to:

- (a) serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements;
- (b) review and appraise the performance of the Company’s external auditor;
- (c) provide an open avenue of communication among the Company’s auditor, financial and senior management and the Board; and
- (d) report regularly to the Board the results of its activities.

#### 2. **Composition**

The Committee shall be comprised of a minimum three directors as determined by the Board, a majority of whom shall not be officers or employees of the Company or any of its affiliates. If the Company ceases to be a “venture issuer” (as that term is defined in Multilateral Instrument 52 - 110 – *Audit Committees*), then all of the members of the Committee shall be free from any material relationship with the Company that, in the opinion of the Board, would interfere with the exercise of their independent judgment as a member of the Committee.

If the Company ceases to be a venture issuer then all members of the Committee shall also have accounting or related financial management expertise. All members of the Committee should have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

The members of the Committee shall be elected by the Board at its first meeting following the annual shareholders’ meeting or until their successors are duly elected. Unless a chairperson (“**Chair**”) is elected by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

#### 3. **Meetings**

The Committee shall meet at least once quarterly, or more frequently as circumstances dictate or as may be prescribed by securities regulatory requirements. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer of the Company and the external auditor of the Company in separate sessions.

#### 4. **Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

##### A. Documents/Reports Review

- (a) review and update this Audit Committee Charter annually;
- (b) review the Company’s financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted

to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditor; and

- (c) review regular summary reports of directors and officers expense account claims at least annually, establish and review approval policies for expense reports and, as required, request audits of expense claims and policies for expense approval and reimbursements. The Chair of the Committee will be responsible for approving the expense reports of the President and the Chief Executive Officer of the Company, and the Chief Executive Officer of the Company will be responsible for approving the expense reports of the directors and officers of the Company.

B. External Auditor

- (a) review annually, the performance of the external auditor who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company;
- (b) obtain annually, a formal written statement of the external auditor setting forth all relationships between the external auditor and the Company;
- (c) review and discuss with the external auditor any disclosed relationships or services that may impact the objectivity and independence of the external auditor;
- (d) take, or recommend that the Board, appropriate action to oversee the independence of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (e) recommend to the Board the selection and, where applicable, the replacement of the external auditor nominated annually for shareholder approval;
- (f) recommend to the Board the compensation to be paid to the external auditor;
- (g) at each meeting, where desired, consult with the external auditor, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;
- (i) review with management and the external auditor the audit plan for the year-end financial statements; and
- (j) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditor. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditor during the fiscal year in which the non-audit services are provided,
  - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services, and
  - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee.

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

C. Financial Reporting Processes

- (a) in consultation with the external auditor, review with management the integrity of the Company's financial reporting process, both internal and external;
- (b) consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- (c) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditor and management;
- (d) review significant judgments made by management in the preparation of the financial statements and the view of the external auditor as to appropriateness of such judgments;
- (e) following completion of the annual audit, review separately with management and the external auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (f) review any significant disagreement among management and the external auditor in connection with the preparation of the financial statements;
- (g) review with the external auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- (h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- (i) review certification process;
- (j) establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
- (k) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- (l) on at least an annual basis, review with the Company's counsel, any legal matters that could have a significant impact on the Company's financial statements, the Company's compliance with applicable laws and regulations, and inquiries received from regulators or government agencies.

D. Authority

- (a) The Committee will have the authority to:
  - i. review any related-party transactions;
  - ii. engage independent counsel and other advisors as it determines necessary to carry out its duties;
  - iii. set and pay compensation for any independent counsel and other advisors employed by the Committee;
  - iv. communicate directly with the auditors; and
  - v. conduct and authorize investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to retain independent counsel and other professionals to assist in the conduct of any investigation.