ETRION CORPORATION

NOTICE OF MEETING AND
MANAGEMENT INFORMATION CIRCULAR
FOR THE ANNUAL AND SPECIAL GENERAL MEETING
OF HOLDERS OF COMMON SHARES

TO BE HELD ON MAY 27, 2021

This Notice and Management Information Circular is furnished in connection with the solicitation by the management of Etrion Corporation of proxies to be voted at the annual and special general meeting of holders of common shares.

To be held virtually at 10:00 a.m. (Eastern Daylight Time)

ETRION CORPORATION
NOTICE OF ANNUAL AND SPECIAL GENERAL MEETING OF SHAREHOLDERS

TAKE NOTICE THAT the annual and special general meeting (the "**Meeting**") of the shareholders of Etrion Corporation (the "**Company**") will be held as a virtual meeting, on May 27, 2021, at 10:00 a.m. (Eastern Daylight Time) for the following purposes:

1. to receive and consider the consolidated financial statements of the Company as at and for the year ended December 31, 2020, together with the report of the auditors thereon;
2. to elect directors of the Company for the ensuing year;
3. to appoint PricewaterhouseCoopers SA as the auditors of the Company and to authorize the directors to fix the remuneration to be paid to the auditors;
4. to consider and, if thought advisable, to pass, with or without variation, a special resolution to approve the sale of substantially all of the Company's assets (the "**Transaction**"), as more particularly set out in the accompanying management information circular (the "**Management Information Circular**");
5. to consider, and if thought advisable, to pass, with or without variation, a special resolution to approve a reduction in the capital of the common shares of the Company to facilitate the distribution of a portion of the net proceeds received by the Company from the Transaction, as more particularly set out in the accompanying Management Information Circular;
6. to consider and, if thought advisable, to pass, with or without variation, a special resolution to approve the voluntary dissolution of the Company (the "**Dissolution**") in accordance with the *Business Corporations Act* (British Columbia), as more particularly set out in the accompanying Management Information Circular; and
7. to transact such other business as may be properly brought before the Meeting.

Terms not defined herein are defined in the accompanying Management Information Circular. The Management Information Circular provides additional information relating to the matters to be dealt with at the Meeting.

Only persons registered as shareholders of the Company as of the close of business on April 12, 2021 are entitled to receive notice of the Meeting.

With the rapidly evolving public health crisis resulting from the global spread of the novel coronavirus ("**COVID-19**"), to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, we will hold the Meeting **in a virtual only format, via live audiocast that shareholders will telephone into**. Shareholders will not be able to physically attend the Meeting. Shareholders will have an equal opportunity to participate in the Meeting online regardless of their geographic location. While Shareholders will have the opportunity to vote online during the Meeting, **Shareholders are strongly encouraged to vote prior to the Meeting by any of the means described in the Management Information Circular**.

The board of directors of the Company has fixed the record date for the Meeting at the close of business on April 12, 2021 (the "**Record Date**"). Only shareholders of record at the close of business on the Record Date are entitled to vote such common shares at the Meeting on the basis of 1 vote for each common share held except to the extent that: (a) the holder has transferred the ownership of any of his common shares after the Record Date; and (b) the transferee of those common shares produces properly endorsed share certificates, or otherwise establishes that he owns the common shares, and demands not later than 10 days before the day of the Meeting that his name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote his or her common shares at the Meeting.

REGISTERED SHAREHOLDERS AND DULY APPOINTED PROXYHOLDERS SHALL CONNECT TO THE AUDIOCAST MEETING BY DIALING ONE OF THE TELEPHONE NUMBERS BELOW WHERE THEY CAN PARTICIPATE AND VOTE DURING THE MEETING LIVE AUDIOCAST:

PARTICIPANT / GUEST (TOLL-FREE):	877-407-2991	INCOMM EVENT 14
PARTICIPANT / GUEST (TOLL):	201-389-0925	INCOMM EVENT 14

Registered shareholders who are unable to attend the Meeting are requested to complete, date, sign and return the enclosed Form of Proxy in accordance with the instructions set out in the proxy and in the Management Information Circular as incorporated in this Notice of Meeting. A proxy shall not be valid unless the completed, dated and signed Form of Proxy

is received by Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, by 10:00 a.m. (Eastern Daylight Time) on May 25, 2021, or not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment thereof or is delivered to the Chair of the Meeting before the time of voting. If you are a non-registered shareholder of Corporation and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other intermediary. Failure to do so may result in your common shares not being eligible to be voted by proxy at the Meeting.

Registered shareholders of the Company have the right to dissent with respect to certain of the matters to be considered at the Meeting, as more particularly described in the accompanying Management Information Circular. Those registered shareholders who validly exercise dissent rights will be entitled to be paid fair value of their common shares. In order to validly exercise dissent rights, registered shareholders must strictly comply with the dissent procedures as set out in Sections 237 to 247 of the *Business Corporations Act* (British Columbia), a copy of which is set out in the accompanying Management Information Circular as Appendix A and as more particularly described in the accompanying Management Information Circular.

DATED this 15th day of April 2021.

BY ORDER OF THE BOARD OF DIRECTORS

"Marco Antonio Northland"

Marco Antonio Northland
Chief Executive Officer

ETRION CORPORATION

MANAGEMENT INFORMATION CIRCULAR

Note: Shareholders who do not hold their shares in their own name as registered shareholders should read "Advice to Beneficial Shareholders" within for an explanation of their rights.

PURPOSE OF SOLICITATION

This management information circular dated as of April 15, 2021, (the "**Management Information Circular**") is provided in connection with the solicitation of proxies by the board of directors (the "**Board**") and the management of Etrion Corporation (the "**Company**"), for use at the annual and special general meeting (the "**Meeting**") of the shareholders of the Company (the "**Shareholders**"), to be held on May 27, 2021, at the hour of 10:00 a.m. (Eastern Daylight Time) in a virtual only format, via live audiocast that Shareholders will telephone into, or at any adjournment or postponement thereof for the purposes set out in the accompanying notice of meeting ("**Notice of Meeting**"). Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or personal interview by regular employees of the Company, at a nominal cost. In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the common shares of the Company (the "**Common Shares**") held of record by such persons, and the Company may reimburse such persons for reasonable fees and disbursements incurred by them in so doing. The cost hereof will be borne by the Company.

GENERAL INFORMATION REGARDING THE DISTRIBUTION OF MEETING MATERIALS

Shareholders will receive proxy-related materials (the "**Meeting Materials**") pursuant to the "Notice-and-Access" regime adopted by the Canadian Securities Administrators which allows the Company to deliver the Meeting Materials to registered and non-registered (or beneficial) Shareholders by posting them on an acceptable website (such as the Company's website or its transfer agent's website). In order for a reporting issuer such as the Company to avail itself of the Notice-and-Access regime, it is required to send by mail a notice (the "**N&A Notice**") to Shareholders with information about the Notice-and-Access process and voting instructions as well as a voting instruction form or proxy form. The Company is intending to send the N&A Notice to Shareholders on or about April 21, 2021. The N&A Notice provided to Shareholders indicates the websites where the Meeting Materials have been posted and explains how a Shareholder can access them online or obtain a paper copy of them from the Company as well as other basic information about the Meeting including, among other things, the matters to be voted on at the Meeting. Holders of Euroclear Registered Common Shares (as defined below) should refer to and read "Advice to Holders of Euroclear Sweden Registered Common Shares".

This Management Information Circular is available electronically on the Company's website at www.etrion.com and is also available on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com.

Pursuant to the Notice-and-Access regime, the Company will provide a paper copy of the Management Information Circular directly to any Shareholder upon request for a period of one year following the date of the filing of this Management Information Circular on SEDAR free of charge. If your request is made before the date of the Meeting, the Management Information Circular will be sent to you within three business days of your request. The Company must receive your request prior to May 17, 2021, to ensure you will receive paper copies in advance of the deadline to submit your vote. If the request is made on or after the date of the Meeting, the Management Information Circular will be sent to you within ten calendar days of your request free of charge.

ATTENDING THE MEETING

With the rapidly evolving public health crisis resulting from the global spread of the novel coronavirus ("**COVID-19**"), to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, we will hold the Meeting **in a virtual only format, via live audiocast that Shareholders will telephone into**. Shareholders will not be able to physically attend the Meeting. Shareholders will have an equal opportunity to participate in the Meeting online regardless of their geographic location.

REGISTERED SHAREHOLDERS AND DULY APPOINTED PROXYHOLDERS SHALL CONNECT TO THE AUDIOCAST MEETING BY DIALING ONE OF THE TELEPHONE NUMBERS BELOW WHERE THEY CAN PARTICIPATE AND VOTE DURING THE MEETING LIVE AUDIOCAST:

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VOTING OF COMMON SHARES

Only a Shareholder whose name appears on the certificate(s) representing its Common Shares (a "**Registered Shareholder**") or its duly appointed proxy nominee is permitted to vote at the Meeting. A Shareholder is a non-registered shareholder (a "**Beneficial Shareholder**") if its Common Shares are registered in the name of an intermediary, such as an investment dealer, brokerage firm, bank, trust corporation, trustee, custodian, administrators of self-administered TFSAs, RRSPs, RRIFs, RESPs and similar plans or other nominee, or a clearing agency in which the intermediary participates (each, an "**Intermediary**"). Accordingly, most Shareholders are "Beneficial Shareholders" because the Common Shares they own are not registered in their names but are instead registered in the name of the Intermediary through which they purchased the Common Shares. Beneficial Shareholders (as defined above) should refer to and read "Advice to Beneficial Shareholders" below.

Registered Shareholders can vote their Common Shares in the following ways:

1. **By Mail**: Please complete, sign and return the enclosed form of proxy by mail to:

   Computershare Investor Services Inc.
   100 University Ave, 8th Floor
   Toronto, Ontario M5J 2Y12

2. **By Telephone**: Shareholders based in Canada or the United States vote by telephone by calling 1-866-732-8683. You will need to enter your 15-digit control number (located on the bottom left corner of the first page of the form of proxy) to identify yourself as a Shareholder on the telephone voting system.

3. **Internet Voting**: You may vote over the internet by going to www.investorvote.com. You will need to enter your 15-digit control number (located on the bottom left corner of the first page of the form of proxy) to identify yourself as a Shareholder on the voting website.

4. **Online during the Meeting**: Shareholders dial-in the participant number below, and when connected, an operator will your collect their name (to ensure that you are indeed as Shareholder) and place the Shareholder directly into the call. For telephone voting during the Meeting, no special code is needed, the telephone operator will read instructions to the online Shareholder and the Shareholders will press *1 on their telephone keypad to "raise their hand" to effect the vote.

The Corporation encourages Shareholders to vote in advance of the Meeting using either the form of proxy or the voter instruction form mailed to them with the Meeting materials and submitting them by no later than 10:00a.m. (Eastern Daylight Time) on May 25, 2021. Beneficial Shareholders will receive voting instructions from the Intermediary (usually a bank, trust corporation, broker, securities dealer or other financial institution) through which they hold their Shares. Please follow the instructions provided on your voting instruction form to vote your Common Shares.

VOTING OF PROXIES

All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting (including the voting on any ballot) in accordance with the instructions of the Shareholder, and where a choice with respect to any matter to be acted upon has been specified in the instrument of proxy, the Common Shares represented by the proxy will be voted in accordance with such specification. **In the absence of any such specification, the management designees, if named as proxy, will vote in favour of the matters set out therein.**

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the instrument of proxy (the "**Instrument of Proxy**") have been selected by the directors of the Company and have indicated their willingness to represent as proxy the Shareholder who appoints them. **A Shareholder has the right to designate a person (who need not be a Shareholder of the Company), other than Marco A. Northland, the Chief Executive Officer and a director of the Company, and Christian Lacueva, the Chief Financial Officer, the management designees, to attend and represent him or her at the Meeting.** Such

right may be exercised by inserting in the blank space provided for that purpose on the Instrument of Proxy the name of the person or persons to be designated and deleting therefrom the names of the management designees or by completing another proper Instrument of Proxy. Such Shareholder should notify the nominee of the appointment, obtain consent to act as proxy and should provide instructions on how the Shareholder's shares are to be voted. In any case, the form of proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached where an attorney executed the proxy form, and delivered to the office of Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, Canada, no later than 2 business days prior to the Meeting or any adjournment or postponement thereof. The time limit for the deposit of proxies may be waived or extended by the chairman of the Meeting at his discretion, without notice.

A Shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. A proxy may be revoked by either executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Shareholder or by his authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, and by depositing the proxy bearing a later date with Computershare Investor Services Inc., at any time up to and including the last business day preceding the date of the Meeting or any adjournment or postponement thereof at which the proxy is to be used or by depositing the revocation of proxy with the chairman of the Meeting on the day of the Meeting, or any adjournment or postponement thereof, or in any other matter permitted by law. In addition, a proxy may be revoked by the Shareholder personally attending the Meeting and voting his shares.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to in this Management Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders who appear on the records maintained by the Company's registrar and transfer agent as registered Shareholders will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, not be registered in the Shareholder's name. 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 shares are registered under the name of CDS & Co. (the registration name for the Canadian Depositary for Securities, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The Instrument of Proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial 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 Beneficial 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 Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of their broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. **Beneficial 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 Instrument 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.**

Beneficial Shareholders are either "objecting beneficial owners" or "OBOs", who object to the disclosure by intermediaries of information about their ownership in the Company, or "non-objecting beneficial owners" or "NOBOs", who do not object to such disclosure. The Company is not sending proxy-related materials directly to NOBOs and does not intend to pay for proximate intermediaries to send the proxy-related materials to OBOs. Accordingly, OBOs are reminded that they will not receive the Meeting Materials unless the intermediary assumes the cost of delivery.

All references to Shareholders in this Management Information Circular and the accompanying Instrument of Proxy and Notice of Meeting are to registered Shareholders unless specifically stated otherwise.

ADVICE TO HOLDERS OF EUROCLEAR SWEDEN REGISTERED COMMON SHARES

The information set forth in this section is of significance to Shareholders who hold their Common Shares ("Euroclear Registered Common Shares") through Euroclear Sweden AB, which securities trade on the NASDAQ Stockholm exchange in Sweden.

Shareholders who hold Euroclear Registered Common Shares are not registered holders of voting securities for the purposes of voting at the Meeting and, as such, cannot vote their Common Shares directly at the Meeting.

However, as the Company encourages all holders of Euroclear Registered Common Shares listed on the register of Shareholders maintained by Euroclear Sweden AB, as of the close of business on April 12, 2021, to vote their Common Shares at the Meeting, holders of Euroclear Registered Common Shares will receive a form of proxy (a "**Form of Proxy**") by mail that provides detailed information on how to vote and access the Meeting Materials. The Form of Proxy cannot be used to vote Euroclear Registered Common Shares. Instead, the Form of Proxy provides instructions on how to: (a) access the Meeting Materials and vote online, by mail or by telephone; (b) order the Meeting Materials by mail or telephone; or (c) order the Meeting Materials by e-mail.

If you have any questions concerning how to vote Euroclear Sweden Registered Common Shares, please contact the Company's representative Computershare AB at:

Mail:	**Computershare AB** **"Etrion Corporation AGM"** **Box 5267** **102 46 Stockholm** **Sweden**
Telephone:	**+46 (0) 771 24 64 00**
E-mail:	**info@computershare.se**

CURRENCY

In this Management Information Circular, unless otherwise noted, CAD$ means Canadian dollars, US$ means United States dollars, € means Euros, the basic unit of currency of the European Union, JPY means Japanese yen, and CHF means Swiss francs.

QUORUM

The articles of continuance of the Company (the "**Articles**") provide that 2 persons who are, or who represent by proxy, Shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the Meeting shall constitute a quorum for purposes of a meeting of Shareholders.

INTEREST OF CERTAIN PERSONS OR COMPANIES 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 at the Meeting, except as set out in this Management Information Circular and except for any interest arising from the ownership of Common Shares of the Company where the Shareholder will receive no extra or special benefit or advantage not shared on a pro-rate basis by all holders of shares in the capital of the Company.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company has authorized capital consisting of an unlimited number of Common Shares, of which 334,094,324 are issued and outstanding as at the date hereof. In addition, the Company is authorized to issue an unlimited number of preferred shares, issuable in series, none of which are currently issued.

Holders of Common Shares on record at the close of business on April 12, 2021 (the "**Record Date**") are entitled to vote such Common Shares at the Meeting on the basis of 1 vote for each Common Share held except to the extent that: (a) the holder transfers his or her shares after the close of business on the Record Date; and (b) such transferee produces properly endorsed share certificates to the Secretary or transfer agent of the Company or otherwise establishes his or her ownership of the shares, at least 10 days prior to the Meeting, in which case the transferee may vote those shares.

The following table lists the entities who own of record or are known to the Company's directors or executive officers to beneficially own, control or direct, directly or indirectly, more than 10% of the issued and outstanding Common Shares that are entitled to vote at the Meeting as at the date hereof:

Name and municipality of residence	Number of Common Shares held	Percentage of Common Shares held
Lorito Holdings Sarl (Luxembourg) ("**Lorito**") (1)	61,655,814	18.45%
Zebra Holdings and Investments Sarl (Luxembourg)("**Zebra**") (1)	54,782,312	16.40%

Note:

(1) Each of Lorito and Zebra are investment companies (the "**Investment Companies**") wholly owned by the Lundin Family Trust (the "**Lundin Trust**").

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Board, the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting and no director of the Company has informed management of the Company of any intent to oppose any action to be taken by management at the Meeting.

1. MANAGEMENT REPORT

The Board has approved the audited consolidated financial statements for the year ended December 31, 2020, copies of which will be available at the Meeting. These financial statements are available on request, on the Corporation's website or under the Company's issuer profile at www.SEDAR.com. No vote by the Shareholders is required with respect to this matter.

2. ELECTION OF THE BOARD

Pursuant to the Articles of the Company, the Board has been set at 4 directors. It is the intention of the management designees, if named as proxy, to vote for the election of the following persons to the Board. Management does not contemplate that any of such nominees will be unable to serve as directors. However, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another nominee in their discretion unless the Shareholder has specified in his proxy that his shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next annual meeting of Shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the Articles of the Company.

As of the date hereof, the name, municipality, province or state and country of residence of the directors, the number of voting securities of the Company beneficially owned, controlled or directed, directly or indirectly, the period served as director and the principal occupation of each director are as follows:

Name, municipality, Province or State and Country of residence	Number of Common Shares beneficially owned, controlled or directed, directly and indirectly, and percentage of class held [1]	Director since [2]	Principal occupation
Marco A. Northland Cologny, Switzerland	18,819,082 5.6%	2009	Chief Executive Officer of the Company since September 2009.
Ian H. Lundin [3][4][5] Coppet, Switzerland	4,248,494[6] 1.3%	2009	Chairman of Lundin Energy AB, an oil and gas company, since 2002.
Aksel Azrac [3][4][5] Bernex-Lully, Switzerland	100,000 <0.03%	2010	Chairman of the Board since January 2019; Senior Partner of 1875 Finance SA, an asset management and advisory firm based in Geneva, Switzerland, since 2006.
Henrika Frykman [3][4][5] Anières, Switzerland	Nil	2019	Legal Counsel with Lundin Energy AB since 2008 and VP Legal of Lundin Energy AB since 2017.

Notes:

(1) This information, not being within the knowledge of the Company, has been provided by the individual directors.

(2) The term of office of each director expires at the next annual meeting of Shareholders.

(3) Member of the audit committee of the Board (the "**Audit Committee**").

(4) Member of the compensation committee of the Board (the "**Compensation Committee**").

(5) Member of the corporate governance and nominating committee of the Board (the "**Corporate Governance and Nominating Committee**").

(6) Including the common shares held by the Investment Companies, which are owned by the Lundin Trust of which Mr. Lundin is a beneficiary, Mr. Lundin, together with the Investment Companies, owns or controls, directly or indirectly, an aggregate of 120,686,620 Shares representing approximately 36.1% of the issued and outstanding Common Shares.

Majority Voting Policy for Election of Directors

Under British Columbia corporate law, to which the Company is subject, director elections are based on the plurality system, where shareholders vote "for" or "withhold" their votes for a director. Votes withheld are not counted, with the result that, technically, a director could be elected to the board with just one vote in favour. The Board believes that each of its members should have the confidence and support of the shareholders of the Company. Accordingly, the Company has adopted a majority voting policy (the "**Majority Voting Policy**"). Each of management's nominees for election to the Board at the Meeting has agreed to abide by the Majority Voting Policy, and all future nominees will be required to agree to abide by it. The Majority Voting Policy states that if in an uncontested election a director nominee has more votes withheld than are voted in favour of him or her, the nominee will be considered by the Board not to have received the support of the shareholders, even though duly elected as a matter of corporate law. Such a nominee will be required forthwith to submit his or her resignation to the Board, effective upon acceptance by the Board. The Board will consider the resignation and, except in special circumstances that would warrant the continued service of the director on the Board, the Board will be expected to accept the resignation. Within 90 days after the meeting, the Board will make its decision and announce it by news release (a copy of which shall also be provided to the Toronto Stock Exchange). If the Board does not accept the resignation of the director, the news release will fully state the reasons for that decision.

Corporate Cease Trade Orders, Bankruptcies, Penalties and Sanctions

No proposed director of the Company is, as 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 (including the Company) that:

(a) was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

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

No proposed director of the Company is, as at the date hereof, or has been within 10 years before the date hereof, a director or executive officer of any company (including the Company) that, while that person was acting in that

capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Company or any personal holding company of such person 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 the assets of the proposed director.

No proposed director of the Company or any personal holding company of such person has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or, (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

3. APPOINTMENT OF AUDITORS

The Company first appointed PricewaterhouseCoopers SA ("**PwC**") as its auditor on June 12, 2018 at the Company's 2018 annual meeting of Shareholders. Shareholders are being asked to re-approve the appointment of PwC as the Company's auditor to hold office effective as of the date of their appointment until the close of the next annual meeting of Shareholders at a remuneration to be fixed by the Board.

Unless otherwise directed, it is the intention of the management designees to vote proxies in the accompanying Instrument of Proxy for the approval of the resolution appointing auditors.

4. APPROVAL OF SALE OF ASSETS

Background to the Transaction

Over the past several years, the Board has considered various alternatives for maximizing shareholder value and from time to time has engaged in discussions with various third parties with respect to potential transactions. The Company received from time-to-time non-solicited bids from international investors to acquire the Company but the prices per share offered were very low compared to the value of the underlying assets that were being traded in the Japanese market. In the course of engaging in such discussions and based on its knowledge of the renewable energy market and its major participants, the Board determined that the best way to maximize value for shareholders would be to pursue a sale of the assets of the Company, rather than a sale of the Company itself. In light of such determination, the Company engaged Mitsubishi UFJ Morgan Stanley Securities Co., Ltd ("**MUMSS**") as financial advisor to assist with the potential sale of the Company's Japanese projects. During the third quarter of 2020, the Company received several non-binding proposals from strategic and financial investors regarding the potential purchase of the Company's projects and a short-listed group of interested parties was selected to engage in detailed due diligence of the subject assets. Following such due diligence, the Company received a number of binding purchase proposals and the Board selected the 3OP Consortium and the Niigata Consortium (both as defined below) as the preferred bidders. Starting in December 2020, the Company engaged in the negotiation of formal transaction agreements which led to the execution of the 3OP Transfer Agreements (as defined below) that relate to the sale of the Company's Komatsu, Shizukuishi and Mito operating projects on March 31, 2021 and the Niigata Transfer Agreements (as defined below) that relates to the sale of the Company's Niigata development project on April 9, 2021. The Company is currently negotiating the sale of its fourth operating project, Misawa, and anticipates entering into formal agreements with respect to such sale in May or June 2021. See "Interest Transfer Agreements".

Plans Following Completion of the Transaction

In this Management Information Circular, the term "Transaction" refers to the sale of the Company's Komatsu, Shizukuishi, Mito, Misawa and Niigata projects (collectively the "**Projects**"). Upon completion of the Transaction (the "**Closing**"), the Company plans to commence a plan to distribute the net proceeds thereof and ultimately wind up the Company. It is expected that the implementation of this plan will commence immediately following completion of the Transaction, which is expected to occur in June 2021. Below is a brief description of the windup plan:

- Upon Closing of the Transaction, the Company will cause its subsidiaries to distribute the proceeds thereof, net of applicable expenses, liabilities and taxes, to the Company.
- The Company plans to reserve approximately CAD$20 million to cover for any liabilities that may result from potential warranty claims under the different agreements contemplated as part of the Transaction, other corporate level liabilities and anticipated expenses to cover continuing operations and windup costs.

- Within approximately 60 days after Closing, the Company plans to make an initial distribution to Shareholders of approximately CAD$0.41 (approximately US$0.32) per Common Share. Such distribution will be made by way of return of capital, which in the circumstances should generally not be taxed as a dividend for Canadian income tax purposes.
- After Closing, the Company will be required to provide certain transition services to the purchasers of its projects for a period of 90 days. The Company plans to maintain the minimum resources required to effectively provide such transition services, continue to prosecute the pursuit of its claim for Italian tax credits and complete the windup of its subsidiaries, except as may be required to pursue such credits.
- Subject to the possibility of the Board identifying other potential business opportunities, the Company expects to complete its windup activities and proceed with the dissolution within approximately 24 months after Closing, although it is possible that the dissolution may be extended beyond that time. Any cash remaining at the completion of the windup activities and settlement of all liabilities of the Company will be distributed to shareholders. The Company expects the final distribution to be between CAD$0.04 (approximately US$0.03) per Common Share and CAD$0.08 (approximately US$0.06) per Common Share; provided, however, that if the financial circumstances of the Company permit, an interim distribution of a portion of the Company's remaining cash may be made prior to dissolution.

See "Capital Reduction and Return of Capital", "Voluntary Dissolution" and "Certain Canadian Federal Income tax Considerations" for further details with respect the foregoing.

Ownership Structure

The Company's solar projects are owned through a Japanese structure known as a "TK-GK" structure. This structure comprises (i) a godo kaisha ("**GK**") property holding company together with (ii) an operating agreement, which together constitute a tokumei kumiai ("**TK**"). A TK is a form of partnership based on agreement between the TK investor or investors and the GK as the TK operator. Under a TK-GK structure, a GK is established as a special purpose company whose purpose is to hold the relevant assets. An investor then enters into a TK agreement with the TK operator. The GK acts in a similar way to a general partner in a limited partnership under Canadian law.

Pursuant to the TK agreement, the investor provides funds to the GK in exchange for the GK's obligation to distribute a share of the profits arising from the GK's business. The investor's role is limited to that of a passive investor with contractual rights under the TK agreement. The TK investor's liability is, accordingly, limited and the investors are not liable for obligations arising from the GK's business exceeding the amount of their respective contributions. The TK-GK structure also offers certain tax efficiencies as distributions to investors may be deducted against corporate income, limiting corporate tax liability.

The Company's direct wholly-owned subsidiary, Solar Resources Holding S.à.r.l ("**SRH**"), incorporated under the laws of Luxembourg, owns a 99% economic TK interest in each of the Company's solar projects. The Company's indirect wholly-owned Japanese subsidiary, Etrion Japan K.K. ("**Etrion Japan**"), beneficially owns the remaining 1% economic GK interest in the Company's 13.2 megawatt ("**MW**") Komatsu, 24.7MW Shizukuishi, 9.3MW Mito and 9.5MW Misawa operating solar energy projects through ownership of "non-executive" shares in other subsidiaries that directly own the projects (the "**OP GK Companies**"). The Company's indirect wholly-owned Japanese subsidiary, Etrion Services (Japan) K.K. ("**Etrion Services Japan**") beneficially owns the remaining 1% GK interest in the Company's 45MW Niigata development project through ownership of non-executive shares in another subsidiary that directly owns that project (the "**Niigata GK Company**"). Etrion Japan and Etrion Services Japan also manage the operations of the OP GK Companies and the Niigata GK Company, respectively, through asset management services agreements.

Due to the fact that all of the Company's solar parks are financed with project finance loans, the lenders required that the "executive" shares of each GK, through which voting control is exercised, are owned by a Japanese charitable trust called an ippan shadan hojin ("**ISH**") in order to achieve bankruptcy remoteness. Under this structure the ISH becomes the effective controlling owner of the GK, while all management decisions are made in accordance with the asset manager's advice.

Interest Transfer Agreements

Komatsu, Shizikuishi and Mito Projects

On March 31, 2021 SRH entered into an agreement (the "**3OP TK Interest Transfer Agreement**") to sell its TK interests in the Komatsu, Shizukuishi and Mito projects (collectively the "**3 Projects**") to three Japanese companies, GK Komatsu Solar, GK Shizukuishi Solar and GK Mito Solar (collectively the "**3OP Consortium**"), and Etrion Japan

entered into an agreement (the "**3OP GK Interest Transfer Agreement**" and, together with the 3OP TK Interest Transfer Agreement, the "**3OP Transfer Agreements**") to sell its GK interests in the 3 Projects to the 3OP Consortium for an aggregate purchase price of approximately JPY8.252 billion (approximately US$74.9 million), subject to certain adjustments at closing which are not expected to be material.

Misawa Project

The Company is currently negotiating the sale of the Company's fourth operating project, Misawa, to the 3OP Consortium. It is expected that the purchase price for that project will be approximately JPY 1.536 billion (approximately US$13.9 million) and that the structure and other terms of the sale of Misawa will be substantially similar to those contained in the 3OP Transfer Agreements. Shareholders will be asked at the Meeting to approve the sale of the Misawa project in the event an agreement to sell such project is reached by the Company.

Niigata Project

On April 9, 2021 SRH entered into agreements (the "**Niigata TK Interest Transfer Agreements**") to sell its TK interest in the Niigata project to two Japanese companies, Renewable Japan Co. Ltd and Daiichi Life Insurance Company Limited (collectively the "**Niigata Consortium**"), and Etrion Services Japan entered into agreements (the "**Niigata GK Interest Transfer Agreements**" and, together with the Niigata TK Interest Transfer Agreements, the "**Niigata Transfer Agreements**" and the Niigata Transfer Agreements, together with the 3OP Transfer Agreements and the contemplated agreements for the sale of the Misawa project, the "**Transfer Agreements**") to sell its GK interest in the Niigata project to the Niigata Consortium for an aggregate purchase price of approximately JPY 6.3 billion (approximately US$ 57.5 million), subject to certain adjustments at closing and at the end of construction expected by the end of 2021, which are not expected to be material. Completion of the sale of the Niigata project pursuant to the Niigata Transfer Agreements is subject to certain conditions precedent including all necessary regulatory and third-party approvals as well as approval by Shareholders at the Meeting. Such conditions are set out in more detail below. Subject to satisfaction of such conditions, closing of the transaction is expected to take place before end of June 2021. The ISH interest in the GK for the Niigata project will also be transferred to a new ISH established by the Niigata Consortium as part of the transaction. As part of the Niigata aggregate purchase price, Etrion Japan will also transfer the ownership of the company that owns the land underneath the solar park to one of the consortium members.

The 3OP TK Interest Transfer Agreement and the Niigata TK Interest Transfer Agreements have been filed on SEDAR and are available for review at www.sedar.com.

Requirement for Shareholder Approval

The sale of the Projects pursuant to the Transfer Agreements would represent a sale of all or substantially all of the Company's assets or undertaking. The Company was continued and currently exists under the *Business Corporations Act* (British Columbia) ("**BCBCA**") and Section 301 of the BCBCA requires that the Company obtain the approval of the sale of all or substantially all of its undertaking by way of special resolution. Pursuant to the Articles of the Company and the provisions of the BCBCA, a special resolution is a resolution of the Shareholders passed by at least two-thirds (2/3) of the votes cast on the matter at a meeting of shareholders, in person or by proxy.

Best Interests of the Company

The Board has unanimously approved the Transfer Agreements and determined that it is in the best interests of the Company to sell the Projects on the terms set out in the Transfer Agreements. Accordingly, the Company is asking the Shareholders to approve the sale of the Projects in accordance with the terms of the Transfer Agreements. Further information relating to the Transfer Agreements is set out below, which the Shareholders are urged to review carefully.

In reaching its conclusion that the Transaction is in the best interests of the Company and in making its recommendation to the Shareholders, the Board considered and relied upon a number of factors, including:

- the Board has unanimously concluded that the value offered to the Company under the Transfer Agreements is more favourable than the value that might have been realized in the foreseeable future by carrying on the Company's business as currently conducted or by pursuing other opportunities;
- if the Transaction is completed and the Capital Reduction Resolution (as defined below) is approved by Shareholders, the Board intends to authorize a special distribution to Shareholders of a majority of the net proceeds from the Transaction as soon as possible following completion of the Transaction, which will provide Shareholders with significant immediate liquidity;

- the Company's largest shareholder, the Lundin family, as well as the directors and senior executives of the Company, who collectively own or control 139,719,594 Common Shares, being approximately 41.8% of the issued and outstanding Common Shares of the Company as of the date of this Circular, support the Transaction and have indicated they intend to vote in favour of the Sale Resolution (as defined below);
- the availability of Dissent Rights (as defined below) to the registered Shareholders with respect to the Sale Resolution;
- the requirements that the Sale Resolution and the Capital Reduction Resolution be passed by at least two-thirds (2/3) of the votes cast at the Meeting in person or by proxy by the Shareholders; and
- the terms of the Transfer Agreements are the result of a comprehensive negotiation process and the terms of the Transfer Agreements are reasonable in the judgment of the Board.

The Board's reasons for recommending the Transaction, as well as the Capital Reduction and the Dissolution include certain assumptions relating to forward-looking information, and such information and assumptions are subject to various risks. See "Forward-Looking Statements" and "Risk Factors" in this Circular.

The foregoing summary of the information and factors considered by the Board is not intended to be exhaustive. In view of the variety of factors and the amount of information considered in connection with its evaluation of the Transaction, Capital Reduction and Dissolution, the Board did not find it practical to, and did not, quantify or otherwise attempt to assign any relative weight to each specific factor considered in reaching its conclusion and recommendation. The Board's recommendation was made after considering all of the above-noted factors and in light of the Board's knowledge of the business, financial condition and prospects of the Company, and was also based on the advice of legal and financial advisors to the Board. In addition, individual members of the Board may have assigned different weights to different factors.

Terms of the Transfer Agreements

The following summary of certain material provisions of the 3OP Transfer Agreements and the Niigata Transfer Agreements is not comprehensive, and Shareholders are encouraged to review the full text of the 3OP TK Interest Transfer Agreement and the Niigata TK Interest Transfer Agreements, which have been filed on SEDAR.

Representations and Warranties

The 3OP Transfer Agreements and the Niigata Transfer Agreements include representations and warranties of both the sellers and the purchasers that are customary for a transaction of the nature of such agreements. Shareholders may refer to the 3OP TK Interest Transfer Agreement and the Niigata TK Interest Transfer Agreement that have been filed on SEDAR for details of the representations and warranties contained in such agreements.

Conditions of Closing-3OP Transfer Agreements

The 3OP Transfer Agreements include conditions of closing that are customary in a transaction of this nature. Conditions of closing for the benefit of SRH and Etrion Japan (collectively the "**3OP Sellers**") are as follows:

(a) the representations and warranties made by the 3OP Consortium are true and correct in all material respects on the execution date of the 3OP Transfer Agreements and as of the closing date (the "**3OP Closing Date**");

(b) as of the 3OP Closing Date, the 3OP Consortium have performed or observed, in all material respects, all of their obligations that are to be performed or observed under the 3OP Transfer Agreements by the 3OP Closing Date;

(c) as of the 3OP Closing Date, all required regulatory and other approvals for the execution and performance of the 3OP Transfer Agreements by the 3OP Consortium have been obtained including, without limitation, approval by the executive managers of the 3OP Consortium and approvals from the relevant financial institutions that are providing financing to the 3OP Consortium in accordance with the agreements to which each member of the 3OP consortium is a party;

(d) as of the 3OP Closing Date, approval by the shareholders of the Company has been obtained;

(e) The following documents have been delivered by the 3OP Consortium to the 3OP Sellers:

(i) copies of the documents evidencing the approval of the execution and performance of this Agreement by the executive managers of each member of the 3OP Consortium; and

(ii) certificates issued by the authorized representative of each member of the 3OP Consortium confirming that the conditions precedent are satisfied as of the 3OP Closing Date; and

(f) All of the covenants and obligations that the parties to the relevant GK interest transfer agreements (the "**Assignment Related Agreements**") are required to perform or comply with under that agreement before the 3OP Closing Date must have been fully performed and complied with in all material respects.

Conditions of closing for the benefit of 3OP Consortium are as follows:

(a) the representations and warranties made by the 3OP Sellers are true and correct in all material respects on the execution date of the 3OP Transfer Agreements and as of the 3OP Closing Date;

(b) as of the 3OP Closing Date, the 3OP Sellers have performed or observed, in all material respects, all of their obligations that are to be performed or observed under the 3OP Transfer Agreements by the 3OP Closing Date;

(c) As of the 3OP Closing Date, approval by each applicable holder of a TK or GK interest in the 3 Projects (each a "3OP Assignor") and all approvals required under the articles of incorporation and other internal rules of each 3OP Assignor for the execution and performance of the relevant transfer agreement by such Assignor has been obtained;

(d) delivery of all closing documents specified in the relevant 3OP Transfer Agreement by each 3OP Assignor;

(e) the Assignment Related Agreements have been lawfully and validly executed and remain in effect;

(f) the representations and warranties in the Assignment Related Agreements made by the 3OP Assignors are true and correct in all material respects on the execution date of 3OP Transfer Agreements and as of the 3OP Closing Date;

(g) all of the covenants and obligations that the assignee of the Assignment Related Agreements are required to perform or comply with under that agreement before the 3OP Closing Date must have been fully performed and complied with in all material respects.

(h) as of the 3OP Closing Date, it can be reasonably determined that it is certain that all of the non-executive membership interests in the applicable GKs (and the applicable TK interests,) will be assigned pursuant to the relevant GK transfer agreement (for non-executive membership) or the 3OP TK Interest Transfer Agreement, as applicable.

(i) As of the 3OP Closing Date, it can be reasonably determined that it is certain that all of the executive membership interests in the applicable GKs will be assigned pursuant to the 3OP GK Interest Transfer Agreement (for executive membership);

(j) no event of material adverse effect has occurred and there is no specific threat of occurrence of such event; and

(k) the 3OP Consortium has received loans or funds from lenders or other fund provider pursuant to a financing agreement which is necessary for the payment of the purchase prices for the relevant TK and GK interests.

Conditions of Closing-Niigata Transfer Agreements

The Niigata Transfer Agreements include certain conditions of closing that are customary in a transaction of this nature. Conditions of closing for the benefit of SRH and Etrion Services Japan (collectively the "**Niigata Sellers**") are as follows:

(a) The representations and warranties made by the Niigata Consortium are true and correct in all material respects on the execution date of the Niigata Transfer Agreements and as of the closing date (the "**Niigata Closing Date**");

(b) as of the Niigata Closing Date, the Niigata Consortium has performed or observed, in all material respects, all of its obligations that are to be performed or observed under the Niigata Transfer Agreements by the Niigata Closing Date;

(c) as of the Niigata Closing Date, all required regulatory and other approvals for the execution and performance of the Niigata Transfer Agreements by the Niigata Consortium have been obtained including, without limitation, approval by the board of directors or members meeting or other managing or governing body or persons of the Niigata Consortium and approvals from the relevant financial institutions in accordance with the agreements to which any member of the Niigata Consortium is a party.

(d) as of the Niigata Closing Date, approval by approval by the shareholders of the Company has been obtained;

(e) the following documents have been delivered by the Niigata Consortium to the Niigata Sellers:

(i) copies of the documents evidencing the approval of the execution and performance of the Niigata Transfer Agreements by the board of directors or members meeting or other managing or governing body or persons of each member of the Niigata Consortium; and

(ii) a certificate issued by the authorized representative of each member of the Niigata Consortium confirming that the conditions precedent are satisfied as of the Niigata Closing Date;

(f) all of the covenants and obligations that the Niigata Consortium is required to perform or comply with under the relevant Niigata Transfer Agreement before the Niigata Closing Date must have been fully performed and complied with in all material respects; and

(g) the relevant TK interests are reasonably certain to be transferred to the Niigata Consortium.

Conditions of closing for the benefit of the Niigata Consortium are as follows:

(a) the representations and warranties made by the Niigata Sellers are true and correct in all respects (except for minor matters) on the execution date of the Niigata Transfer Agreements and as of the Niigata Closing Date;

(b) as of the Niigata Closing Date, the Niigata Sellers have performed or observed, in all material respects, all of its obligations that are to be performed or observed under the Niigata Transfer Agreements by the Niigata Closing Date;

(c) all the documents required by the Niigata Transfer Agreements have been delivered by the Niigata Sellers to the Niigata Consortium by the Niigata Closing Date;

(d) there shall be no event or change that may have a non-minor adverse effect on the Niigata project with respect to the applicable laws and regulations;

(e) from the date of the Niigata Transfer Agreements to the Niigata Closing Date, there have been no material adverse effect to the assets, liabilities, rights and obligations, contractual relationships,

businesses, licenses, officers, credit, etc. of the TK operator (or the GK, as applicable) or, to the Niigata Sellers' knowledge, there is no specific and realistic threat of occurrence of such material adverse effect;

(f) any of the material agreements listed in the Niigata Transfer Agreements which are stipulated as agreements to be terminated are reasonably likely to be terminated on the same date as the Niigata Closing Date;

(g) all of the covenants and obligations that parties related to the Niigata Sellers are required to perform or comply with under the Niigata Transfer Agreements before the Niigata Closing Date must have been fully performed and complied with in all material respects;

(h) the assignment of the equity interest held by non-managing members in the TK operator of the Niigata project to the Niigata Consortium in accordance with the Niigata GK Interest Transfer Agreement is reasonably likely to be implemented at the same time as the Niigata Closing Date;

(i) the transfer of TK interests to the Niigata Consortium in accordance with the Niigata Transfer Agreements is reasonably likely to be executed at the same time as the Closing Date;

(j) the equity interest of the managing member (and the non-managing member, respectively) of the GK held by ISH Energy 6 (and Etrion Services Japan, respectively) is reasonably likely to be transferred to an *ippan shadan hojin* designated by the Niigata Consortium as of the Niigata Closing Date.

(k) the equity interest of the managing member of Agano Yamadera Solar Power Plant G.K. (the owner of the land upon which Niigata park is being built) held by Etrion Japan (and the equity interest of the managing member of the company that owns the land, respectively) is reasonably likely to be transferred to the Niigata Consortium as of the Niigata Closing Date;

(l) the assignment of the TK interests in the Niigata project from the Niigata Sellers to the Niigata Consortium (the "**Assignment**") has been accepted in advance by the TK operator in writing;

(m) in order for the Niigata Sellers to implement the Assignment, the Niigata Sellers have completed all the procedures (if any) for the permits, etc. that the Niigata Sellers are obliged to acquire or perform by the Niigata Closing Date based on the law and any judicial or administrative judgment, and all the waiting periods required to have elapsed by the Niigata Closing Date based on the law and any judicial or administrative judgment shall have elapsed;

(n) the Niigata Sellers have obtained consent from the relevant financial institution and the parties to existing contracts reasonably required to implement the Assignment;

(o) the Niigata Sellers have completed operations reasonably requested by the Niigata Consortium for the succession to the Niigata Consortium of the asset management business and operation and maintenance business relating to the TK operator (or the GK, as applicable) by the deadline reasonably designated by the Niigata Consortium;

(p) according to the latest monthly construction report prepared by the engineering, procurement and construction ("**EPC**") contractor for the Niigata project, substantial completion for the plant is reasonably expected to be achieved by 30 November 2021; provided that if such date will not be achieved (and the EPC contractor does not create a remedial plan to achieve such deadline) the Niigata Sellers are entitled to terminate the Niigata Transfer Agreements (provided that Niigata Sellers may alternatively pay liquidated damages (the calculation of which to be determined by mutual consultation of the parties) and in the case of such payment this condition precedent shall be deemed satisfied); and

(q) as of the Niigata Closing Date, there is no risk of an increase in the cost of development including EPC, which was disclosed to and agreed by the Niigata Consortium.

Indemnification of SRH and Etrion Japan-3OP Transfer Agreements

If a 3OP Seller suffers damages due to or in connection with a breach of a representation, warranty, or obligation under the relevant 3OP Transfer Agreement by a member of the 3OP Consortium, such member shall indemnify the 3OP Seller upon written notice (subject to the limitations below).

Any individual damage claim must be more than one million yen (JPY 1,000,000) (approximately US$9,030), and no indemnity is payable until all such claims total at least five million yen (JPY 5,000,000) (approximately US$45,150). The maximum liability of a member of the 3OP Consortium is 15% of the purchase price for the relevant TK interests for certain breaches and 100% for other breaches, provided there is no cap in the case of intentional breach or gross negligence. Claims must be made by a 3OP Seller within 18 months of the relevant 3OP Closing Date. A 3OP Seller may not make claims relating to breaches arising from facts they knew to be untrue or incorrect (or should have known were untrue and incorrect in the absence of gross negligence).

Indemnification of 3OP Consortium-3OP Transfer Agreements

If a member of the 3OP Consortium suffers damages due to or in connection with a breach of a representation, warranty, or obligation by a 3OP Seller under the relevant 3OP Transfer Agreement, such 3OP Seller shall indemnify the relevant member of the 3OP Consortium upon written notice (subject to the limitations below).

Any individual damage claim must be more than one million yen (JPY 1,000,000) (approximately US$9,030), and no indemnity is payable until all such claims total at least five million yen (JPY 5,000,000) (approximately US$45,150). The maximum liability of a 3OP Seller is 15% of the purchase price for the relevant TK interests for certain breaches and 100% for other breaches, provided there is no cap in the case of intentional breach or gross negligence. Claims must be made by a member of the 3OP Consortium within 18 months of the relevant 3OP Closing Date. A member of 3OP Consortium may not make claims relating to breaches arising from facts they knew to be untrue or incorrect (or should have known were untrue and incorrect in the absence of gross negligence) or that were disclosed in due diligence.

Indemnification of SRH and Etrion Services Japan-Niigata Project

If a Niigata Seller suffers damages due to or in connection a breach of a representation, warranty, or obligation under the relevant Niigata Transfer Agreement by a member of the Niigata Consortium, such member shall indemnify the Niigata Seller upon written notice (subject to the limitations below).

Any individual damage claim must be more than one million yen (JPY 1,000,000) (approximately US$9,030), and no indemnity is payable until all such claims total at least two point five million yen (JPY 2,5000,000) (approximately US$22,575). The maximum liability of a member of the Niigata Consortium is 15% of the purchase price for the relevant TK interests or GK membership interests, as applicable, provided there is no cap in the case of intentional breach or gross negligence. Claims must be made by a Niigata Seller within 20 months of the relevant Niigata Closing Date (or within 36 months of the relevant Niigata Closing Date in the case of negligence or intentional breach.

Indemnification of Niigata Consortium-Niigata Project

If a member of the Niigata Consortium suffers damages due to or in connection with a Niigata Seller's breach of a representation, warranty, or obligation under the relevant Niigata Transfer Agreement, such Niigata Seller shall indemnify the relevant member of the Niigata Consortium upon written notice (subject to the limitations below).

Any individual damage claim must be more than one million yen (JPY 1,000,000) (approximately US$9,030), and no indemnity is payable until all such claims total at least five million yen (JPY 2,500,000) (approximately US$22,575). The maximum liability of a Niigata Seller is 15% of the purchase price for the relevant TK interests or GK membership interests, as applicable, provided there is no cap in the case of intentional breach or gross negligence. Claims must be made by a member of the Niigata Consortium within 20 months of the relevant Niigata Closing Date (or within 36 months of the relevant Niigata Closing Date in the case of negligence or intentional breach). A member of the Niigata Consortium may not make claims relating to breaches arising from facts that were disclosed in due diligence or arising from facts that a member of the Niigata Consortium knows to be untrue or incorrect, or should have known to be untrue or incorrect, in the absence of gross negligence by the member of the Niigata Consortium as of the date of execution of the relevant Niigata Transfer Agreement.

Termination of 3OP Transfer Agreements

The 3OP Transfer Agreements may be terminated, and the transactions contemplated thereby may be abandoned by each of the parties to such agreements in the following circumstances:

(a) there is a material breach of any of the representations or warranties of the other party and such breach is not cured within two weeks from receipt by the breaching party of a written demand to cure such breach from the non-breaching party (provided, however, that such period of time shall not be required if the non-breaching party reasonably determines that it is impossible or extremely difficult to rectify within such period of time);

(b) there is a material breach of any of the obligations hereunder by the other party, and such breach is not cured within two weeks from receipt by from receipt by the breaching party of a written demand to cure such breach from the non-breaching party (provided, however, that such period of time shall not be required if the non-breaching party reasonably determines that it is impossible or extremely difficult to rectify within such period of time);

(c) a petition for the commencement of insolvency proceedings is filed in relation to the other party;

(d) the other party or its officers or employees, falls under Japanese laws relating to anti-social forces or breaches anti-corruption laws; or

(e) the transactions are not completed by June 22, 2021 or such other date as mutually agreed by the parties (the "Sunset Date").

For greater certainty, the 3OP Consortium is not entitled to terminate the 3OP Transfer Agreements due to any change in law (including but not limited to the change of feed-in tariff price) which may negatively affect the TK interests and the GK membership interests to be transferred.

Termination of Niigata Transfer Agreements

Each of the Niigata Sellers and each member of the Niigata consortium may, by written notice to the other party, terminate the relevant Niigata Transfer Agreement if any of the following sub-item occurs. Any party's termination pursuant to the below shall not preclude the exercise of the right to claim compensation for damages against the other party.

(a) there is a material breach of any of the representations or warranties of the other party and such breach is not cured within 10 business days from receipt by the breaching party of a written demand to cure such breach from the non-breaching party;

(b) there is a material breach of any of the obligations hereunder by the other party, and such breach is not cured within 10 business days from receipt by the breaching party of a written demand to cure such breach from the non-breaching party;

(c) a petition for the commencement of insolvency proceedings is filed in relation to the other party;

(d) the other party, or its officers or employees, falls under Japanese laws relating to anti-social forces or breaches anti-corruption laws; or

(e) other than as a result of the failure of the other party to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by the other party prior to closing under the relevant Niigata Transfer Agreement, the assignment of TK or GK interests thereunder does not occur by the Sunset Date.

For greater certainty, the Niigata Consortium and the Niigata Sellers shall not have the right to terminate the relevant Niigata Transfer Agreement for any reason whatsoever after closing of the transactions contemplated thereby.

Guarantee by the Company-3OP Transfer Agreements

Pursuant to the 3OP Transfer Agreements, the Company has executed a joint and several guarantee in favor of the 3OP Consortium. This guarantee covers all present and future obligations of the 3OP Sellers pursuant to the relevant 3OP Transfer Agreement, and a claim must be paid on demand. The guarantee is only extinguished when all such obligations are repaid and cease to exist.

Stock Exchange Listings

The Common Shares are currently listed on the Toronto Stock Exchange (the "**TSX**") and NASDAQ Stockholm and, in order to maintain a listing on the TSX and NASDAQ Stockholm, certain continued listing requirement must be met. The Company will likely not meet these listing requirements if the Transaction is completed, because it will not have an ongoing business.

Accordingly, following the closing of the Transaction, the Company intends to take the appropriate steps to voluntarily delist from the TSX and NASDAQ Stockholm. In an effort to maintain liquidity in the Common Shares, the Company may apply to transfer its TSX listing to NEX, a separate board of TSX Venture Exchange that provides a trading forum for listed companies that have low levels of business activity or have ceased to carry on an active business. No assurance can be provided, however, that a NEX listing will be obtained or, even if such listing is obtained, that it would provide Shareholders with a market through which they can trade in Common Shares.

Notwithstanding the foregoing, if the Transaction is not completed or if the Transaction is completed and the Board determines to pursue further business opportunities, the Company would not seek to voluntarily delist the Common Shares from the TSX and NASDAQ Stockholm. If the Transaction is completed and the Board determines to pursue further business opportunities, the Common Shares may still be delisted by the TSX and NASDAQ Stockholm if the Company is unable to acquire an alternative business in a timely fashion or if such alternative business does not satisfy the listing criteria of the TSX or NASDAQ Stockholm.

Despite a delisting from the TSX and regardless of whether the Company is able to obtain a listing on NEX, the Company will continue to be subject to ongoing disclosure and other obligations, and the associated costs, as a reporting issuer under applicable securities laws in Canada.

In general terms, the status of the Common Shares as qualified investments for registered plans for purposes of the *Income Tax Act* (Canada) (the "**Tax Act**") depends on the status of the shares as listed on a "designated stock exchange" (which currently includes the TSX and NASDAQ Stockholm) or the status of the Company as a "public corporation", as those terms are defined for purposes of the Tax Act. If the Common Shares were to cease to be listed on a designated stock exchange, the Company will continue to be a "public corporation" for purposes of the Tax Act until such time as it makes an election not to be a public corporation or is designated by the CRA not to be a public corporation. While the Company intends to continue to be a public corporation, there can be no assurances that the Company will not, at some point, cease to be a public corporation. The status of the Company for these purposes, and the status of the Common Shares as qualified investments for registered plans, is not addressed under "Certain Canadian Federal Income Tax Considerations" or otherwise addressed in this Circular and affected holders should consult their own tax advisors in this regard.

Dissent Rights of Shareholders

The following description of the right to dissent to which registered shareholders are entitled is not a comprehensive statement of the procedures to be followed by a dissenting shareholder who seeks payment of the fair value of such Dissenting Shareholder's Common Shares and is qualified in its entirety by the reference to the text of Part 8, Division 2 of the BCBCA, which is attached to this Circular as Appendix A. A dissenting shareholder who intends to exercise the right to dissent should carefully consider and comply with the provisions of the BCBCA. Failure to adhere to the procedures established will result in the loss of all rights thereunder. Accordingly, each dissenting shareholder who might desire to exercise the dissent right should consult his or her own legal advisor.

Section 238 of the BCBCA provides a dissenting shareholder with the right to dissent from certain resolutions of a corporation which effect extraordinary corporate transactions or fundamental corporate changes. Section 301 of the BCBCA provides registered shareholders with the right to dissent from the Sale Resolution pursuant to Section 238 of the BCBCA. Any registered shareholder who dissents from the Sale Resolution in compliance with Division 2 of Part 8 of the BCBCA will be entitled, in the event that the Transaction becomes effective, to be paid by the Company

the fair value of the shares in the capital of the Company held by dissenting shareholder as determined at Closing (as defined in the Transfer Agreements).

Section 238 of the BCBCA also provides that a shareholder may only make a claim under that section with respect to all the shares of a class held by the shareholder on behalf of any one beneficial owner and registered in such shareholder's name. One consequence of this provision is that a holder of shares in the capital of the Company may only exercise the right to dissent under Section 238 of the BCBCA in respect of the Company's shares which are registered in that holder's name. Accordingly, a non-registered holder will not be entitled to exercise the right to dissent under Section 238 of the BCBCA directly (unless the Company's shares are re-registered in the non-registered holder's name).

Non-registered shareholders who are beneficial owners of shares registered in the name of a broker, dealer, bank, trust company, nominee or other intermediary who wish to dissent should be aware that they may only do so through the registered owner of such shares. A registered shareholder, such as a broker, who holds shares in the capital of the Company as nominee for beneficial holders, some of whom wish to dissent, must exercise the dissent right on behalf of such beneficial owners with respect to all of the shares held for such beneficial owners. In such case, the demand for dissent should set out the number of shares in the capital of the Company covered by it.

Registered shareholders wishing to exercise their right to dissent before the Meeting must deliver a written Notice of Dissent to the Sale Resolution to the Company's solicitors' offices, WeirFoulds LLP, at 66 Wellington Street West, Suite 4100, Toronto, Ontario, M5K 1B7, Attention: David Knight, by no later than 4:00 p.m. (Toronto time) on May 25, 2021 or no later than 4:00 p.m. (Toronto time) on the date which is two days immediately preceding the date of any adjournment of the Meeting. No Shareholder who has voted in favour of the Sale Resolution shall be entitled to dissent with respect to the Transaction in accordance with the Transfer Agreements.

The filing of a notice of dissent does not deprive a registered shareholder of the right to vote at the Meeting, however, the BCBCA provides, in effect, that a registered shareholder who has submitted a Notice of Dissent and who votes in favour of the Sale Resolution will be deprived of further rights under Division 2 of Part 8 of the BCBCA. The BCBCA does not provide, and the Company will not assume, that a vote against the Sale Resolution or an abstention constitutes a notice of dissent, but a registered shareholder need not vote its, his or her shares against the Sale Resolution in order to dissent. Similarly, the revocation of a proxy conferring authority on the proxy holder to vote in favour of the Sale Resolution does not constitute a notice of dissent; however, any proxy granted by a registered Shareholder who intends to dissent, other than a proxy that instructs the proxy holder to vote against the Sale Resolution, should be validly revoked in order to prevent the proxy holder from voting such shares in favour of the Sale Resolution and thereby causing the registered shareholder to forfeit its, his or her right to dissent.

Following receipt of approval for the Sale Resolution at the Meeting and following the closing of the Transaction in accordance with the Transfer Agreements, the Company will send a Notice of Intention to each dissenting shareholder stating that the Company has acted on the authority of the approved Sale Resolution and advising the dissenting shareholder of the manner in which dissent is to be completed. A dissenting shareholder who intends to proceed with the dissent after receiving the Notice of Intention must then, within one month after the date of receiving the Notice of Intention, send to the Company or its transfer agent instructions that the dissenting shareholder requires the Company to purchase all of its shares in the capital of the Company, together with the certificates representing such shares held by such dissenting shareholder (including a written statement prepared in accordance with Section 244(1)(c) of the BCBCA if the dissent is being exercised by the registered shareholder on behalf of a Beneficial Shareholder). A dissenting shareholder who fails to send certificates representing the shares in respect of which it, he or she dissents forfeits its, his or her right to dissent. After sending a demand for payment, a dissenting shareholder ceases to have any rights as a holder of shares in the capital of the Company in respect of which such shareholder has dissented, other than the right to be paid the fair value of such shares as determined under Section 245 of the BCBCA.

Sale Resolution

At the Meeting, the Shareholders will be asked to consider and, if thought advisable, pass a special resolution (the "**Sale Resolution**") to approve the sale of all or substantially all of the assets of the Company in accordance with the terms of the Transfer Agreements and authorize the Company to enter into the Transfer Agreements and complete the transactions contemplated thereunder, substantially in the following form:

"RESOLVED AS SPECIAL RESOLUTIONS THAT:

1. The sale of all or substantially all of the assets of Etrion Corporation (the "**Company**") in accordance with the terms of the Transfer Agreements (as defined and described in the Management Information circular of the Company dated April 15, 2021) be and are hereby approved, authorized, ratified and confirmed and the Company and its applicable subsidiaries be and are hereby authorized to enter into, execute, deliver and perform their obligations under the Transfer Agreements;

2. Notwithstanding that this resolution has been passed by the shareholders of the Company, the directors of the Company and/or its applicable subsidiaries are hereby authorized and empowered, at their discretion, without any further notice to or approval of the shareholders of the Company, to amend the Transfer Agreements or any agreement ancillary thereto to the extent permitted by the terms thereof or, subject to the terms of the Transfer Agreements, not to proceed with any or all of the transactions contemplated thereby; and

3. Any director or officer of the Company and/or its applicable subsidiaries be and are hereby authorized to execute and deliver the Transfer Agreements and any and all agreements, documents, instruments and writings, for, in the name and on behalf of the Company and/or its applicable subsidiaries (whether under their respective corporate seals or otherwise), to pay all such expenses and to take all such other actions as in the sole discretion of such director or officer are necessary or desirable in order to fully carry out the intent and accomplish the purpose of these resolutions upon such terms and conditions as may be approved from time to time by the board of directors of the Company and/or its applicable subsidiaries such approval to be conclusively evidenced by the signing of such agreements, documents, instruments and writings by such director or officer."

To be approved, the holders of two-thirds (2/3), being 66.67%, of the votes attached to shares represented in person or in proxy at the Meeting and voted on the Sale Resolution must vote in favour of the Sale Resolution.

Management of the Company recommends that Shareholders vote <u>IN FAVOUR OF</u> the foregoing resolution, and the persons named in the enclosed form of proxy intend to vote for the approval of the foregoing resolution at the Meeting unless otherwise directed by the Shareholders appointing them.

5. Capital Reduction and Return of Capital

Background

Following completion of the Transaction, the Company intends to cause its subsidiaries to deliver the net proceeds from the Transaction to the Company. Following receipt of such proceeds, the Company is proposing to complete an initial cash distribution to the Shareholders (the "**Cash Distribution**") in an amount of approximately Cdn$0.41 (approximately US$0.32) per share (the "**Cash Distribution Amount**"), by way of a return of capital and corresponding reduction in the capital of the Common Shares. A distribution by way of return of capital in the circumstances should generally not be taxed as a dividend for Canadian income tax purposes. See "Certain Canadian Federal Income Tax Considerations". If the requisite approvals are obtained at the Meeting, the Cash Distribution will take place as soon as practicable following the completion of the Transaction on a date determined by the Board (the "**Cash Distribution Date**"). The actual amount of the Cash Distribution will be determined by the Board based on its assessment of the financial position of the Company and its future cash needs. See "Approval of Sale of Assets-Plans Following Completion of the Transaction".

Shareholders of record on the Cash Distribution record date to be determined by the Board (the "**Cash Distribution Record Date**") will be entitled to receive an amount per Common Share equal to the aggregate Cash Distribution Amount as determined by the Board divided by the number of Common Shares outstanding on the Cash Distribution Record Date.

While the Cash Distribution itself does not require Shareholder approval, a return of capital to the Shareholders requires a reduction in the capital of the Common Shares (the "**Capital Reduction**"). Such Capital Reduction will require approval by special resolution of the Shareholders. At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve the Capital Reduction Resolution authorizing the Company to reduce the capital of the Common Shares by an amount equal to the Cash Distribution Amount, for the purpose of effecting a one-time special distribution of the Cash Distribution Amount by way of a return of capital.

If the Capital Reduction Resolution is approved by the Shareholders at the Meeting, the Board intends to confirm the Cash Distribution Amount, the Cash Distribution Record Date and the Cash Distribution Date as soon as practicable following the completion of the Transaction, subject to applicable statutory and regulatory requirements and to the

exercise by the Board of its fiduciary duties. The Board currently intends that the Cash Distribution Date will be approximately 60 days after the completion of the Transaction.

Effect of the Cash Distribution

The Board believes that the Cash Distribution represents an appropriate use of the financial resources of the Company following completion of the Transaction, in order to reward its Shareholders for their support. The resulting financial resources available to the Company following payment of the Cash Distribution are expected to be adequate to fund the Company's operations moving forward pending the completion of the Dissolution.

As of the date of this Circular, the Company has no reasonable grounds to believe that the realizable value of the Company's assets would, after giving effect to the Capital Reduction, be less than the aggregate of its liabilities.

For a description of the principal Canadian federal and Swedish income tax considerations applicable to the Shareholders in connection with the Cash Distribution, see "Particulars of Matters To Be Acted Upon – Certain Canadian Federal Income Tax Considerations" and "Certain Swedish Income Tax Considerations".

Recommendation of the Board

The Board has unanimously determined that the Capital Reduction is in the best interests of the Company and the Shareholders and unanimously recommends that the Shareholders vote in favour of the Capital Reduction Resolution.

In reaching its conclusion and recommendation, the Board considered, among other things, the following factors: (i) information concerning the financial condition, results of operations, business plans and prospects of the Company, both before and after giving effect to the Cash Distribution; and (ii) the advice and assistance of the Company's management and strategic advisors in evaluating the Cash Distribution.

The foregoing discussion of the information and factors considered and given weight by the Board is not intended to be exhaustive. In reaching the determination to recommend for approval the Capital Reduction Resolution, the Board did not assign any relative or specific weights to the factors which were considered, and individual directors may have given differing weights to different factors.

Capital Reduction Resolution

The Capital Reduction Resolution will proceed to a vote only if the Sale Resolution is first approved at the Meeting. While a cash distribution itself does not require Shareholder approval, pursuant to the BCBCA, the Company must obtain Shareholder approval by way of a special resolution in order to proceed with the reduction of the capital of the Common Shares.

At the Meeting, upon approval of the Sale Resolution, the Shareholders will be asked to consider and, if thought advisable, pass a special resolution (the "**Capital Reduction Resolution**") to approve the Capital Reduction, substantially in the following form:

"RESOLVED AS SPECIAL RESOLUTIONS THAT:

1. Subject to the completion of the transactions contemplated by the Transfer Agreements (as defined and described in the Management Information Circular of Etrion Corporation (the "**Company**") dated April 15, 2021) and to section 74 of the *Business Corporations Act* (British Columbia) (the "**Act**"), the Company be and is hereby authorized to distribute by way of a one-time special distribution (the "**Distribution**") as a return of capital a portion of the net proceeds received by its subsidiaries pursuant to the Transfer Agreements, in such amount as may be determined at the discretion of the board of directors of the Company;

2. In respect of the Distribution, to reduce the capital of the common shares of the Company upon making the Distribution, by an amount equal to the lesser of (a) the aggregate amount of the Distribution, and (b) the capital of the common shares of the Company immediately prior to the Distribution; notwithstanding that this resolution has been passed by the shareholders of the Company, the directors of the Company are hereby authorized and empowered, at their discretion, without any further notice to or approval of the shareholders of the Company, not to proceed with any or all of the transactions contemplated hereby; and

3. Any director or officer of the Company be and is hereby authorized to execute and deliver all agreements, documents, instruments and writings, for, in the name and on behalf of the Company (whether under its corporate seal or otherwise), to pay all such expenses and to take all such other actions as in the sole discretion of such director or officer are necessary or desirable in order to fully

carry out the intent and accomplish the purpose of these resolutions upon such terms and conditions as may be approved from time to time by the board of directors of the Company, such approval to be conclusively evidenced by the signing of such agreements, documents, instruments and writings by such director or officer.

To be approved, the holders of two-thirds (2/3), being 66.67%, of the votes attached to shares represented in person or in proxy at the Meeting and voted on the Capital Reduction Resolution must vote in favour of the Capital Reduction Resolution.

Management of the Company recommends that Shareholders vote IN FAVOUR OF the foregoing resolution, and the persons named in the enclosed form of proxy intend to vote for the approval of the foregoing resolution at the Meeting unless otherwise directed by the Shareholders appointing them.

6. VOLUNTARY DISSOLUTION

Following completion of the Transaction, the Company will not have any significant assets or active business operations. The Company does have one ongoing litigation matter and the Company is also pursuing reimbursement of certain tax payments in Italy. The Board may consider pursuing new business opportunities but if no attractive opportunities arise within a reasonable period of time, the Board intends to pursue the settlement of the outstanding litigation and Italian tax claim and, following such settlement, settle all other outstanding liabilities of the Company and effect the dissolution of the Company. Immediately prior to or concurrently with such dissolution, the Board anticipates that it would authorize the distribution of any remaining proceeds from the Transaction and any other cash reserves of the Company to shareholders. A voluntary dissolution of the Company would require the approval of shareholders.

Dissolution Resolution

In light of the foregoing, the Shareholders will be asked at the Meeting to consider and, if thought advisable, pass a special resolution (the "**Dissolution Resolution**") to approve the Dissolution, substantially in the following form:

"RESOLVED AS AN ORDINARY RESOLUTIONS THAT:

1. Subject to the completion of the transactions contemplated by the Transfer Agreements (as defined and described in the Management Information Circular of Etrion Corporation (the "**Company**") dated April 15, 2021), the directors of the Company be and are hereby authorized to cause all debts and liabilities of the Company to be paid or provided for or satisfied and thereafter to distribute by one or more distributions (each, a "**Distribution**") substantially all of the cash the Company, at such times and in such amounts as may be determined at the discretion of the board of directors of the Company;

2. Subject to section 74 of the *Business Corporations Act* (British Columbia) (the "**Act**"), the Company be and is hereby authorized, in respect of each Distribution, to reduce the capital of the common shares of the Company upon making such Distribution by an amount equal to the lesser of (a) the aggregate amount of the Distribution, and (b) the capital of the common shares of the Company immediately prior to the Distribution;

3. After the satisfaction of all debts and liabilities and the distribution of the assets of the Company, the Company be and is hereby authorized and directed to dissolve and, for the purposes of bringing such dissolution into effect, the board of directors are hereby authorized to (a) complete the dissolution of the Company pursuant to section 314(1)(a) of the Act, and (b) instruct the Company's agent to forward an application for dissolution in the approved form to the Registrar of Companies; notwithstanding that this resolution has been passed by the shareholders of the Company, the directors of the Company are hereby authorized and empowered, at their discretion, without any further notice to or approval of the shareholders of the Company, not to proceed with any or all of the transactions contemplated hereby; and

4. Any director or officer of the Company be and is hereby authorized to execute and deliver all agreements, documents, instruments and writings, for, in the name and on behalf of the Company (whether under its corporate seal or otherwise), to pay all such expenses and to take all such other actions as in the sole discretion of such director or officer are necessary or desirable in order to fully carry out the intent and accomplish the purpose of these resolutions upon such terms and conditions as may be approved from time to time by the board of directors of the Company, such approval to

be conclusively evidenced by the signing of such agreements, documents, instruments and writings by such director or officer.

To be approved, the holders of two-thirds (2/3), being 66.67%, of the votes attached to shares represented in person or in proxy at the Meeting and voted on the Dissolution Resolution must vote in favour of the Dissolution Resolution.

Management of the Company recommends that Shareholders vote IN FAVOUR OF the foregoing resolution, and the persons named in the enclosed form of proxy intend to vote for the approval of the foregoing resolution at the Meeting unless otherwise directed by the Shareholders appointing them.

7. OTHER BUSINESS

While there is no other business other than that mentioned in the Notice of Meeting to be presented for action by the Shareholders at the Meeting, it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or postponement thereof, in accordance with the discretion of the persons authorized to act thereunder.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary of the material Canadian federal income tax considerations applicable to a Shareholder who may receive part of the Cash Distribution or one or more distributions as part of the Dissolution (each a "**Distribution**"), and who, for the purposes of the Tax Act and at all relevant times, deals at arm's length with the Company, is not affiliated with the Company and holds their Common Shares as capital property (a "**Holder**"). Such Common Shares will generally constitute capital property to a Holder unless those Common Shares are held in the course of carrying on a business or have been acquired in a transaction or transactions considered to be an adventure or concern in the nature of trade for purposes of the Tax Act. Certain Resident Holders (as defined below) for whom Common Shares might not otherwise qualify as capital property may be entitled to make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have those Common Shares, and any other "Canadian securities" (as defined in the Tax Act) owned by that Holder in the taxation year in which the election is made and all subsequent taxation years, be deemed to be capital property.

This summary is based on the current provisions of the Tax Act and the regulations promulgated thereunder (the "**Regulations**), the current published administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**"), and all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that the Proposed Amendments will be enacted substantially as proposed. No assurance can be given that the Proposed Amendments will be enacted in their present form, or at all. This summary does not otherwise take into account or anticipate any changes in the law whether by legislative, regulatory, administrative or judicial action nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ significantly from those discussed herein. Without limiting the generality of the foregoing, this summary was finalized before the release of the 2021 Federal Budget. Accordingly, Holders should consult with their own tax advisors with respect to any Canadian federal income tax considerations arising as a result of the 2021 Federal Budget and any other subsequently released Proposed Amendments.

This summary does not apply to a Holder (i) that is a "financial institution" as defined in section 142.2 of the Tax Act, (ii) that is a "specified financial institution" as defined in subsection 248(1) of the Tax Act (iii) an interest in which is a "tax shelter investment" as defined in subsection 143.2(1) of the Tax Act, (iv) that has elected to have the "functional currency" reporting rules in section 261 of the Tax Act apply, or (v) who has entered or will enter into a "derivative forward agreement" or a "synthetic disposition arrangement" each as defined in subsection 248(1) of the Tax Act with respect to Common Shares.

This summary is of a general nature only and is not intended to be legal or tax advice to any particular Holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, Holders should consult their own tax advisors having regard to their own particular circumstances.

Residents of Canada

The following portion of the summary applies to Holders who, at all relevant times are, or are deemed to be, resident in Canada for purposes of the Tax Act (a "**Resident Holder**").

Generally, where a "public corporation", as defined in the Tax Act, reduces the paid-up capital in respect of a class of its shares, the amount distributed to its shareholders on such reduction is deemed to be a dividend. However, where the paid-up capital of the relevant class of shares of the corporation exceeds the amount of the distribution, the amount

distributed may be treated as a tax-free return of capital to the shareholder (subject to the comments below concerning the reduction of the adjusted cost base of the shares) and not as a deemed dividend where: (i) the distribution is made on the winding-up, discontinuance or reorganization of the corporation's business; or (ii) the return of capital can reasonably be considered to have been derived from proceeds of disposition realized by the distributing corporation (or a person or partnership in which such corporation had a direct or indirect interest at the time that the proceeds were realized) from a transaction that occurred outside the ordinary course within the period that commenced 24 months before the return of capital, and no other amount that may reasonably be considered to have derived from such proceeds was paid by the corporation as a reduction of paid-up capital prior to the return of capital. Based in part on an understanding of the CRA's administrative practice, the Company is of the view that either or both of these exceptions should apply to any Distribution.

The aggregate amount of Distributions that the shareholders are being asked to approve at the Meeting is not expected to exceed the approximate amount of the current paid-up capital of the Common Shares. Accordingly, if either of the above exceptions applies on the date of a Distribution, the entire amount of the Distribution should be treated as a tax-free return of capital and no portion thereof should be treated as a deemed dividend.

No income tax ruling or opinion has been sought or obtained to the effect that any Distribution will be treated as a tax-free return of capital and not as a deemed dividend on the basis of the above exceptions, and Resident Holders should consult their own tax advisors in this regard.

To the extent that any portion of a Distribution is treated as a deemed dividend, the amount of the deemed dividend will be included in computing the income of the Resident Holder for purposes of the Tax Act. If the Resident Holder is an individual (including certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends paid by taxable Canadian corporations including an enhanced gross-up and tax credit for "eligible dividends" (as defined in the Tax Act).

A deemed dividend received by a Resident Holder that is a corporation will normally be deductible in computing its taxable income. A Resident Holder that is a "private corporation" (as defined in the Tax Act) or a corporation controlled by or for the benefit of an individual (other than a trust) or related group of individuals (other than trusts), will generally be liable to pay a refundable tax under Part IV of the Tax Act on dividends deemed to be received to the extent that such dividends are deductible in computing taxable income. In the case of a Resident Holder that is a corporation, it is possible that in certain circumstances, all or part of the amount deemed to be a dividend will be treated as a capital gain and not as a dividend, except to the extent that the Resident Holder was subject to Part IV tax in respect of the deemed dividend.

The adjusted cost base of each Common Share to a Resident Holder will be reduced by an amount equal to the amount per Common Share received in connection with any Distribution received as a return of capital. If the amount per Common Share received on any such Distribution exceeds the adjusted cost base of such share, a Resident Holder will realize a capital gain equal to such excess. Under the provisions of the Tax Act, one half of any capital gain realized by a Resident Holder will be required to be included in computing such holder's income as a taxable capital gain. A Resident Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) may also be liable to pay an additional refundable tax on its "aggregate investment income" (as defined in the Tax Act) for the year which will include amounts in respect of taxable capital gains realized in the year. The Tax Act provides for an alternative minimum tax applicable to individuals (including certain trusts) resident in Canada, which is computed by reference to an adjusted taxable income amount under which certain items are not deductible or exempt. Capital gains realized by and taxable dividends received by an individual will be relevant in computing liability for alternative minimum tax.

Non-Residents of Canada

This portion of the summary is applicable to Shareholders who, for the purposes of the Tax Act and any applicable income tax convention or treaty, and at all relevant times, are not and are not deemed to be resident in Canada and are not deemed to use or hold, their Common Shares in connection with carrying on a business in Canada (a "**Non-Resident Holder**"). Special rules not discussed in this summary may apply to (i) a non-resident insurer carrying on an insurance business in Canada, (ii) a "financial institution" (as defined in the Tax Act) or (iii) an "authorized bank" (as defined in the Tax Act). Such Shareholders should consult their own tax advisors.

The tax consequences of a Distribution to a Non-Resident Holder will be generally the same as described above with respect to Resident Holders. No Canadian non-resident withholding tax will apply to such Distribution if the Distribution is treated as a tax-free return of capital, as described above. However, if any portion of the Distribution is treated as a deemed dividend, as described above, Canadian withholding tax at a rate of 25% will apply, subject to

reduction under the provisions of an applicable income tax convention between Canada and the Non-Resident Holder's country of residence (a "**Tax Treaty**").

A Non-Resident Holder who realizes a capital gain as a result of a Distribution to the Holder exceeding the adjusted cost base of such Holder's Common Shares, as described above with respect to Resident Holders, will not be subject to Canadian income tax under the Tax Act in respect of such gain provided the Common Shares are not "taxable Canadian property" to such Non-Resident Holder. The Common Shares generally will not be taxable Canadian property provided that: such shares are listed on a designated stock exchange within the meaning of the Tax Act (which currently includes the TSX); unless at any time during the sixty month period immediately preceding the Distribution, (a) the Non-Resident Holder has, either alone or in combination with persons with whom the Non-Resident Holder does not deal at arm's length, owned 25% or more of the issued shares of any class or series of shares in the capital of the Company, and (b) more than 50% of the fair market value of the Common Shares was not derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Tax Act), "timber resource properties" (as defined in the Tax Act), and options in respect of, or interests in, or for civil law rights in, any such property.

Notwithstanding the above, a Common Share may be deemed under the Tax Act to be "taxable Canadian property" of a particular Non-Resident Holder where the Non-Resident Holder acquired or held the share in certain circumstances, including acquiring the share in consideration of the disposition of other taxable Canadian property. Non-Resident Holders for whom a Common Share may be taxable Canadian property should consult their own tax advisors.

In the event that the Common Shares constitute taxable Canadian property to a particular Non-Resident Holder, the consequences under the Tax Act of realizing a capital gain will generally be the same as those for Resident Holders described above. Non-Resident Holders should consult with their own tax advisors as to the availability of relief from Canadian tax under an applicable income tax convention between Canada and the Non-Resident Holder's country of residence.

CERTAIN SWEDISH INCOME TAX CONSIDERATIONS

The following is a summary of certain Swedish tax consequences for shareholders who may receive one or more distributions from the Company either as a return of capital following a reduction of share capital, or as part of a voluntary dissolution of the Company. and refers only to private individuals and legal entities that are tax resident and/or domiciled in Sweden (including permanent establishments) unless otherwise stated.

The summary is based on current Swedish tax regulations and is intended merely as general information. The tax treatment of each shareholder is partly dependent on that person's particular situation. Special tax consequences which are not described below may apply to certain categories of taxpayers. For example, the description does not cover shares held as current assets by a business or held by partnerships, investment companies, insurance companies or investment funds or if the shares are held through a Swedish investment savings account (*investeringssparkonto*) or a Swedish endowment insurance (*kapitalförsäkring*). The description does not cover tax consequences of companies holding business-related shares under the participation exemption rules or shares held or acquired by so called closely held companies.

Capital reduction and return of capital

A return of capital following a reduction of share capital constitute a dividend for Swedish tax purposes. Accordingly, shares held in the Company will not be deemed as divested and no capital gains calculation will have to be brought forward by shareholders.

Individual shareholders tax resident in Sweden

Swedish tax resident individual shareholders and estates of deceased individuals tax resident in Sweden, will be taxed at a rate of 30% on the return of capital. Any withholding taxes, excise- or stamp duties levied by the Company as a result of the return of capital is generally creditable against income tax levied in Sweden. Partial relief or exemption from such withholding taxes, excise- or stamp duties may be applicable under the relevant tax treaty between the Kingdom of Sweden and Canada (subject to each private individual's relief or exemption eligibility under such treaty).

Corporate shareholders tax resident in Sweden

Shareholders who are limited liability companies (and certain other entities) domiciled in Sweden for tax purposes will as a general rule be subject to tax on all income at a rate of 20.6%. Any withholding taxes, excise- or stamp duties levied by the Company as a result of the return of capital is generally creditable against income tax levied in Sweden.

Partial relief or exemption from such withholding taxes, excise- or stamp duties may be applicable under the relevant tax treaty between the Kingdom of Sweden and Canada (subject to each corporate shareholder's relief or exemption eligibility under such treaty).

Foreign tax resident entities which do not have a permanent establishment in Sweden through which the shares in the Company are attributable will not be subject to tax in Sweden on the return of capital.

Dissolution of the Company

The dissolution of the Company, and subsequent distribution of remaining proceeds and other cash reserves, will constitute a divestment of shares for Swedish tax purposes subject to capital gains taxation.

Individual shareholders tax resident in Sweden

Swedish resident individual shareholders and estates of deceased individuals tax resident in Sweden will be taxed at a rate of 30% on any capital gain arising from the divestment of shares in the Company as a result of the dissolution.

The capital gain or loss is calculated as the difference between the sales price (or a distribution as part of a dissolution) after deduction for sales expenses and the cost basis. The cost basis is determined according to the "average method" (*genomsnittsmetoden*) implying that the acquisition value for the shares in the Company of the same class and type are added together taking into account any historical changes in the shareholding of the Company.

Capital losses are generally deductible against capital gains. Capital losses incurred from the divestment of shares in the Company as a result of the dissolution can be fully offset against taxable capital gains from listed shares and securities (with the exception of shares in investment funds holding only Swedish receivables) incurred over the same income year. In case of excess capital losses, 70% of such losses are deductible against other capital income realised over the same income year. In case of a net capital loss, such loss may be used for tax reduction on earned income tax as well as central government and municipal property taxes. A tax reduction is granted with 30% of the net capital losses up to SEK 100,000 and 21% of any losses exceeding SEK 100,000. Capital losses cannot be carried forward to future income years.

Corporate shareholders tax resident in Sweden

Shareholders who are limited liability companies (and certain other entities) domiciled in Sweden for tax purposes will as a general rule be subject to tax on capital gains arising from the divestment of shares in the Company as a result of the dissolution at a rate of 20.6%.

Capital losses arising from the divestment of shares in the Company as a result of the dissolution is generally only deductible against taxable capital gains on securities.

Capital losses on shares can be carried forward to the following year.

Foreign tax resident entities which do not have a permanent establishment in Sweden through which the shares in the Company are attributable will not be subject to tax in Sweden on capital gains resulting from the divestment of shares in the Company as a result of the dissolution.

RISK FACTORS

Risks Factors Relating to the Company

For a general discussion of risks relating to an investment in Common Shares, please refer to the risk factors discussed under "Risk Factors" in the Company's Annual Information Form for the year ended December 31, 2020 and under "Risks and uncertainties" in the Company's management's discussion and analysis for the period ended December 31, 2020, both filed on SEDAR at www.sedar.com.

Risk Factors Relating to the Transaction, the Return of Capital and the Dissolution

Consummation of the transactions contemplated by the Sale Resolution, the Capital Reduction Resolution and the Dissolution Resolution in this Circular are subject to a number of risks. Shareholders should carefully consider the risks described below in evaluating whether or not to approve the Sale Resolution, the Capital Reduction Resolution, and the Dissolution Resolution.

The Transaction is Subject to Conditions

The completion of the Transaction under the Transfer Agreements is subject to a number of conditions precedent, as more particularly described above, some of which are outside of the control of the Company, including receipt of shareholder approval of the Sale Resolution, receipt of required consents or approvals from third parties, and the

counterparties to the Transfer Agreements having performed their obligations thereunder. There can be no certainty, and the Company cannot provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied.

In the event that the Company does not complete the Transaction, the Company will continue to carry on business in a similar manner and the Capital Reduction and the Dissolution will not be completed.

The Board May Decide Not to Proceed with the Transaction, the Capital Reduction and/or the Dissolution

Notwithstanding the shareholders approving the Sale Resolution, the Capital Reduction Resolution and/or the Dissolution Resolution, the Board will retain the discretion not to proceed with any of the transactions contemplated by the Sale Resolution, the Capital Reduction and/or the Dissolution if it determines that such transaction(s) are no longer in the best interests of the Company.

Amount and Timing of Distributions is Uncertain

Upon and subject to the completion of the Transaction, the Company intends to distribute substantially all of the net proceeds received by the Company from the Transaction in one or more distributions as part of the Return of Capital and Dissolution. While the Company currently expects an initial distribution to take place as soon as practicable after the completion of the Transaction, the number and timing of such distribution(s) will be determined by the Board and there can be no certainty, and the Company cannot provide any assurance, as to if, how many and when such distribution(s) will take place.

In addition, the amount and timing of any distribution(s) made by the Company to shareholders following completion of the Transaction or pursuant to the Dissolution is subject to a number of risks, including the following:

- the amount available for distribution to shareholders may be reduced if the Company's expectations and/or estimates of the following are inaccurate: the amount of the net proceeds from the Transaction that will be available to the Company after payment of applicable expenses, liabilities and taxes; timing of the distributions; on-going operating expenses following the Transaction, including due to continuing to be a reporting issuer under applicable securities laws; dissolution costs; the aggregate debts and liabilities of the Company and its subsidiaries;
- the timing of the settlement of the Company's ongoing labour-related litigation and claim for tax refunds in Italy is uncertain, so considerable time may elapse before the Company can proceed with the Dissolution;
- the Board may determine not to proceed with the Return of Capital and/or the Dissolution.

Accordingly, the amount of cash available to be distributed to shareholders and the timing of any distributions cannot currently be quantified with certainty.

Market Price and Liquidity of Common Shares

If the Transaction is completed, the Company will cease to have an operating business, trading volumes of the Common Shares may be reduced, and it may be difficult for shareholders to liquidate their Common Shares. In addition, as described above, the Company expects that the Common Shares will be delisted from the TSX and NASDAQ Stockholm following the closing of the Transaction. In an effort to maintain liquidity in the Common Shares, the Company may apply to transfer its TSX listing to NEX, a separate board of TSX Venture Exchange that provides a trading forum for listed companies that have low levels of business activity or have ceased to carry on an active business. No assurance can be provided, however, that a NEX listing will be obtained or, even if such listing is obtained, that it would provide Shareholders with a market through which they can trade in Common Shares. Irrespective of whether the Company is able to obtain a listing on NEX, the market price at which shareholders can sell Common Shares following completion of the Transaction may not reflect the net asset value of the Company and the ability to sell any Common Shares prior to the Dissolution will likely be materially affected, including potentially significantly lower trading volumes.

Timing of the Dissolution

The voluntary dissolution process of a public company such as the Company involves significant uncertainties that affect both the amount that can be distributed to shareholders and the time to complete the Dissolution. In addition to the uncertainty of the timing of settlement of the Company's outstanding litigation and claim for tax refunds, some of the principal uncertainties relate to the process of obtaining tax clearance certificates and the potential for tax liabilities or other contingent liabilities.

Liability of Shareholders Following Dissolution

Under the BCBCA, despite the Dissolution of the Company, each shareholder to whom any of the Company's assets has been distributed as part of the Dissolution is liable to certain persons claiming under Sections 346 to 349 of the BCBCA to the extent of the amount of such distributions received by such Shareholder, and an action to enforce such liability may be brought. Sections 346 to 349 of the BCBCA provide that, despite the Dissolution of the Company, a legal proceeding commenced by or against the Company before its dissolution may be continued as if the Company had not been dissolved and a legal proceeding may be brought against the Company within 2 years after its dissolution as if it had not been dissolved and provides, among other things, that a shareholder may be liable to the value of the assets received by such shareholder on the distribution. The shareholders may also be added as parties to the relevant legal proceedings or have legal proceedings brought against the shareholder to enforce such liability. The potential for shareholder liability regarding a distribution continues until the statutory limitation period for the applicable claim has expired. Under the BCBCA, the dissolution of the Company does not remove or impair any remedy available against the Company for any right or claim existing, or any liability incurred, prior to its dissolution or arising thereafter.

FORWARD-LOOKING STATEMENTS

This Circular may contain statements that, to the extent they are not statements of historical fact, constitute forward looking information and forward-looking statements which reflect the current view of the Company with respect to its objectives, plans, goals, strategies, future growth, results of operations, financial and operating performance business prospects and opportunities.

Wherever used, the words "may", "will", "anticipate", "intend", "expect", "estimate", "plan", "believe" and similar expressions identify forward-looking statements and forward-looking information. Forward-looking statements and forward-looking information should not be read as guarantees of future events, performance or results, and will not necessarily be accurate indications of whether, or the times at which, such events, performance or results will be achieved. All of the statements and information in this Circular containing forward-looking statements or forward-looking information are qualified by these cautionary statements. These forward-looking statements and information include statements regarding the completion of the Transaction, including the timing of completion, the amount to be received for the purchase price, the estimated transaction and operating costs, and the plans and objectives post completion, the completion of the Return of Capital and Dissolution, including the amount and timing of any distributions relating to the Return of Capital and Dissolution, any liabilities of the Company at the time of the Dissolution, the tax treatment of the Return of Capital and any other distributions, and the estimated expenses of the Company until the completion of the Dissolution.

Forward-looking statements and forward-looking information are based on information available at the time they are made, underlying estimates and assumptions made by management and management's good faith belief with respect to future events, performance and results, and are subject to inherent risks and uncertainties surrounding future expectations generally.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements and forward-looking information contained in this Circular. Such risks and uncertainties include, but are not limited to the completion of the Transaction, the Return of Capital and the Dissolution, including the Transaction being subject to conditions, the Board deciding not to proceed with the Transaction, the Return of Capital and/or the Dissolution, the amount and timing of distribution related to the Return of Capital and Dissolution is uncertain, the market price and liquidity of the Common Shares, the timing of the Dissolution, the liability of shareholders following dissolution, state of the public markets, global economic conditions, dependence on key personnel, among other things.

The Company cautions readers that this list of factors is not exhaustive and that should certain risks or uncertainties materialize, or should underlying estimates or assumptions prove incorrect, actual events, performance and results may vary significantly from those expected. There can be no assurance that the actual results, performance, events or activities anticipated by the Company will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. Readers are urged to consider these factors carefully in evaluating forward-looking information and forward-looking statements and are cautioned not to place undue reliance on any forward-looking information or forward-looking statements.

The forward-looking statements and forward-looking information are made as of the date hereof, and the Company disclaims any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements and forward-looking information contained herein to reflect future results, events or

developments. Shareholders should also carefully consider the matters discussed under "Risk Factors" in the Company's management's discussion and analysis filed on SEDAR at www.sedar.com.

EXECUTIVE COMPENSATION

As the Company reports its financial results in United States dollars, this executive compensation disclosure has been prepared in United States dollars, except where otherwise indicated.

Compensation Discussion and Analysis

The purpose of this Compensation Discussion and Analysis ("**CD&A**") is to provide information about the Company's executive compensation philosophy, objectives, and processes and to discuss compensation decisions relating to the Company's senior officers, being the four current named executive officers (the "**NEOs**") identified below, in 2020. The NEOs who are the focus of the CD&A and who appear in the compensation tables of the Management Information Circular are: (i) Marco A. Northland, the Chief Executive Officer of the Company (the "**CEO**"); (ii) Christian Lacueva, the Chief Financial Officer of the Company (the "**CFO**"); (iii) German Salita, the Executive Vice President, Business Development and M&A (the "**EVPBD**"); and (iv) Martin Oravec, the Chief Investment Officer (the "CIO").

Compensation Committee

In order to assist the Board in fulfilling its oversight responsibilities with respect to human resources matters, the Board has established the Compensation Committee. The Compensation Committee is comprised of 3 directors, all of whom are independent within the meaning of National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), namely Henrika Frykman (Chairwoman), Ian Lundin and Aksel Azrac. All of the members of the Compensation Committee have had direct experience in matters of executive compensation that is relevant to their responsibilities as members of such committee by virtue of their respective professions and long-standing involvement with public companies and matters of executive compensation. In addition, each member of the Compensation Committee keeps abreast on a regular basis of trends and developments affecting executive compensation.

The Compensation Committee's purpose, power and responsibilities are to: (a) establish the philosophy and objectives that will govern the Company's compensation program; (b) oversee and approve the compensation and benefits paid to the senior officers and directors; (c) recommend to the Board for approval executive and other compensation and benefit plans and arrangements; (d) oversee the Company's equity compensation plan(s) and annual incentive plan; (e) review management policies and make recommendations regarding any material changes in human resources policies, procedures, remunerations and benefits; (f) review the Company's compensation plans, policies and programs and other specific compensation arrangements to assess whether they meet the Company's risk profile and to ensure they do not encourage excessive risk taking on the part of the recipient of such compensation; and (g) promote the clear disclosure to Shareholders of material information regarding executive compensation. In performing its duties, the Compensation Committee has the authority to engage such advisors, including executive compensation consultants, as it considers necessary.

The Company does not anticipate making any significant changes to its compensation policies and practices in 2021.

Compensation Process

The Compensation Committee relies on the knowledge and experience of the members of the Compensation Committee to set appropriate levels of compensation for senior officers.

When determining senior officer compensation, the Compensation Committee evaluates the officer's performance, including reviewing the Company's performance against business plans and the officer's achievements during the fiscal year. The Compensation Committee uses all data available to it to ensure that the Company is maintaining a level of compensation that is both commensurate with the size of the Company and the nature of its operations and sufficient to retain personnel it considers essential to the success of the Company.

The Compensation Committee reviews the various elements of the NEOs' compensation in the context of the total compensation package (including salary, annual incentive awards and prior awards under the incentive plans of the Company) and recommends the NEOs' compensation packages. The Compensation Committee's recommendations regarding NEO compensation are presented to the Board for their consideration and approval.

The Compensation Committee and the Board have implemented a standard annual grant process for the grant of RSUs to eligible participants, including key executives of the Company, under the Restricted Share Plan. Pursuant to this process, Restricted Share Unit grants are determined as part of the annual compensation review. In addition, from time-to-time the Board may award Restricted Share Units in recognition of the achievement of special circumstances,

a particular goal or extraordinary service. The Board determines the particulars with respect to all Restricted Share Units awarded, subject to the provisions of the Restricted Share Plan. See "Securities Authorized for Issuance under Equity Compensation Plans - Restricted Share Plan" for details about such plan.

The Compensation Committee has considered the risk implications of the Company's compensation policies and practices and has concluded that there is no appreciable risk associated with such policies and practices as such policies and practices do not have the potential of encouraging an executive officer or other applicable individual to take on any undue risk or to otherwise expose the Company to inappropriate or excessive risks. Furthermore, although the Company does not have in place any specific prohibitions preventing a NEO or a director from purchasing 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 options or other equity securities of the Company granted in compensation or held directly or indirectly, by the NEO or director, the Company is unaware of the purchase of any such financial instruments by any NEO or director.

Compensation Program

Principles/Objectives of the Compensation Program

Under the direction of the Compensation Committee, the Company is committed to the fundamental principles of pay for performance, improved shareholder returns and external competitiveness. The Compensation Committee recognizes the need to attract and retain a stable and focused leadership with the capability to manage the operations, finances and assets of the Company. As appropriate, the Compensation Committee recognizes and rewards exceptional individual contributions with competitive compensation. The compensation program is designed to ensure that the compensation provided to the Company's senior officers is determined with regard to the Company's business strategy and objectives, such that the financial interests of the senior officers are matched with the financial interests of the Shareholders.

Compensation Program Design and Analysis of Compensation Decisions

Standard compensation arrangements for the Company's senior officers are composed of the following elements, which are linked to the Company's compensation and corporate objectives as follows:

Compensation element	Link to compensation objectives	Link to corporate objectives
Base salary	Attract and retain	Competitive pay ensures access to skilled employees necessary to achieve corporate objectives.
Annual incentives	Motivate Pay for performance	Annual incentives focus senior officers on the achievement of corporate objectives and reward exceptional performance.
Restricted Share Units	Motivate Pay for performance Align interests with Shareholders	Long-term incentives motivate and reward senior officers to increase Shareholder value by the achievement of long-term corporate strategies and objectives.

2020 Performance and Compensation

The Company is focused on developing, building, owning and operating solar power plants. Given the Company's stage of development, the Compensation Committee has determined that the use of traditional quantitative performance standards is not appropriate in the evaluation of corporate or NEOs performance. The compensation of senior officers is based, in substantial part, on trends in the renewable energy industry as well as achievement of the Company's business plans and objectives. The Compensation Committee did not establish any quantifiable criteria in 2020 with respect to base salaries payable or the amount of annual bonuses or Restricted Share Units granted to NEOs.

Base Salaries and Consultant Fees

The Company provides senior officers with base salaries which represent their minimum compensation for services rendered during the fiscal year. NEOs' base salaries depend on the officer's role, responsibilities, performance and the importance of such officer to the Company as well as overall business goals, the financial position of the Company and general industry trends and practices, including competitiveness of compensation. Base salaries are reviewed annually by the Compensation Committee.

Each of the CEO and CFO is party to an employment agreement with the Company's wholly-owned Swiss subsidiary Etrion SA ("**Etrion SA**"), the CIO, through a consulting company controlled by the CIO, is party to a consulting

agreement with Etrion SA, and the EVPBD is party to an employment agreement with the Company's wholly-owned United States subsidiary Etrion Services (Suisse) S.A. Inc. ("**Etrion US**"). The CEO's annual salary for the 2020 fiscal year was CHF 424,941 (approximately US$ 452,546 based on an exchange rate of US$1.0 = CHF 0.9390). The CFO's annual salary was CHF 250,000 (approximately US$ 266,241 based on an exchange rate of US$1.0 = CHF 0.9390). The CIO's annual salary was US$ 258,863. The EVPBD's annual salary was US$ 295,000.

Annual Incentives and Restricted Share Units

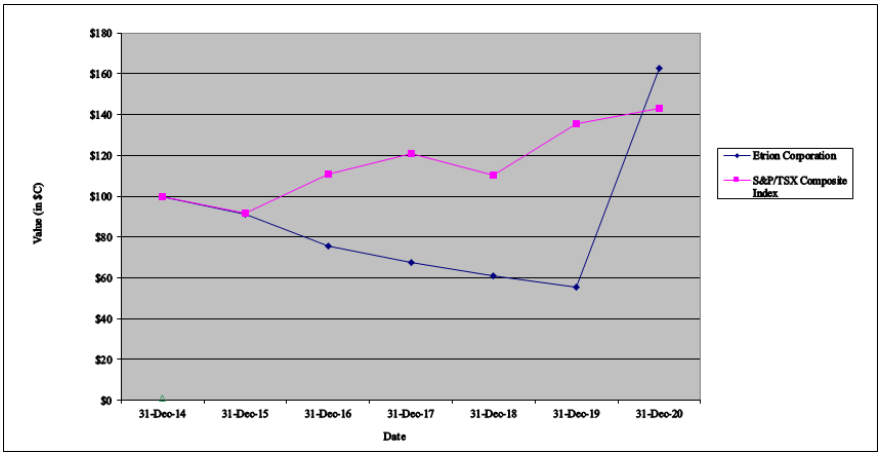
The Company has historically paid annual cash bonuses to senior officers. The Company has formalized an annual bonus program (the "**Bonus Plan**") in order to ensure that compensation is competitive from a total remuneration standpoint and to provide it with the ability to recognize outstanding senior officer performance. Consistent with the flexible nature of the Bonus Plan, the Compensation Committee does not assign any specific weight to any particular performance factor. Instead, the Compensation Committee considers not only the Company's performance during the year, but also considers market and economic trends and forces, extraordinary internal and market-driven events, unanticipated developments and other extenuating circumstances.

The Compensation Committee has been provided with the discretion to award annual bonuses up to specified percentages of the salaries of the CEO and the CFO. In particular, the CEO may be awarded an annual bonus of up to 125% of his base compensation. The CFO, CIO and EVPBD are eligible for an annual bonus of up to 75% of their base salary. Such awards may be made in cash, through the grant of RSUs or through a combination of cash and RSUs.

The grant of Restricted Share Units pursuant to the Restricted Share Plan is an integral component of the compensation packages of the senior officers (both as a component of the Bonus Plan and to reward extraordinary service). The Compensation Committee believes that the grant of Restricted Share Units to senior officers that are subject to the achievement of certain performance targets in order for such Restricted Share Units to vest serves to motivate achievement of the Company's long-term strategic objectives and the result will benefit all Shareholders. Restricted Share Units that are awarded to employees of the Company (and the number thereof) is based upon the recommendation of the Compensation Committee, which bases its decisions upon the level of responsibility and (expected and actual) contribution of the individuals toward the Company's goals and objectives and each individual's annual salaried or cash compensation. The Compensation Committee's decisions with respect to the granting of Restricted Share Units are reviewed by the Board and are subject to its final approval. Refer to "Securities Authorized for Issuance under Equity Compensation Plans - Restricted Share Plan" for a detailed description of the Restricted Share Plan.

Share Performance Graphs

The following graph illustrates the Company's cumulative Shareholder return (assuming the re-investment of dividends of which there have been none) from December 31, 2015, to December 31, 2020, based upon a $100 investment made on December 31, 2014, in the Common Shares, and compares the Company's cumulative shareholder return to the cumulative total shareholder return from a similar investment in the Total Return Index Values of the S&P/Toronto Stock Exchange ("**TSX**") Composite Index over the same period.



As described herein, the Compensation Committee considers various factors in determining the compensation of the NEOs. The performance of the Common Shares is one performance measure that is reviewed but there is no direct correlation between Common Share performance and executive compensation.

The Common Share price may be affected by numerous factors that are difficult to predict and beyond the Company's control and is also affected by general and industry-specific economic and market conditions. The Compensation Committee evaluates performance by reference to the Company's business plan rather than by short-term changes in the Common Share price based on its view that its long-term operating performance will be reflected by stock price performance over the long-term, which is especially important when the current stock price may be temporarily depressed by short-term factors, such as recessionary economies. The trend shown by the performance graph reflects a general decline from December 31, 2015 to December 31, 2019 and then a significant uptick in 2020 which the Company believes relates to news of the pending Transaction. Over the same 5-year period, the trend in compensation received by the NEOs, in the aggregate, has remained relatively constant despite foreign exchange fluctuations and without taking into account share-based awards and bonuses. In addition, shared-based performance awards are designed to align Common Share performance with the Peer Group (as defined below).

NEO Compensation

Summary Compensation

The following table provides a summary of the compensation earned by the NEOs for services rendered in all capacities during the fiscal years ended December 31, 2020, 2019 and 2018.

Name and principal position	Year	Salary[1, 2] (US$)	Share-based awards[3, 4] (US$)	Option-based awards[5] (US$)	Non-equity incentive plan compensation[2, 6] (US$)	Pension value (US$)	All other compensation (US$)	Total compensation (US$)[4]
Marco A. Northland (CEO)	2020	452,546	271,617	-	565,683	75,284	-	1,365,130
	2019	427,592	147,725	-	213,796	68,813	-	857,926
	2018	434,544	-	-	195,545	61,037	-	691,126
Christian Lacueva (CFO)	2020	266,241	194,012	-	199,681	36,134	-	696,067
	2019	251,560	105,518	-	145,905	31,198	-	534,181
	2018	255,650	-	-	115,042	23,266	-	393,958
German Salita (EVPBD)[7]	2020	295,000	194,012	-	221,250	11,400	-	721,662
	2019	295,000	105,518	-	147,500	11,692	-	559,710
	2018	295,000	-	-	132,750	12,661	-	440,411
Martin Oravec (CIO)[8]	2020	258,863	194,012	-	187,500	-	-	640,375
	2019	249,608	105,518		140,000	-	-	495,126
	2018	247,474	-	-	108,000	-	-	355,474

Notes:

(1) Each of the NEOs received their salaries from Etrion SA, except for Mr. Salita who was paid in US$ by Etrion US.

(2) Salaries, pensions and non-equity incentive plan compensation paid in Swiss Francs have been converted at an exchange rate of CHF 1.00 = US$ 1.065 in 2020, CHF 1.00 = US$ 1.0062 in 2019, CHF 1.00 = US$ 1.0226 in 2018.

(3) For share-based awards, the grant date fair value was calculated in accordance with a hybrid valuation model based on the Monte Carlo simulation, which the Company determined to be the most accurate measure of value. Each amount represents the grant date fair value of the applicable Restricted Share Units granted on December 31, 2019 and December 31, 2020. For the 2019 grant, the grant date fair value was determined using the Common Share Price on the date of grant of CAD$0.21 per Common Share (converted to US$ at an exchange rate of CAD$1.00 = US$0.7537), stock price volatility of 52%, risk free interest rate of 1.69%, no dividend yield and expected Restricted Share Unit life of 6 years. For the 2020 grant, the grant date fair value was determined using the Common Share Price on the date of grant of CAD$0.57 per Common Share (converted to US$ at an exchange rate of CAD$1.00 = US$0.7462), stock price volatility of 58%, risk free interest rate of 0.25%, no dividend yield and expected Restricted Share Unit life of 6 years.

(4) While the RSUs have been awarded, all of the RSUs granted prior to 2019 expired without vesting and no amounts have been paid or are payable to the NEOs in respect thereof. The value of the RSUs granted in 2019 and 2020 has not been received by the NEOs and such RSUs will only vest if all the conditions applicable to such grants are met or in certain other circumstances. The value of such share-based awards on the relevant vesting date(s) will depend on the future performance of the Company. See "Incentive Plan Awards" and "Securities Authorized for Issuance Under Equity Compensation Plans – Restricted Share Plan" below for further details.

(5) No options were granted to NEOs in respect of the fiscal years ended December 31, 2018, 2019 and 2020.

(6) Non-equity incentive plan compensation includes cash bonus payments relating to the relevant year paid in the following year. The Company does not have any non-equity long-term compensation incentive plans.

(7) While Mr. Salita has not been formally appointed as an executive officer of the Company, in the financial years ended December 31, 2018 December 31, 2019 and December 31, 2020, Mr. Salita acted in a similar capacity to an executive officer.

(8) While Mr. Oravec has not been formally appointed as an executive officer of the Company, in the financial years ended December 31, 2018 December 31, 2019 and December 31, 2020, Mr. Oravec acted in a similar capacity to an executive officer.

Incentive Plan Awards

The following table provides details regarding the outstanding option-based awards and share-based awards held by the NEOs as at December 31, 2020:

	Option-based Awards						Share-based Awards			
Name and principal position	**Option grant date**	**Number of securities underlying unexercised options**	**Number of options vested and unexercised options**	**Option exercise price (US$)**	**Option expiration date**	**Aggregate value of unexercised in-the-money options (US$)**	**Restricted Share Unit grant date**	**Number of shares or units of shares that have not vested**	**Market or payment value of share-based awards that have not vested (US$) (1)**	**Market or payout value of vested share-based awards not paid out or distributed (US$)**
Marco A. Northland (CEO)	-	-	-	-	-	-	Dec. 31, 2019 Dec 31, 2020	2,800,000(2) 1,400,000(3)	1,190,935 595.468	-
Christian Lacueva (CFO)	-	-	-	-	-	-	Dec. 31, 2019 Dec 31, 2020	2,000,000(2) 1,000,000(3)	850,668 425,334	-
German Salita (EVPBD)	-	-	-	-	-	-	Dec. 31, 2019 Dec 31, 2020	2,000,000(2) 1,000,000(3)	850,668 425,334	-
Martin Oravec (CIO)							Dec. 31, 2019 Dec 31, 2020	)2,000,000(2) 1,000,000(3)	850,668 425,334	-

Notes:

(1) While the RSUs have been awarded, the value of the RSUs has not been received by the NEOs and such RSUs will only vest if all of the conditions applicable to such grants are met or in certain other circumstances. The value of such share-based awards on the relevant vesting date(s) will depend on the future performance of the Company. See "Incentive Plan Awards" and "Securities Authorized for Issuance Under Equity Compensation Plans - Restricted Share Plan" below for further details. Please see footnote (2) below for more information with respect to the performance criteria and performance periods for the outstanding RSUs granted to NEOs.

(2) These RSUs vest at the earlier of December 31, 2022 and a Change of Control or Sale of Assets of the Company in accordance with the Restricted Share Plan. Upon the vesting date the RSUs will vest as follows: if the share price is below CAD 0.24, no RSUs will vest, if the share price is CAD 0.24-0.249, 40% of the RSUs will vest, if the share price is CAD 0.25-0.259, 60% of the RSUs will vest, if the share price is CAD 0.26-0.269, 80% of the RSUs will vest and if the share price is CAD 0.27 or above, 100% of the RSUs will vest. Any vested RSUs will expire three years after vesting.

(3) These RSUs vest at the earlier of December 31, 2023 and a Change of Control or Sale of Assets of the Company in accordance with the Restricted Share Plan. Upon the vesting date the RSUs will vest as follows: if the share price is below CAD 0.24, no RSUs will vest, if the share price is CAD 0.24-0.249, 40% of the RSUs will vest, if the share price is CAD 0.25-0.259, 60% of the RSUs will vest, if the share price is CAD 0.26-0.269, 80% of the RSUs will vest and if the share price is CAD 0.27 or above, 100% of the RSUs will vest. Any vested RSUs will expire three years after vesting.

Refer to “Securities Authorized for Issuance under Equity Compensation Plans” for details regarding the Restricted Share Plan.

The following table provides details regarding outstanding option-based awards, share-based awards and non-equity incentive plan compensation relating to the NEOs, which vested and/or was earned during the year ended December 31, 2020:

Name and principal position	**Option-based awards - value vested during the year(1) (US$)**	**Share-based awards - value vested during the year(1) (US$)**	**Non-equity incentive plan compensation - value earned during the year (US$)**
Marco A. Northland (CEO)	-	-	565,683
Christian Lacueva (CFO)	-	-	199,681
German Salita (EVPBD)	-	-	221,250
Martin Oravec (CIO)	-	-	187,500

Note:

(1) No option-based awards or share-based awards vested during the fiscal year ended December 31, 2020.

Defined Contribution Plans

The table below presents the benefits accumulated by the NEOs under the defined contribution plans of Etrion SA and Etrion US during the year ended December 31, 2020. The actual benefits payable upon retirement will be determined by the size of each participant's account values (based on the amount of actual contribution and the realized returns on investment), interest rates at the time the benefits commence, and the type of retirement vehicle selected (i.e., life income fund, life annuity, joint annuity, etc.). The values under the Etrion SA plan for Mr. Northland and Mr. Lacueva are valued in CHF and have been converted to US$ at an exchange rate of CHF 1.00 = US$ 1,065.

Name and principal position	Accumulated value at the beginning of the year (US$)	Compensatory [1] (US$)	Non-compensatory[1] (US$)	Accumulated value at the end of the year (US$)
Marco A. Northland (CEO)	1,030,238 [2]	75,284	74,153	1,179,676
Christian Lacueva (CFO)	729,522	36,134	78,780 [3]	844,436
German Salita (EVPBD)	217,163	11,400	57,310	285,873
Martin Oravec (CIO)	-	-	-	-

Notes:

(1) Compensatory represents the Company's direct contribution to the employee's defined contribution plan and non-compensatory represents the employee's own contribution to the defined contribution plan as well as the interest earned during the year on the accumulated balance at the end of the relevant year.

(2) The accumulated value at the beginning of the year for Mr. Northland excludes US$ 205,573 representing the accumulated value of his pension prior to his employment with Etrion SA in September 2009.

(3) This amount includes US$ 31,949 contributed personally by Mr. Lacueva during 2020.

The funded defined contribution plan of Etrion SA is managed through a private fund. The cost of the defined contribution plan is determined annually by independent actuaries, and Etrion SA pays an annual insurance premium. The fund provides benefits coverage to the employees in the event of retirement, death or disability. Etrion SA and its employees jointly finance retirement and risk benefit contributions. As per the agreement, Etrion SA contributes between 60% and 67% of the monthly pension costs, and the remaining balance is deducted from the employee's payroll. The investment risk is borne by the fund. According to articles of the pension fund regulations, the fund is responsible for remediating any technical underfunding that may exist at any given time. However, in the event of a shortfall the Company, together with the employees, could be required to fund any shortfall.

The funded defined 401K contribution plan of Etrion US is managed through a third-party trust with the aim of providing benefits coverage to the employees in the event of retirement, death or disability. The Company makes a contribution equal to 100% of the first 3% of the employee's eligible earnings and an additional 50% of the next 2% of eligible earnings. The plan is called "an individual account plan", which means that each employee has his or her own account in the plan. This provides the employee with the opportunity to exercise control over the assets in the individual account, and to choose the manner in which the assets in the account are invested. Full responsibility for the investment decisions lie with the employee. Also, pursuant to US legislation, benefits are not insured.

Termination and Change of Control Benefits

Marco A. Northland

The CEO entered into an employment agreement (the "**Northland Agreement**") with Etrion SA on September 11, 2009 for an indefinite term. The Northland Agreement may be terminated for any cause whatsoever by either party upon 6 months' prior notice. The Northland Agreement may also be terminated with immediate effect by either party for "justified cause" as defined by article 337 of the Swiss Code of Obligations ("**CO**") or by the CEO for Good Reason (as defined below).

Under the Northland Agreement, "Good Reason" means the occurrence of any of the following without the CEO's express prior written consent: (a) a material reduction in the CEO's position or duties; (b) a reduction in the CEO's annual base salary; (c) a relocation of the CEO's primary place of business for the performance of his duties to a location that is more than 35 miles from Etrion SA's business location in Geneva, Switzerland; or (d) a material breach of the Northland Agreement by Etrion SA that is not remediated by Etrion SA within 30 days of the CEO providing written notice of such material breach.

In the event the Northland Agreement is terminated by Etrion SA for justified cause, the CEO is not entitled to any compensation or benefits other than those he has earned as of the date of termination.

In the event that the Northland Agreement is terminated by Etrion SA for any reason other than for justified cause, Etrion SA must pay to the CEO CHF 826,200 in a lump sum promptly following the CEO's termination.

In the event that the Northland Agreement is terminated by the CEO for justified cause due to Etrion SA's actions within the meaning of article 337 of the CO or for Good Reason, then Etrion SA must pay to the CEO the amount of CHF 2,295,000 in a lump sum promptly following the CEO's termination.

In the event of a "change of control" as defined in the Northland Agreement, the CEO may elect to terminate his employment at any time within a 180-day period following a change of control and the CEO will receive, subject to compliance with the applicable provisions of the Northland Agreement, the greater of: (a) a lump sum payment equivalent to 24 months' base salary, then in effect; or (b) the applicable payment provided for as if the Northland Agreement were terminated for any reason other than for justified cause.

The Northland Agreement also provides for non-competition provisions during the CEO's employment with Etrion SA and after the termination of the Northland Agreement subject to the conditions and during the term stated below. The CEO will not, directly or indirectly, commence employment with, provide any service or advice to, own any interest in, directly or indirectly or become affiliated with any other person, partnership, firm, corporation, or any other business or organization, in any manner (whether as an officer, director, stockholder, partner, consultant, advisor or in any other capacity) in any competitor business in the relevant market segments and territories with, or similar to, the business of Etrion SA, SRH, or any corporation, partnership or other entity which is directly or indirectly controlled by SRH (collectively, the "**Solar Entities**"). In addition, the CEO will not, for any reason whatsoever, engage in or contribute his knowledge to the development, sale, promotion, or distribution of any products or services which compete in the relevant market segments and territories with the products or services being developed or offered by the Solar Entities, it being understood that nothing shall prevent the CEO investing in any publicly listed company up to a maximum of 5% of the voting rights of such company (the "**Non-Compete Undertaking**"). The Non-Compete Undertaking does not apply in the event the CEO terminates the Northland Agreement for justified cause or for Good Reason.

If the Northland Agreement is terminated by Etrion SA for justified cause, the CEO will be bound by the Non-Compete Undertaking for a period of 12 months after the termination of the Northland Agreement, provided that Etrion SA pays to the CEO an indemnity of CHF 38,300.

If the Northland Agreement is terminated by the CEO at any time for any reason other than for justified cause or for Good Reason, the CEO will be bound by the Non-Compete Undertaking for a period of 24 months after the termination of the Northland Agreement, provided that Etrion SA pays to the CEO an indemnity equivalent to the CEO's salary and fringe benefits under the Northland Agreement as at the time of the employment termination, excluding any performance-related bonus, for 24 months.

The Northland Agreement also contains customary indemnification and confidentiality provisions.

The CEO currently holds 4,200,000 RSUs. All of such RSUs will vest in the event of a "Change of Control" or a "Sale of Assets" of the Company (as such terms are defined in the Restricted Share Plan), subject to specified performance-based vesting criteria. See "NEO Compensation-Incentive Plan Awards" for further details of such RSUs and see "Securities Authorized for Issuance Under Equity Compensation Plans – Restricted Share Plan" for further details of the Restricted Share Plan. Based on such performance-based criteria, all RSUs would have been realized by the CEO at December 31, 2020 in the event of a Change of Control or Sale of Assets.

The following table estimates the incremental amounts payable to the CEO upon identified termination events, assuming each such event took place on December 31, 2020. The table includes the value of unvested equity awards that would vest upon the occurrence of the termination event.

Termination event	Amounts payable assuming each such event took place on December 31, 2020 (US$) [(1)(2)]
Termination by Etrion SA for justified cause	
- Salary/severance	-
- Annual incentives	-
- Stock options / Restricted Share Units	-
Termination by CEO for justified cause or Good Reason, as applicable	
- Salary/severance	2,444,089
- Annual incentives	-
- Stock options / Restricted Share Units	-
Termination by Etrion SA for any reason other than justified cause	
- Salary/severance	879,872
- Annual incentives	-
- Stock options / Restricted Share Units	-
Termination by CEO upon a change of control	
- Salary/severance	905,093
- Annual incentives	-
- Stock options / Restricted Share Units [(3)]	1,786,403

Notes:

(1) All amounts have been converted to US$ using an exchange rate of US$ 1.00 = CHF 1.065.

(2) These amounts do not include the amounts paid or payable pursuant to or in lieu of notice, the payment of accrued but unpaid vacation time if any, the rights if any to which the CEO is entitled under the terms of any of the Company's benefit plans and related agreements in which he participates, and the reimbursement of reasonable expenses incurred in the course of the performance of the CEO's duties if any.

(3) Represents the incremental value that would have been realized by the CEO on Restricted Share Units at December 31, 2020, as a result of a change of control.

Christian Lacueva

The CFO entered into an employment agreement (the "**Lacueva Agreement**") with Etrion SA on April 3, 2019 for an indefinite term, as amended on August 22, 2019. The Lacueva Agreement may be terminated for any cause whatsoever by either party upon 3 months' prior notice. Pursuant to the terms of the Lacueva Agreement, the CFO is entitled to severance in the following situations:

Triggering Event	Obligations upon Termination	Amounts payable assuming each such event took place on December 31, 2020 (USD)
Termination by Company for cause	In the event that the Company terminates the Lacueva Agreement for justified cause within the meaning of article 337 CO, the CFO is not entitled to any compensation or benefits other than those he has earned as of the date of termination.	-
Termination by Company without Cause	In the event that the Company terminates the Lacueva Agreement without justified cause, the CFO is entitled to receive a lump sum equal to 9 months' base salary then in effect, which shall be paid on top of any salary owing during the notice period.	199,681
Termination by CFO for Good Reason	In the event that the CFO terminates the Lacueva Agreement for justified cause due to Etrion SA's actions within the meaning of article 337 of the CO, the CFO is entitled to receive a lump sum equal to 9 months' base salary then in effect, which shall be paid on top of any salary owing during the notice period.	199,681
Change of control	In the event of a "change of control" as defined in the Lacueva Agreement, the CFO may elect to terminate his employment at any time within a 180-day period following a change of control and the CFO will receive, subject to compliance with the applicable provisions of the Lacueva Agreement, an amount equivalent to 9 months' gross Base Salary as a lump sum payment, which shall be paid on top of any other amounts which may be due to the CFO in relation to the termination under Swiss law or the Lacueva Agreement.	199,681

The Lacueva Agreement also contains customary indemnification and confidentiality provisions.

The CFO currently holds 3,000,000 RSUs. All of such RSUs will vest in the event of a "Change of Control" or a "Sale of Assets" of the Company (as such terms are defined in the Restricted Share Plan), subject to specified performance-based vesting criteria. See "NEO Compensation-Incentive Plan Awards" for further details of such RSUs and see "Securities Authorized for Issuance Under Equity Compensation Plans – Restricted Share Plan" for further details of the Restricted Share Plan. Based on such performance-based criteria, all RSUs would have been realized by the CFO at December 31, 2020 in the event of a Change of Control or Sale of Assets.

German Salita

The EVPBD entered into an amended employment agreement (the "**Salita Agreement**") with Etrion US on April 3, 2019 for an indefinite term. The Salita Agreement may be terminated for any cause whatsoever by either party upon 90 days' prior notice. Pursuant to the terms of the Salita Agreement, the EVPBD is entitled to severance in the following situations:

Triggering Event	Obligations upon Termination	Amounts payable assuming each such event took place on December 31, 2020 (US$)
Termination by Company for cause	In the event that the Company terminates the Salita Agreement for Cause, as defined in the Salita Agreement, the EVPBD is not entitled to any compensation or benefits other than those he has earned as of the date of termination.	-
Termination by Company without Cause	In the event that the Company terminates the Salita Agreement without Cause, as defined in the Salita Agreement, the EVPBD is entitled to receive a lump sum equal to 9 months' base salary then in effect, which shall be paid on top of any salary owing during the notice period.	221,250
Termination by EVPBD for Good Reason	In the event that the EVPBD terminates the Salita Agreement for Good Reason (as defined below), the EVPBD is entitled to receive a lump sum equal to 9 months' base salary then in effect, which shall be paid on top of any salary owing during the notice period.	221,250
Change of control	In the event of a change of control, the EVPBD may elect to terminate his employment at any time within a 180-day period following the Change of Control and the EVPBD is thereafter entitled to receive a lump sum equal to 9 months' base salary then in effect.	221,250

Under the Salita Agreement, "Good Reason" means the occurrence of any of the following without the EVPBD's consent: (a) a material diminution in the EVPBD's salary; (b) a material diminution in the EVPBD's authority, duties, or responsibilities; or (c) a material breach of the Salita Agreement by Etrion US that is not remediated by Etrion US within 30 days of the EVPBD providing written notice of such material breach.

The Salita Agreement also contains customary indemnification and confidentiality provisions.

The EVPBD currently holds 3,000,000 RSUs. All of such RSUs will vest in the event of a "Change of Control" or a "Sale of Assets" of the Company (as such terms are defined in the Restricted Share Plan), subject to specified performance-based vesting criteria. See "NEO Compensation-Incentive Plan Awards" for further details of such RSUs and see "Securities Authorized for Issuance Under Equity Compensation Plans – Restricted Share Plan" for further details of the Restricted Share Plan. Based on such performance-based criteria, all RSUs would have been realized by the EVPBD at December 31, 2020 in the event of a Change of Control or Sale of Assets.

Martin Oravec

The CIO, through a consulting company which the CIO controls, entered into a consulting services agreement (the "**Oravec Agreement**") with Etrion SA on January 1, 2018, as amended on April 4, 2019 and August 14, 2019, to provide consulting services to Etrion S.A. for an indefinite term. The Oravec Agreement may be terminated by either party upon 90 days' advance written notice. Pursuant to the terms of the Oravec Agreement, the CIO is entitled to severance in the following situations:

Triggering Event	Obligations upon Termination	Amounts payable assuming each such event took place on December 31, 2020 (US$)
Termination by Company for Justified Cause	In the event that the Company terminates the Oravec Agreement for Justified Cause, as defined in the Oravec Agreement, the CIO is not entitled to any compensation or benefits other than those he has earned as of the date of termination.	-
Termination by Company for reason other than Justified Cause	In the event that the Company terminates the Oravec Agreement without Justified Cause the CIO is entitled to receive a lump sum equal to US$180,000, which shall be paid on top of any professional fees owing during the notice period.	187,500
Termination by CIO for Justified Cause	In the event that the CIO terminates the Oravec Agreement for Justified Cause, the CIO is entitled to receive a lump sum equal to US$180,000, which shall be paid on top of any professional fees owing during the notice period.	187,500
Change of control	In the event of a Change of Control, as defined in the Oravec Agreement, the CIO may elect to terminate his employment at any time within a 180-day period following the Change of Control and the CIO is thereafter entitled to receive a lump sum equal to US$180,000.	187,500

The Oravec Agreement also contains customary indemnification and confidentiality provisions.

The CIO currently holds 3,000,000 RSUs. All of such RSUs will vest in the event of a "Change of Control" or a "Sale of Assets" of the Company (as such terms are defined in the Restricted Share Plan), subject to specified performance-based vesting criteria. See "NEO Compensation-Incentive Plan Awards" for further details of such RSUs and see "Securities Authorized for Issuance Under Equity Compensation Plans – Restricted Share Plan" for further details of the Restricted Share Plan. Based on such performance-based criteria, all RSUs would have been realized by the CIO at December 31, 2020 in the event of a Change of Control or Sale of Assets.

Other than as described herein, the Company does not have any pension or retirement plan which is applicable to the NEO's and the Company and its subsidiaries are not party to any compensation plan, contract or arrangement where an NEO is entitled to receive incremental compensation in the event of resignation, retirement or termination of employment, a change of control of the Company or its subsidiaries or a change in an NEO's responsibilities following a change of control.

Director Compensation

The director compensation program is designed to achieve the following goals: (a) compensation should attract and retain the most qualified people to serve on the Board; (b) compensation should align directors' interests with the long-term interests of the Shareholders; (c) compensation should fairly pay directors for risks and responsibilities related to being a director of an entity of the Company's size and scope; and (d) the structure of the compensation should be simple, transparent and easy for Shareholders to understand.

During the fiscal year ended December 31, 2020, the remuneration for non-executive directors was US$9,375 per quarter (equivalent to US$37,500 per year). No additional fees were paid to non-executive directors in 2020 for serving on Board committees or for attending meetings and no RSUs or stock options were granted to non-executive directors.

In addition, non-executive directors are reimbursed for all reasonable out-of-pocket expenses incurred in attending Board, committee or shareholder meetings and otherwise incurred in carrying out their duties as directors of the Company.

Directors are also entitled to receive compensation to the extent that they provided services to the Company at rates that would otherwise be charged by such directors for such services to arm's length parties or less. During the financial year ended December 31, 2020, there were no additional fees paid to directors for such additional services. Senior officers of the Company who also act as directors are not entitled to additional compensation for services rendered as directors of the Company. Refer to "Executive Compensation-NEO Compensation" for details regarding compensation of the Company's CEO, who is a director of the Company.

Director Summary Compensation

The following compensation table sets out the compensation paid to each of the Company's non-executive directors in the year ended December 31, 2020:

Name	Fees earned (US$)	Share-based awards (US$)	Option-based awards (US$)	Non-equity incentive plan compensation (US$)	Pension value (US$)	All other compensation (US$)	Total (US$)
Ian H. Lundin	**37,500**	-	-	-	-	-	**37,500**
Aksel Azrac	**37,500**	-	-	-	-	-	**37,500**
Garrett Soden[(1)]	**37,500**	-	-	-	-	-	**37,500**
Henrika Frykman	**37,500**	-	-	-	-	-	**37,500**

Notes:

1. Mr. Soden resigned effective December 31, 2020.

Incentive Plan Awards

The following table provides details regarding the outstanding option-based and share-based awards held by non-executive directors as at December 31, 2020:

	Option-based Awards							Share-based Awards		
Name	Option grant date	Number of securities underlying unexercised options	Number of options vested and unexercised	Option exercise price (US$)	Option expiration date	Aggregate value of unexercised in-the-money options (US$)	Restricted Share Unit grant date	Number of shares or units of shares that have not vested	Market or pay-out value of share-based awards that have not vested (US$)	Market or pay-out value of vested share-based awards not paid out or distributed (US$)
Ian H. Lundin	-	-	-	-	-	-	-	-	-	-
Aksel Azrac	-	-	-	-	-	-	-	-	-	-
Garrett Soden	-	-	-	-	-	-	-	-	-	-
Henrika Frykman	-	-	-	-	-	-	-	-	-	-

No outstanding option-based awards or share-based granted to non-executive directors vested during the year ended December 31, 2020.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table sets forth information as at December 31, 2020, with respect to the Company's compensation plans under which equity securities of the Company are authorized for issuance.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights [(1)]	Weighted-average exercise price of outstanding options, warrants and rights (US$) [(2)]	Number of securities, remaining available for future issuance under equity compensation plans (excluding securities reflected in first column)
Equity compensation plans approved by securityholders	16,766,667	N/A	16,642,765
Equity compensation plans not approved by securityholders	-	-	-
Total	16,766,667	**N/A**	16,642,765

Notes:

(1) Such number equals the total number of Common Shares to be issued in the event the Payout Amount (as defined below) is satisfied in shares in accordance with the terms of the Restricted Share Plan. There are no outstanding stock options.

(2) There are no outstanding stock options.

Restricted Share Plan

The purpose of the Restricted Share Plan is to provide an incentive to an eligible participants (being a director, officer or full or part-time employee of the Company or a subsidiary of the Company or a consultant), to become or to continue to be Shareholders, by rewarding such participants with the grant of Restricted Share Units for their continued efforts in promoting the growth and success of the business of the Company through their continued employment with, or retention by, the Company and the achievement of performance targets, if any, associated with the vesting of the Restricted Share Units granted. The Restricted Share Plan provides that the aggregate number of Common Shares that are available to be issued from treasury from time to time pursuant to outstanding grants of Restricted Share Units under the Restricted Share Plan will not exceed a number of Common Shares equal to: (i) 10% of the issued and outstanding Common Shares from time to time (calculated on a non-diluted basis); less (ii) the aggregate number of Common Shares that may be issued from time to time pursuant to options, grants or awards that are outstanding from time to time under any other compensation arrangements of the Company (being 16,766,667 Common Shares as at December 31, 2020).

Unless otherwise determined by the Board at the time of a particular grant and subject to the terms of the agreement evidencing the grant of Restricted Share Units (the "**Grant Agreement**") which may include performance targets associated with the vesting thereof, Restricted Share Units will fully vest and become available for redemption on such date as is determined by the Board at its discretion at the time of grant of such Restricted Share Unit, provided that the expiry date of such Restricted Share Units (the "**Expiry Date**") shall not be more than 10 years from the date of such grant, and provide further that the Board may, in its discretion, subsequent to the time of granting a Restricted Share Unit, permit the vesting of all or any portion of an unvested Restricted Share Unit then outstanding and granted to a participant under the Restricted Share Plan. Upon redemption, the Company is required to pay to the participant the fair market value of the redeemed Restricted Share Units, based on the weighted average of the prices at which the Common Shares traded on the TSX for the five trading days immediately preceding the redemption date, plus any accrued but unpaid Dividend Amounts (as defined below), if any, in respect of such Restricted Share Units (the "**Payout Amount**"). Notwithstanding the foregoing, in the event of a Change of Control (as defined below) made by way of tender offer for Common Shares or a merger, plan of arrangement or similar transaction, the fair market value of redeemed Restricted Share Units will be the value of the consideration per Common Share actually received by shareholders of the Company pursuant to such Change of Control transaction and in the event of a Sale of Assets (as defined below), the fair market value will be the aggregate of the amounts distributed or to be distributed to shareholders of the Company pursuant to any related dissolution, winding-up or reorganization of the Company following such Sale of Assets, divided by the aggregate number of Common Shares outstanding at the time of such dissolution, winding-up or reorganization. The Payout Amount may be satisfied by the Company making a cash payment, the Company purchasing Common Shares in the market and delivering such Common Shares to the participant or by issuing Common Shares from treasury. In addition, commencing from and after the grant date until the earlier of the redemption date or the date on which such Restricted Share Units terminate in accordance with the terms of the Restricted Share Plan, each participant shall be entitled to receive from the Company, in respect of each Restricted Share Unit held by such participant, an amount equal to the per Common Share amount of any dividend paid by the Company to the holders of Common Shares (the "**Dividend Amount**"), if any. All accrued Dividend Amounts, if any, will be paid to participants on the date of redemption of the Restricted Share Unit to which it relates. Restricted Share Units granted under the Restricted Share Plan are non-assignable and non-transferable by a participant.

The Restricted Share Plan provides that no Common Shares may be issued to, or purchased on behalf of, a participant under the Restricted Share Plan if such issuance, together with issuances under any other share compensation arrangements, could result in: (i) the number of Common Shares reserved for issuance pursuant to issuances or purchases under the Restricted Share Plan in respect of redeemed Restricted Share Units granted to insiders at any time exceeding 10% of the aggregate issued and outstanding Common Shares; or (ii) the issuance to insiders, of Common Shares exceeding within a one year period, 10% of the aggregate issued and outstanding Common Shares. In addition, under the Restricted Share Plan, no Restricted Share Units shall be granted to any one participant if the total number of Common Shares issuable or purchased on behalf of such participant under the Restricted Share Plan, together with any Common Shares reserved for issuance to such participant under Restricted Share Units or any other share compensation arrangement of the Company would exceed 5% of the aggregate issued and outstanding Common Shares.

Subject to any express resolution passed at any time by the Board with respect to the grant of Restricted Share Units to any one or more Participants, in the event of a Change of Control or Sale of Assets all Restricted Share Units granted to a Participant hereunder which have not yet vested as of the effective date of such Change of Control or Sale of

Assets shall immediately vest and be available for redemption by the Participant subject to and in accordance with the following:

(a) in the event of a Change of Control other than by way of a take-over bid, such Restricted Share Units shall be available for redemption for a period of 30 days from the effective date of the completion of the Change of Control until the Expiry Date for such Restricted Share Units, if earlier, and, failing such redemption, such Restricted Share Units shall be deemed to have been redeemed and the Board shall be deemed to have received a Redemption Notice in respect of such Restricted Share Units immediately prior to the close of business on the last day of such 30-day (or earlier) period;

(b) in the event of a Sale of Assets, such Restricted Share Units shall both vest and be deemed to have been redeemed and the Board shall be deemed to have received a Redemption Notice in respect of such Restricted Share Units concurrently with the completion of such Sale of Assets; provided, however, that the Payout Amount in respect of such Restricted Share Units shall only become payable and shall be paid immediately prior to the completion of any related dissolution, winding-up or reorganization of the Company authorized by the Board and, if necessary by shareholders of the Company; and

(c) in the event of a Change of Control arising as a result of a take-over bid by a person other than the Lundin Group, such Restricted Share Units shall be available for redemption for a period commencing immediately prior to the completion of the take-over bid and ending on the earlier of the tenth day following the completion of the take-over bid or the Expiry Date for such Restricted Share Units and, failing such redemption, such Restricted Share Units shall be deemed to have been redeemed and the Board shall be deemed to have received a Redemption Notice in respect of such Restricted Share Units immediately prior to the close of business on the last day of such 10-day (or earlier) period.

For the purposes of the Restricted Share Plan: a "**Change of Control**" means any event or circumstances pursuant to which: (i) the Lundin Group ceases to beneficially own, directly or indirectly, 20% or more of the outstanding voting shares of the Company; or (ii) any person or group of persons acting jointly or in concert, other than the Lundin Group, acquires direct or indirect beneficial ownership of, or the power to exercise control or direction over, a majority of the outstanding voting shares of the Company or the right to elect or remove a majority of the directors of the Company; and a "**Sale of Assets**" means the sale, directly or indirectly, of all or substantially all the assets of the Company and its subsidiaries taken as a whole including, without limitation, a transfer of assets to a corporation the shares of which are then distributed to the shareholders of the Company.

Subject to any express resolution of the Board passed at any time in respect of the grant of Restricted Share Units to a participant to extend the period of time in which such Restricted Share Units may be redeemed, provided that such extension is not beyond the expiry date, in the event a participant's employment with the Company or its subsidiaries is terminated or is alleged to have been terminated for cause, as defined in the Restricted Share Plan, any Restricted Share Units granted to such participant thereunder which have not been vested at such time shall immediately terminate.

Subject to any express resolution of the Board passed at any time with respect to the grant of Restricted Share Units to a participant, in the event: (i) a participant resigns, retires or is terminated for any reason other than for cause; (ii) a participant ceases to be a consultant, as defined in the Restricted Share Plan; (iii) ceases to be a director of the Company, and, in each of the above circumstances, where such participant does not otherwise continue to qualify as a participant under the Restricted Share Plan, or (iv) subject to the applicable provisions of the Restricted Share Plan, a participant takes a leave of absence with the permission of the Company for a period of more than 3 consecutive months, any Restricted Share Units granted to such participant thereunder which have not vested at the applicable effective time shall terminate and such participant shall have 90 days from the effective time, or the expiry date for such vested Restricted Share Units, if earlier, to redeem any such Restricted Share Units and, if not redeemed within such time period, such vested Restricted Share Units shall be deemed to have been redeemed immediately prior to the close of business on the last day of such 90 day (or earlier) redemption period.

Subject to any express resolution of the Board passed at any time with respect to the grant of Restricted Share Units to a participant to extend the period of time in which such Restricted Share Units may be redeemed, provided that such extension is not beyond the expiry date, upon the death or "disability", as defined in the Restricted Share Plan,

of a participant (i) any Restricted Share Units granted to such participant which have not yet vested as of the death or disability of such participant and which do not have performance targets shall vest; and (ii) any Restricted Share Units granted to such participant which have not yet vested and which have associated performance targets as of the date of the death or disability of such participant shall vest to the extent such performance targets have been satisfied, and all Restricted Share Units vested as aforesaid shall remain available for redemption by the executor, administrator or personal representative of such participant for a period of one year from the date of death or disability, or the expiry date for such vested Restricted Share Units, if earlier, and, if not redeemed within such period, such vested Restricted Share Units shall be deemed to have been redeemed immediately prior to the close of business of such one (or earlier) redemption period.

Under the Restricted Share Plan, the Board of Directors may amend, suspend or terminate the Restricted Share Plan without Shareholder approval, provided that no such amendment, suspension or termination may be made without obtaining any required approval of any regulatory authority or stock exchange or the consent or deemed consent of a participant where such amendment, suspension or termination materially prejudices the rights of the participant.

The Board of Directors may not, however, without the approval of the Shareholders, make amendments to the Restricted Share Plan: (a) to increase the maximum number of Common Shares that may be issued by the Company from treasury pursuant to Restricted Share Units granted under the Restricted Share Plan; (b) to extend the Expiry Date of Restricted Share Units for the benefit of an insider; or (c) to amend the amendment provisions of the Restricted Share Plan.

The Board of Directors may, at any time and from time to time, without the approval of the Shareholders, amend any term of any outstanding Restricted Share Unit (including, without limitation, the vesting and expiry of the Restricted Share Unit), provided that: (a) any required approval of any regulatory authority or stock exchange is obtained; (b) if the amendments would reduce the fair market value or extend the expiry date of Restricted Share Units previously granted to insiders, approval of the Shareholders must be obtained; (c) the Board of Directors would have had the authority to initially grant the Restricted Share Unit under the terms so amended; and (d) the consent or deemed consent of the participant is obtained if the amendment would materially prejudice the rights of the participant under the Restricted Share Unit.

The Restricted Share Plan provides that Restricted Share Units granted, and dividend amounts paid to participants who are U.S. taxpayers shall be taxed in the U.S. in the year in which the vesting date of the Restricted Share Units occurs. In addition, upon issuance or purchase of Common Shares, payment of cash, or payment of Dividend Amounts prior to a redemption date, a U.S. taxpayer will be subject to United States federal and state income and employment tax withholding, as applicable, to the extent amounts were not previously included in income. Finally, Restricted Share Units granted, and dividend amounts paid to U.S. taxpayers are intended to be exempt from the requirements of section 409A of the Internal Revenue Code of 1986 and applicable regulations issued hereunder.

As at December 31, 2020 and the date hereof, the Company had 334,094,324 Common Shares issued and outstanding, and an aggregate of 16,766,667 awards of Restricted Share Units outstanding under the Restricted Share Plan, representing 5.02% of the Company's issued and outstanding Common Shares. As of December 31, 2020, 16,642,765 Restricted Share Units were available for future issuance under the Restricted Share Plan, which represents 4.98% of the Company's issued and outstanding Common Shares as of such date.

As at December 31, 2020 and the date hereof, the Company had issued 39,334 Common Shares under the 2011 Option Plan and 2,660,000 Common Shares under the Company's previous incentive stock option plan, representing less than 0.01% and 0.8%, respectively, of the issued and outstanding Common Shares. No Common Shares have been issued under the Restricted Share Plan.

The Company's annual burn rate, calculated as described in Section 613(p) of the TSX Company Manual, under the 2011 Option Plan was 0% in the years ended December 31, 2018, 2019 and 2020 as no stock options were granted under the 2011 Stock Option Plan during those years. The Company's annual burn rate, calculated as described in Section 613(p) of the TSX Company Manual, under the Restricted Share Plan was 0% in the year ended December 31, 2018, 3.5% in the year ended December 31, 2019 and 1.5% in the year ended December 31, 2020.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors or executive officers of the Company, proposed nominees for election as a director, or associates or affiliates of such persons, have been indebted to the Company or its subsidiaries at any time since the beginning of the last fiscal year.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person or any proposed director of the Company, or any of the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has, in either case, materially affected or would materially affect the Company or any of its subsidiaries.

CORPORATE GOVERNANCE

Statement of Corporate Governance Practices

The Board and management believe that sound and effective corporate governance is an integral aspect of the Company's performance. The Board has adopted certain practices and procedures to ensure that effective corporate governance practices are followed, and the Board reviews the Company's corporate governance practices and procedures on a regular basis to ensure that they address significant issues of corporate governance.

The Canadian Securities Administrators have published NI 58-101 and National Policy 58-201 – *Corporate Governance Guidelines*, setting forth guidelines for effective corporate governance and corresponding disclosure requirements. The following sets out a description of the Company's approach to corporate governance as required pursuant to NI 58-101.

The Board

The Board, which is responsible for supervising the management of the business and affairs of the Company, comprises 4 directors, of whom 3 are independent within the meaning of NI 58-101. The Board provides an opportunity to hold in-camera sessions without management present, including directors who are members of management, at each meeting of the Board in order to facilitate the exercise of directors' independent judgment. The independent directors currently include Ian Lundin, Aksel Azrac and Henrika Frykman. Marco A. Northland, the CEO, is not independent by virtue of being a member of the Company's management. Attached as Appendix B hereto is a list of the other public companies on which current members of the Board also serve as directors. The Board has held 11 meetings since the beginning of its most recently completed financial year. Each of the directors attended all of the Board meetings.

Mandate of the Board

The Mandate of the Board is attached hereto as Appendix C and is available on the Company's website at www.etrion.com.

Chairman

Aksel Azrac, the Chairman of the Board is considered to be an independent director. The Chairman of the Board presides at each meeting of the Board and is responsible for coordinating with management and the corporate secretary to ensure that documents are delivered to directors in sufficient time in advance of Board meetings for a thorough review, that matters are properly presented for consideration at meetings and that the Board has an appropriate opportunity to discuss issues at each meeting. The Chairman is responsible for ensuring ethical and effective decision making by the Board. The Chairman of the Board position description is available on the Company's website at www.etrion.com.

Committees of the Board

The Board has established the following Committees of the Board comprised of the current members and chaired by the individuals set out in the following table:

Committee	Members [(1)]
Audit Committee	Aksel Azrac (Chairman) Ian Lundin Henrika Frykman
Compensation Committee	Henrika Frykman (Chairwoman) Aksel Azrac Ian Lundin
Corporate Governance and Nominating Committee	Aksel Azrac (Chairman) Ian Lundin Henrika Frykman

Note:

(1) All of the members of the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee are independent within the meaning of applicable Canadian securities laws.

The Mandate of each Committee of the Board is available on the Company's website at www.etrion.com. A detailed description of the Audit Committee together with a copy of the Audit Committee Terms of Reference as required by Form 52-110F1 of Multilateral Instrument 52-110 - *Audit Committees*, is included in the Company's Annual Information Form dated March 12, 2020 (the "**AIF**") and filed on SEDAR.

Position Descriptions

The Board has developed written position descriptions for the Chairman of the Board, the Chairman of each Committee and the CEO of the Company, copies of which are available on the Company's website at www.etrion.com.

Director Orientation and Continuing Education

New directors currently receive a director manual containing information regarding the roles and responsibilities of the Board, each Committee, the Chairman of the Board, the Chairman of each Committee and the CEO. The director manual distributed to each member of the Board contains information regarding the Company's organizational structure, governance policies including the Board Mandate and each Committee Mandate, the whistle blowing policy and the Code of Business Conduct and Ethics (the "**Code of Conduct**"), which is also available on SEDAR at www.sedar.com and on the Company's website at www.etrion.com. The director manual is updated as the Company's business, governance documents and policies change. The Company encourages the directors to visit the Company's facilities, to interact with management and employees and to stay abreast of industry developments and the evolving business of the Company.

Ethical Business Conduct

The Board takes reasonable steps to monitor compliance with the Code of Conduct by requiring employees, on the commencement of their employment and as and when directed by management, to sign a copy of the Code of Conduct acknowledging that they have read, understood and will comply with the Code of Conduct. The Code of Conduct applies to the Company's directors, executive officers, management and employees, each of whom is expected to ensure that his or her behaviour accords with the letter and the spirit of the Code of Conduct. The Code of Conduct also encourages all parties who engage in business with the Company to contact an independent member of the Board regarding any perceived and all actual breaches by the Company's directors, officers and employees of the Code of Conduct. The Company will investigate complaints and the Code of Conduct prohibits retaliation by the Company, its directors, executive officers and management against complainants who raise concerns in good faith and requires the Company to maintain the confidentiality of complainants to the greatest extent possible. Complainants may also submit their concerns anonymously in writing.

In addition to the Code of Conduct, the Company has an Audit Committee Mandate regarding the collection and dissemination of accounting information and a whistle blowing policy with respect to reporting accounting and auditing irregularities, copies of which are available on the Company's website at www.etrion.com.

Since the beginning of the Company's most recently completed financial year, no material change reports have been filed that pertain to any conduct of a director or executive officer that constitutes a departure from the Code of Conduct.

Exercise of Independent Judgement

The Board encourages and promotes a culture of ethical business conduct by appointing directors who demonstrate integrity and high ethical standards in their business dealings and personal affairs. Directors are required to abide by the Code of Conduct and are expected to make responsible and ethical decisions in discharging their duties, thereby setting an example of the standard to which management and employees should adhere. The Board is required by its mandate to satisfy itself that the CEO and other executive officers are acting with integrity and fostering a culture of integrity throughout the Company.

The Board is responsible for reviewing departures from the Code of Conduct by executive officers, management and employees, reviewing and either providing or denying waivers from the Code of Conduct, and disclosing any waivers that are granted in accordance with applicable law. The Board as a whole is responsible for responding to conflict of interest situations involving directors, particularly with respect to existing or proposed transactions and agreements in respect of which directors advise they have a material interest.

Conflicts of Interest

The Mandate of the Board requires that directors and officers disclose any material interest in any transaction or agreement with the Company that an individual director, if requested by the Board, excuses himself from Board deliberations, and that directors do not vote in respect of transactions in which they have an interest. The Company's directors and officers abide by the disclosure of conflict of interest provisions contained in the *Business Corporations Act* (British Columbia) which are incorporated into the Code of Conduct by reference. By taking these steps, the Board strives to ensure that directors at meetings of the Board exercise independent judgement, unclouded by the relationships of the directors and officers to each other and the Company, in considering transactions and agreements in respect of which directors and executive officers have an interest.

Director Nomination

Responsibility for identifying new candidates to join the Board belongs to the Board as a group. The Board is responsible for identifying qualified candidates and recommending nominees for election as directors. The Board is required to consider candidates independence, financial acumen, skills and available time to devote to the duties of the Board in making their recommendations for nomination. The Board of directors reviews the composition and size of the Board and tenure of directors in advance of annual meetings when directors are elected by the Company's Shareholders, as well as when individual directors indicate that their terms may end or that their status may change.

Compensation

Information with respect to the Compensation Committee's responsibilities, powers and independence from management, as well as a discussion of the Compensation Committee's process for recommending NEO compensation is provided under the heading "Executive Compensation-Compensation Discussion and Analysis".

Director Assessment

The Board has not to date implemented a formal process for assessing the effectiveness and contribution of the Board as a whole, its committees or individual directors. Given the limited number of directors and the Company's current stage of development, the Board has determined that formal assessment is not meaningful at the present time. In light of the fact that the Board and its committees meet on a periodic basis, each director has an opportunity to assess on an ongoing basis the Board as a whole, its committees and other directors in relation to the Board's and such director's assessment of the competencies and skills that the Board and its committees should possess.

Director Term Limits

The Company has not set director term limits, nor provided any formal mechanism of Board renewal. However, on a technical level, each director's term ends no later than the next annual shareholders' meeting. The Company considers that a fixed term of office or a formal mechanism for board renewal is not an efficient or appropriate manner to guarantee board performance. In selecting candidates for composition of the board, the Company favours the intrinsic qualities sought after in a director (whether male or female), such as management experience, leadership, career success, understanding of financial questions, knowledge of the Company, its business and the solar power industry, reputation, and complementarities with the other members of the board and the management.

In addition, the Company is of the opinion that limiting the duration of director terms could deprive the Company of the benefit of continuity, and the knowledge and experience of the Company and its business, which long-time directors would have.

Gender Diversity on the Board of Directors and Senior Management

On May 14, 2019 the Board adopted a Board Diversity Policy (the "**Diversity Policy**"), which confirms the Company's commitment to diversity on its Board, with a specific emphasis on gender diversity. The Company believes that a Board made up of highly qualified individuals from diverse backgrounds promotes better corporate governance, performance and effective decision-making. The Company is committed to diversity on its Board and recognizes that gender diversity is a significant aspect of diversity and acknowledges the important role women with appropriate and relevant skills and experience can play in contributing to the diversity perspective on the Board. In selecting candidates to the Board and management, the Company gives appropriate consideration to women along with a variety of other factors including the skills, qualities, experience and expertise to find the best candidate to be an effective member of the Board, while having due regard to the benefits of diversity and the needs of the Board. The Company believes the Board should reflect the diverse nature of the business environment in which the Company operates.

The Board has not, at this time, adopted any fixed targets or quotas relating to the representation of women on the Board or in executive officer positions as it does not believe that quotas or a formulaic approach necessarily result in the identification or selection of the best candidates.

Currently, the Company has one woman that is a member of its Board (25%) and no women that are executive officers (0%). From December 2012 until November 16, 2015, the Company had a female Chief Financial Officer.

Swedish Corporate Governance Rules

Notwithstanding that the Company has a secondary listing on the NASDAQ Stockholm in Sweden, it is not required to comply with or follow the Swedish rules of corporate governance as set forth in the Swedish Corporate Governance Code (the "**Swedish Code**"). The Board and management of the Company believes in adhering to best practice corporate governance on a global level wherever possible and a description of the key differences between the Swedish Code and the Canadian corporate governance principles followed by the Company are provided in Appendix D.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Financial information is provided in the Company's comparative consolidated financial statements and management's discussion and analysis ("**MD&A**") for the year ended December 31, 2020. Copies of the Company's consolidated financial statements and MD&A may be obtained on SEDAR at www.sedar.com or upon request, free of charge, at the office of the Company c/o Regus, rue du commerce 4, 1204 Geneva, Switzerland (telephone: +41 22 715 2090 / facsimile: + 41 22 715 2099).

APPENDIX A

PART 8, DIVISION 2 OF THE *BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)

Division 2 — Dissent Proceedings

Definitions and application

237 (1) In this Division:

"dissenter" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"notice shares" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"payout value" means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,
(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,
(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or
(d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

(a) the court orders otherwise, or
(b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1)A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles
    i. to alter restrictions on the powers of the company or on the business the company is permitted to carry on,
    ii. without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91, or
    iii. without limiting subparagraph (i), in the case of a benefit company, to alter the company's benefit provision;
(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;
(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;
(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;
(e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;
(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;
(g) in respect of any other resolution, if dissent is authorized by the resolution;
(h) in respect of any court order that permits dissent.

(1.1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent under section 51.995 (5) in respect of a resolution to alter its notice of articles to include or to delete the benefit statement.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for
    i. the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and
    ii. each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,
(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and
(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and
(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for
    i. the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and
    ii. each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and
(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and
(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1)If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and
(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and
(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,
(b) a statement advising of the right to send a notice of dissent, and
(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

(a) a copy of the entered order, and
(b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1)A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) or (1.1) must,

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,
(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or
(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of
    i. the date on which the shareholder learns that the resolution was passed, and
    ii. the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or
(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or
(b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;
(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and
    i. the names of the registered owners of those other shares,
    ii. the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

iii. a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

i. the name and address of the beneficial owner, and

ii. a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1)A company that receives a notice of dissent under section 242 from a dissenter must,

(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

i. the date on which the company forms the intention to proceed, and

ii. the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,

(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and

(c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1)A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

(a) a written statement that the dissenter requires the company to purchase all of the notice shares,

(b) the certificates, if any, representing the notice shares, and

(c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1) (c) must

(a) be signed by the beneficial owner on whose behalf dissent is being exercised, and

(b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out

i. the names of the registered owners of those other shares,

ii. the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

iii. that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and

(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1)A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or
(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,
(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and
(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

(a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or
(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or
(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or
(b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;
(b) the resolution in respect of which the notice of dissent was sent does not pass;
(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;
(d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;
(e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;

(f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;
(g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;
(h) the notice of dissent is withdrawn with the written consent of the company;
(i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

(a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,
(b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and
(c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

APPENDIX B

LIST OF COMPANY DIRECTORSHIPS FOR IAN LUNDIN

Reporting issuer (or equivalent)
Lundin Energy AB

LIST OF COMPANY DIRECTORSHIPS FOR MARCO A. NORTHLAND

Reporting issuer (or equivalent)
N/A

LIST OF COMPANY DIRECTORSHIPS FOR AKSEL AZRAC

Reporting issuer (or equivalent)
N/A

LIST OF COMPANY DIRECTORSHIPS FOR HENRIKA FRYKMAN

Reporting issuer (or equivalent)
N/A

APPENDIX C
ETRION CORPORATION
(the "Corporation")
BOARD OF DIRECTORS' MANDATE

Stewardship of the Corporation

1. The Board of Directors (the "**Board**") is responsible for:
   (a) stewardship of the Corporation;
   (b) supervising the management of the business and affairs of the Corporation; and
   (c) providing leadership to the Corporation by practicing responsible, sustainable and ethical decision making.

Legal Obligations

2. The Board has the responsibility to:
   (a) act honestly and in good faith with a view to the best interests of the Corporation;
   (b) exercise the care, diligence and skill that a reasonably prudent Board would exercise in comparable circumstances; and
   (c) direct management to ensure legal, regulatory and exchange requirements applicable to the Corporation have been met.

Board Composition

3. A majority of the members of the Board will, at all times, be independent directors as defined in then current laws applicable to the Corporation.
4. To be considered for nomination and election to the Board, directors must demonstrate an appropriate mix of skills, knowledge and experience in business and a history of achievement. Directors are required to commit the requisite time for all of the Board of Directors' business and will demonstrate integrity, accountability and informed judgement.
5. In the event that the Chairman of the Board is not an independent director, as defined in then current laws applicable to the Corporation, the Board may appoint a lead director to act as the effective leader of the Board and to ensure that the Board's agenda will enable it to successfully carry out its duties.

Board Meetings

6. The Board is responsible to:
   (a) meet either in person, or by telephone conference call, at least once each quarter and as often thereafter as required to discharge the duties of the Board;
   (b) hold meetings of the independent directors, if necessary, without management and non-independent directors present; and
   (c) comply with the position description applicable to individual directors.

Committees of the Board

7. The Board is responsible to:
   (a) establish such committees of the Board (each, a "**Committee**") as are required by applicable law and as are necessary to effectively discharge the duties of the Board;
   (b) appoint directors to serve as members of each Committee;
   (c) appoint a Chairman of each Committee to:
      (i) provide leadership to the Committee;

(ii) manage the affairs of the Committee; and

(iii) ensure that the Committee functions effectively in fulfilling its duties to the Board and the Corporation; and

(d) receive and consider reports and recommendations of each Committee, in particular:

(i) Audit Committee reports and recommendations, particularly with respect to the Corporation's annual audit; and

(ii) Compensation Committee recommendations regarding corporate goals and objectives, Board assessments and compensation.

Supervision of Management

8. The Board is responsible to:

(a) select and appoint the Chief Executive Officer, and with the assistance of the Compensation Committee, establish Chief Executive Officer goals and objectives and evaluate Chief Executive Officer performance;

(b) assist the Chief Executive Officer to select and appoint executive officers, establish executive officers' goals and objectives and monitor their performance; and

(c) maintain a succession plan for the replacement of the Chief Executive Officer and other executive officers.

Governance

9. The Board is responsible to:

(a) establish such policies as it considers necessary or as may be required by applicable law or stock exchange rules to ensure that the Corporation maintains proper and effective corporate governance practices (collectively the "**Policies**") including, without limitation, a Code of Business Conduct and Ethics (the "**Code**");

(b) annually review and either approve or require revisions to the Mandates of the Board and each Committee, position descriptions, the Code and all other Policies of the Corporation (collectively the "**Governance Documents**");

(c) take reasonable steps to satisfy itself that each director, the Chief Executive Officer and the executive officers are:

(i) performing their duties ethically;

(ii) conducting business on behalf of the Corporation in accordance with the requirements and the spirit of the Governance Documents;

(iii) fostering a culture of integrity throughout the Corporation; and

(d) arrange for the Governance Documents to be publicly disclosed.

Communications

10. The Board is responsible to review and consider the implementation of a disclosure policy which provides for disclosure and communications practices governing the Corporation.

Waivers & Conflicts

11. The Board is responsible for:

(a) reviewing departures from the Code;

(b) providing or denying waivers from the Code; and

(c) reviewing the necessity for making any filings required by securities laws in connection with departures from the Code.

Strategic Planning

12. The Board, together with management of the Corporation, has the duty to adopt a strategic planning process and to approve, as required, a strategic plan which takes into account, among other things, the opportunities and risks of the business.

Risk Management

13. The Board has the duty to:

    (a) adopt a process to identify the principal risks of the Corporation's business and ensure the implementation of appropriate systems to manage these risks; and

    (b) together with the Audit Committee, ensure policies and procedures are in place and are effective to maintain the integrity of the Corporation's:

        (i) disclosure controls and procedures;

        (ii) internal controls over financial reporting;

        (iii) management information systems; and

        (iii) auditing and accounting principles and practices.

Financial Management

14. The Board has the duty to:

    (a) review, and on the advice of the Audit Committee, approve, prior to their public dissemination:

        (i) annual and interim financial statements and notes thereto;

        (ii) the annual and interim managements' discussion and analysis of financial condition and results of operations;

        (iii) relevant sections of the annual report, annual information form and management information circular containing financial information;

        (iv) forecasted financial information and forward-looking information and statements; and

        (iv) all press releases and other documents in which financial statements, earnings forecasts, results of operations or other financial information is disclosed; and

    (b) approve dividends and distributions, material financings, transactions affecting authorized capital or the issue and repurchase of shares and debt securities, and all material divestitures and acquisitions.

Materials

15. The Board has access to all books, records, facilities and personnel of the Corporation necessary for the discharge of its duties.

Advisors

16. The Board has the power, at the expense of the Corporation, to retain, instruct, compensate and terminate independent advisors to assist the Board in the discharge of its duties.

APPENDIX D

COMPARISON OF SWEDISH CODE AND CANADIAN CORPORATE GOVERNANCE RULES

Swedish Code Rule No.	Text of Swedish Code	Comply (Yes / No / Partially)	Explanation for non-compliance and description of alternative adopted solution
1.1	As soon as the date and venue of the shareholders' meeting have been decided, and in the case of annual general meetings ("**AGM**") no later than in conjunction with the third quarter report, the information is to be posted on the company's website. This information is also to include the closing date for matters to be submitted by shareholders for inclusion in the notice of meeting.	Partially	Pursuant to rules of the Toronto Stock Exchange ("**TSX**"), annual shareholder meetings are held within 6 months of the fiscal year end and meeting materials are posted on the Company's website generally at least 30 days prior to the meeting. There is no requirement to include a deadline for issues to be submitted by shareholders in the notice of meeting, or otherwise.
1.2	The company chair and as many members of the board as are required for a quorum are to be present at shareholders' meetings. The chief executive officer is to attend. At least one member of the company's nomination committee, at least one of the company's auditors and, if possible, each member of the board is to be present at the AGM.	Partially	Quorum requirements are set forth in the Company's Articles and do not require director attendance. The CEO is not required to attend but typically does so, along with the CFO. There is no requirement for a person from a nomination committee (which the Company, as a Canadian company, is not required to have under applicable Canadian securities and corporate laws, including TSX rules) or for the Company's auditors to be present at the AGM.
1.3	The company's nomination committee is to propose a chair for the AGM. The proposal is to be presented in the notice of the meeting.	Partially	Pursuant to the Articles of the Company, the Chairman of the Board is to act as Chairman of the AGM in the first instance, and if such individual is absent or unwilling to act, then the Articles set out the order in which an alternate chair may be selected.
1.4	A shareholder, or a proxy representative of a shareholder, who is neither a member of the board nor an employee of the company is to be appointed to verify and sign the minutes of the shareholders' meeting.	No	There is no requirement for a shareholder, or a representative of a shareholder to verify the minutes of a shareholders' meeting. Generally, the Company's legal counsel is present at such meetings and is engaged by the Company to review the minutes of the shareholders' meeting.
2.1	The company is to have a nomination committee. The nomination committee is to propose candidates for the post of chair and other members of the board, as well as fees and other remuneration to each member of the board. In its assessment of the board's composition and in its proposals in accordance with rule 4.1, the nomination committee is to give particular consideration to the requirements regarding breadth and versatility on the	Partially	The Company is not required to have a nomination committee; however on **August 4, 2017**, the Board established the Corporate Governance and Nominating

Swedish Code Rule No.	Text of Swedish Code	Comply (Yes / No / Partially)	Explanation for non-compliance and description of alternative adopted solution
	board, as well as the requirement to strive for gender balance. The nomination committee is also to present proposals on the election and remuneration of the statutory auditor. The nomination committee's proposal to the shareholders' meeting on the election of the auditor is to include the audit committee's recommendation (or that of the board of directors if it does not have an audit committee). If the proposal differs from the alternative preferred by the audit committee, the reasons for not following the committee's recommendation are to be stated in the proposal. The auditor or auditors proposed by the nomination committee must have participated in the audit committee's selection process if the company is obliged to have such a procedure.		Committee for the purpose of developing and monitoring the Company's approach to corporate governance issues, including identifying individuals qualified to become new Board members and recommending to the Board the director nominees for the next annual meeting of shareholders. The Board is also served by the Compensation Committee which makes recommendations to the Board on matters of remuneration, and the Audit Committee which makes recommendations to the Board as to the remuneration of the Company's auditors.
2.2	The shareholders' meeting is to appoint members of the nomination committee or to specify how they are to be appointed. This decision is to include a procedure for replacing members of the nomination committee who leave before its work is concluded. The AGM is to provide written instructions to the nomination committee.	No	The responsibilities of the Corporate Governance and Nominating Committee include identifying individuals qualified to become new Board members and recommending to the Board the director nominees for the next annual meeting of shareholders.
2.3	The nomination committee is to have at least three members, one of whom is to be appointed committee chair. The majority of the members of the nomination committee are to be independent of the company and its executive management. Neither the chief executive officer nor other members of the executive management are to be members of the nomination committee. At least one member of the nomination committee is to be independent of the company's largest shareholder in terms of votes or any group of shareholders who act in concert in the governance of the company.	Yes	There are **three** members of the Corporate Governance and Nominating Committee, all three of which are currently independent within the meaning of applicable Canadian securities laws and none of which are members of executive management. At least one member of the Corporate Governance and Nominating Committee is independent of the company's largest shareholder in terms of votes or any group of shareholders who act in concert in the governance of the company.
2.4	Members of the board of directors may be members of the nomination committee but may not constitute a majority thereof. Neither the company chair nor any other member of the board may chair the nomination committee. If more than one member of the board is on the nomination committee, no more than one of these may be dependent of a major shareholder in the company.	No	All of the members of the Corporate Governance and Nominating Committee are also members of the Board.
2.5	The company is to announce the names of members of the nomination committee on its website no later than six months before the AGM. If any committee member has been appointed by a particular owner, that owner's name is to be stated. If any member leaves the committee, this information is to be announced. If a new member is appointed to the nomination committee, the corresponding information about the new member is to be provided. The website is also to provide information on how shareholders may submit recommendations to the nomination committee.	No	The names of the members of the Corporate Governance and Nominating Committee are disclosed in the Company's annual information form as well as the management information circular in respect of its

Swedish Code Rule No.	Text of Swedish Code	Comply (Yes / No / Partially)	Explanation for non-compliance and description of alternative adopted solution
			annual general meeting. The Company's website does not provide information about the Corporate Governance and Nominating Committee and member changes are not announced.
2.6	The nomination committee's proposals are to be presented in the notice of the shareholders' meeting where the election of board members or auditor is to be held as well as on the company's website. When the notice of the shareholders' meeting is issued, the nomination committee is to issue a statement on the company's website explaining its proposals regarding the board of directors with regard to the requirements concerning the composition of the board contained in Code rule 4.1. The committee is to provide specific explanation of its proposals with respect to the requirement to strive for gender balance contained in rule 4.1. If the outgoing chief executive officer is nominated for the post of chair, reasons for this proposal are also to be fully explained. The statement is also to include an account of how the nomination committee has conducted its work and, for certain companies, a description of the diversity policy applied by the nomination committee in its work. The following information on candidates nominated for election or re-election to the board is to be posted on the company's website: • the candidate's year of birth, principal education and professional experience, • any work performed for the company and other significant professional commitments, • any holdings of shares and other financial instruments in the company owned by the candidate or the candidate's related natural or legal persons, • whether the nomination committee, in accordance with Code rules 4.4 and 4.5, deems the candidate to be independent of the company and its executive management, as well as of major shareholders in the company. Where circumstances exist that may call this independence into question, the nomination committee is to justify its position regarding candidates' independence, • in the case of re-election, the year that the person was first elected to the board.	Partially	The responsibilities of the Corporate Governance and Nominating Committee include identifying individuals qualified to become new Board members and recommending to the Board the director nominees for the next annual meeting of shareholders. At each annual general meeting, the shareholders of the Company vote (FOR or WITHOLD) to elect the members of the Board included in the Company's management information circulated sent to shareholders in connection with such meeting. Pursuant to applicable Canadian securities laws, the Company provides substantively similar disclosure as required under the Swedish Code with respect to directors seeking election to the Board and each such member's involvement with the committees of the Board.
2.7	At a shareholders' meeting where the election of board members or auditors is to be held, the nomination committee is to present and explain its proposals with regard to the requirements concerning composition of the board contained in rule 4.1. The committee is to provide specific explanation of its proposals with respect to the requirement to strive for gender balance contained in rule 4.1.	No	The responsibilities of the Corporate Governance and Nominating Committee include identifying individuals qualified to become new Board members and recommending to the Board the director nominees for the next annual meeting of shareholders. The Corporate Governance and Nominating Committee does not present and explain its proposals at the Company's annual general meetings.
3.1	The principle tasks of the board of directors include• establishing the overall goals and strategy of the company, • appointing, evaluating and, if necessary, dismissing the chief executive officer, • identifying how sustainability issues impact risks to and business opportunities for the company, • defining appropriate guidelines to govern the company's conduct in society, with the aim of ensuring its long-term value creation capability, • ensuring that there is an appropriate system for follow-up and control of the company's operations and the risks to the company that are associated with its operations,	Yes	

Swedish Code Rule No.	Text of Swedish Code	Comply (Yes / No / Partially)	Explanation for non-compliance and description of alternative adopted solution
	• ensuring that there is a satisfactory process for monitoring the company's compliance with laws and other regulations relevant to the company's operations, as well as the application of internal guidelines, and • ensuring that the company's external communications are characterised by openness, and that they are accurate, reliable and relevant.		
3.2	The board is to approve any significant assignments the chief executive officer has outside the company.	Yes	
4.1	The board is to have a composition appropriate to the company's operations, phase of development and other relevant circumstances. The board members elected by the shareholders' meeting are collectively to exhibit diversity and breadth of qualifications, experience and background. The company is to strive for gender balance on the board.	Yes	
4.2	Deputies for directors elected by the shareholders' meeting are not to be appointed.	Yes	The concept of a deputy director does not exist under the Company's corporate statute.
4.3	No more than one elected member of the board may be a member of the executive management of the company or a subsidiary.	No	Under applicable Canadian securities and corporate laws and the Company's internal rules, the Company is not subject to such a requirement. The Company complies with the "independency" requirements as set forth under applicable Canadian securities laws and currently only the CEO and the CFO, both of whom are also directors, are part of the executive management.
4.4	The majority of the directors elected by the shareholders' meeting are to be independent of the company and its executive management. A director's independence is to be determined by a general assessment of all factors that may give cause to question the individual's independence and integrity with regard to the company or its executive management. Factors that should be considered include: • whether the individual is the chief executive officer or has been the chief executive officer of the company or a closely related company within the last five years, • whether the individual is employed or has been employed by the company or a closely related company within the last three years, • whether the individual receives a not insignificant remuneration for advice or other services beyond the remit of the board position from the company, a closely related company or a person in the executive management of the company, • whether the individual has or has within the last year had a significant business relationship or other significant financial dealings with the company or a closely related company as a client, supplier or partner, either individually or as a member of the executive management, a member of the board or a major shareholder in a company with such a business relationship with the company, • whether the individual is or has within the last three years been a partner at, or has as an employee participated in an audit of the company conducted by, the company's or a closely related company's current or then auditor, • whether the individual is a member of the executive management of another company if a member of the board of that company is a member of the executive management of the company, or • whether the individual has a close family relationship with a person in the executive management or with another person named in the points above and that person's direct or indirect business with the company is of such magnitude or significance as to justify the opinion that the board member is not to be regarded as independent.	Yes	

Swedish Code Rule No.	Text of Swedish Code	Comply (Yes / No / Partially)	Explanation for non-compliance and description of alternative adopted solution
	A closely related company is defined in this context as another company which is directly or indirectly a subsidiary or associate of the company. In this context a company is typically associated if the owning company controls more than 20 per cent of the votes but not more than 50 per cent of the votes.		
4.5	At least two of the members of the board who are independent of the company and its executive management are also to be independent in relation to the company's major shareholders. In order to determine a board member's independence and integrity, the extent of the member's direct and indirect relationships with major shareholders is to be taken into consideration. A member of the board who is employed by or is a board member of a company which is a major shareholder is not to be regarded as independent. In this context, a major shareholder is defined as controlling, directly or indirectly, at least ten per cent of the shares or votes in the company. If a company owns more than 50 per cent of the shares, ownership interest or votes in another company, the former is regarded as having indirect control of the latter company's ownership in other companies.	Yes	
4.6	Nominees to positions on the board are to provide the nomination committee with sufficient information to enable an assessment of the candidate's independence as defined in 4.4 and 4.5.	Partially	The responsibilities of the Corporate Governance and Nominating Committee include identifying individuals qualified to become new Board members and recommending to the Board the director nominees for the next annual meeting of shareholders. Nominees to the Board are asked to provide the information necessary for the Corporate Governance and Nominating Committee to assess their qualifications.
4.7	Members of the board are to be appointed for a period extending no longer than to the end of the next AGM.	Yes	
5.1	Each director is to form an independent opinion on each matter considered by the board and to request whatever information he or she believes necessary for the board to make well-founded decisions.	Yes	
5.2	Each director is to acquire continuously the knowledge of the company's operations, organisation, markets etc. that is necessary to carry out the assignment.	Yes	
5.3	Each director is responsible for committing the time required to carry out the work of the board in the context of the director's other assignments and commitments.	Yes	
6.1	The chair of the board is to be elected by the shareholders' meeting. If the chair relinquishes the position during the mandate period, the board is to elect a chair from among its members to serve until a new chair has been elected by the shareholders' meeting.	No	The Board elects the Chair.
6.2	If the chair of the board is an employee of the company or has duties assigned by the company in addition to his or her responsibilities as chair, the division of work and responsibilities between the chair and the chief executive officer is to be clearly stated in the board's statutory Rules of Procedure and its Instruction to the Chief Executive Officer.	Yes	
6.3	The chair is to ensure that the work of the board is conducted efficiently and that the board fulfils its obligations. In particular, the chair is to • organise and lead the work of the board to create the best possible conditions for the board's activities, • ensure that new board members receive the necessary introductory training, as well as any other training that the chair and member agree is appropriate, • ensure that the board regularly updates and develops its knowledge of the company,	Yes	

Swedish Code Rule No.	Text of Swedish Code	Comply (Yes / No / Partially)	Explanation for non-compliance and description of alternative adopted solution
	• be responsible for contacts with the shareholders regarding ownership issues and communicate shareholders' views to the board, • ensure that the board receives sufficient information and documentation to enable it to conduct its work, • in consultation with the chief executive officer, draw up proposed agendas for the board's meetings, • verify that the board's decisions are implemented, and • ensure that the work of the board is evaluated annually.		
7.1	If the board establishes special committees within the board to prepare its decisions on specific issues, its rules of procedure are to specify the duties and decision-making powers that the board has delegated to these committees and how the committees are to report to the board. Committees are to keep minutes of their meetings and the minutes are to be made available to the board.	Yes	
7.2	If the board has established an audit committee, the majority of the committee's members are to be independent in relation to the company and its executive management. At least one of the members who is independent in relation to the company and its executive management is also to be independent in relation to the company's major shareholders.	Yes	
7.3	The board is responsible for ensuring that the company has good internal controls. The board is to ensure that the company has formalised routines to ensure that approved principles for financial reporting and internal controls are applied, and that the company's financial reports are produced in accordance with legislation, applicable accounting standards and other requirements for listed companies. For companies that do not have a separate internal audit function, the board of directors is to evaluate the need for such a function annually and to explain its decision in its report on internal controls in the company's corporate governance report.	Yes	
7.4	The description of the company's internal controls included in the corporate governance report is also to include the board's measures for monitoring that the internal controls related to financial reports and reporting to the board function adequately.		
7.5	At least once a year, the board is to meet the company's auditor without the chief executive officer or any other member of the executive management present.	Yes	
7.6	The board of directors is to ensure that the company's six- or nine-month report is reviewed by the company's auditor.	Yes	
8.1	The board of directors is to evaluate its work annually, using a systematic and structured process, with the aim of developing the board's working methods and efficiency. The results of this evaluation are to be reported to the nomination committee. The corporate governance report is to state how the board evaluation was conducted and reported.	Yes	
8.2	The board is to continuously evaluate the work of the chief executive officer. The board is to examine this issue formally at least once a year, and no member of the executive management is to be present during this evaluation process.	Yes	
9.1	The board is to establish a remuneration committee, whose main tasks are to : • prepare the board's decisions on issues concerning principles for remuneration, remunerations and other terms of employment for the executive management, • monitor and evaluate programmes for variable remuneration to the executive management, both ongoing programmes and those that have ended during the year, and • monitor and evaluate the application of the guidelines for remuneration to the board and executive management that the AGM is legally obliged to establish, as well as the current remuneration structures and levels in the company.	Partially	The Company's Compensation Committee reviews policies and makes recommendations to the Board regarding remuneration matters.
9.2	The chair of the board may chair the remuneration committee. The other shareholders' meeting-elected members of the committee are to be independent of the company and its executive management. If the board considers it is more appropriate, the entire board may perform the remuneration committee's tasks, on condition that no board member who is also a member of the executive management participates in this work.	Partially	Members of the Compensation Committee are members of the Board and are appointed by the

Swedish Code Rule No.	Text of Swedish Code	Comply (Yes / No / Partially)	Explanation for non-compliance and description of alternative adopted solution
			Board whose members are elected by shareholders.
9.3	If the remuneration committee or the board uses the services of an external consultant, it is to ensure that there is no conflict of interest regarding other assignments this consultant may have for the company or its executive management.	Yes	
10.1	In its corporate governance report, the company is to state clearly • which Code rules it has not complied with, • explain the reasons for each case of non-compliance and • describe the solutions it has adopted instead.	Yes	
10.2	As well as the items stipulated by legislation, the following information is to be included in the corporate governance report if it is not presented in the annual report: • the composition of the company's nomination committee. If any member of the committee has been appointed by a particular owner, the name of this owner is also to be stated, • the information on each member of the board that is required by the third paragraph of Code rule 2.6, • the division of work among members of the board and how the duties of the board were conducted during the most recent financial year, including the number of board meetings held and each member's attendance at board meetings, • the composition, tasks and decision-making authority of any board committees, and each member's attendance at the respective committee's meetings, • how board evaluation was conducted and reported, • a description of internal controls in accordance with paragraph 3 of rule 7.3 and with rule 7.4, • for the chief executive officer: - year of birth, principal education and work experience, - significant professional commitments outside the company, and - holdings of shares and other financial instruments in the company or similar holdings by related natural or legal persons, as well as significant shareholdings and partnerships in enterprises with which the company has important business relations, and any infringement of the stock exchange rules applicable to the company, or any breach of good practice on the securities market reported by the relevant exchange's disciplinary committee or the Swedish Securities Council during the most recent financial year.	Partially	Similar information as required under applicable Canadian securities laws is provided in the management information circular provided to shareholders in advance of the Company's AGM.
10.3	The company is to have a section of its website devoted to corporate governance matters, where the company's ten most recent corporate governance reports are to be posted, together with that part of the audit report which deals with the corporate governance report or the auditor's written statement on the corporate governance report. The corporate governance section of the website is to include the company's current articles of association, along with any other information required by the Code. It is also to include up to date information regarding: • members of the board, the chief executive officer and the company auditor, and •the company's instructions to the nomination committee.	Yes	
10.4	Companies which are legally required to publish a sustainability report and companies which voluntarily publish such a report are to make available on their websites the ten most recent years' sustainability reports, along with the part of the auditor's report which covers the sustainability report or the auditor's written statement on the sustainability report.	No.	This requirement does not apply to companies like Etrion