

ETRION CORPORATION

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

TO BE HELD ON JUNE 17, 2022

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 meeting of holders of common shares.

To be held at:

Offices of WeirFoulds LLP
TD Bank Tower
Suite 4100, 66 Wellington Street West
Toronto, Ontario M5K 1B7 Canada
at 10:00 a.m. (Eastern Daylight Time)

ETRION CORPORATION

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TAKE NOTICE THAT the annual meeting (the “**Meeting**”) of the shareholders of Etrion Corporation (the “**Company**”) will be held in the offices of WeirFoulds LLP, at 66 Wellington Street West, Suite 4100, Toronto, Ontario, M5K 1B7, on June 17, 2022, 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, 2021, 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; and
4. 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 May 2, 2022, are entitled to receive notice of the Meeting.

DATED this 4 day of May 2022.

BY ORDER OF THE BOARD OF DIRECTORS

“Marco Antonio Northland”

Marco Antonio Northland
Chief Executive Officer

A shareholder may attend the Meeting in person or may be represented by a proxyholder. Shareholders who are unable to attend the Meeting in person are requested to date, sign and return the accompanying instrument of proxy (the “Instrument of Proxy”), or other appropriate form of proxy, in accordance with the instructions set forth in the Instrument of Proxy and the accompanying Management Information Circular. An Instrument of Proxy will not be valid unless it is properly executed and deposited at the offices of Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Canada, no later than 2 business days before the date of the Meeting, or any adjournment or postponement thereof. A person appointed as proxyholder need not be a shareholder of the Company. The time limit for deposit of proxies may be waived or extended by the chairman of the Meeting at his discretion, without notice.

The board of directors of the Company has fixed the record date for the Meeting at the close of business on May 2, 2022 (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.

SPECIAL MEASURES IN RESPONSE TO THE CURRENT COVID-19 (CORONAVIRUS) OUTBREAK

While as of the date of this Notice and accompanying Management Information Circular, the Company intends to hold the Meeting in physical in-person format, it is continuously monitoring the COVID-19 outbreak. In light of the continually evolving news and guidelines related to COVID-19, the Company asks that, in considering whether to attend the Meeting in person, shareholders follow, among other things, the instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>) and the Province of Ontario (<https://covid-19.ontario.ca/public-health-measures>), any applicable local instructions, and the policies and procedures of WeirFoulds LLP in place at the time of the Meeting. Shareholders should not attend the Meeting in person if you are experiencing any cold or flu-like symptoms or are otherwise encouraged to be self-isolating based on prevailing public health guidelines. All shareholders are strongly encouraged to vote prior to the Meeting by any of the means described in the Management Information Circular.

The Company reserves the right to take any additional precautionary measures it deems appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 outbreak including, if considered necessary or advisable, providing a virtual webcast version of the Meeting and/or hosting the Meeting solely by means of remote communication, placing restrictions on in-person attendance, or postponing or adjourning the Meeting.

Changes to the Meeting date and/or means of holding the Meeting may be announced by way of press release. Please monitor the Company press releases as well as the Company website at <https://etrion.com/> for updated information. If applicable and as appropriate, the Company will provide required information on the logistical details of a virtual or hybrid Meeting including how a shareholder can remotely access, participate in and vote at a Meeting. An amended Management Information Circular will not be mailed out in the event of changes to the Meeting format.

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 May 4, 2022, (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 general meeting (the “**Meeting**”) of the shareholders of the Company (the “**Shareholders**”), to be held on June 17, 2022, at the hour of 10:00 a.m. (Eastern Daylight Time) in the offices of WeirFoulds LLP, at 66 Wellington Street West, Suite 4100, Toronto, Ontario, M5K 1B7, Canada, 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 May 10, 2022. 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 June 7, 2022, 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.

SPECIAL MEASURES IN RESPONSE TO THE CURRENT COVID-19 (CORONAVIRUS) OUTBREAK

While as of the date of this Notice and accompanying Management Information Circular, the Company intends to hold the Meeting in physical in-person format, it is continuously monitoring the COVID-19 outbreak. In light of the continually evolving news and guidelines related to COVID-19, the Company asks that, in considering whether to attend the Meeting in person, shareholders follow, among other things, the instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>) and the Province of Ontario (<https://covid-19.ontario.ca/public-health-measures>), any applicable local instructions, and the policies and procedures of WeirFoulds LLP in place at the time of the Meeting. Shareholders should not attend the Meeting in person if you are experiencing any cold or flu-like symptoms or are otherwise encouraged to be self-isolating based on prevailing public health guidelines. All shareholders are strongly encouraged to vote prior to the Meeting by any of the means described in this Management Information Circular.

The Company reserves the right to take any additional precautionary measures it deems appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 outbreak including, if considered

necessary or advisable, providing a virtual webcast version of the Meeting and/or hosting the Meeting solely by means of remote communication, placing restrictions on in-person attendance, or postponing or adjourning the Meeting.

Changes to the Meeting date and/or means of holding the Meeting may be announced by way of press release. Please monitor the Company press releases as well as the Company website at <https://etrion.com/> for updated information. If applicable, and as appropriate, the Company will provide required information on the logistical details of a virtual or hybrid Meeting including how a shareholder can remotely access, participate in and vote at a Meeting. An amended Management Information Circular will not be mailed out in the event of changes to the Meeting format.

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 OMX 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 May 2, 2022, 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 those 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 other than the election of directors or the appointment of auditors.

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 May 2, 2022, (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, 2021, 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 will be set at 3 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 ⁽³⁾ Cologne, Switzerland	18,819,082 5.6%	2009	Chief Executive Officer of the Company since September 2009.
Ian H. Lundin ⁽³⁾ Coppet, Switzerland	4,248,494 ⁽⁴⁾ 1.3%	2009	Chairman of Lundin Energy AB, an oil and gas company, since 2002.
Aksel Azrac ⁽³⁾ 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.

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) 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. 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. 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.

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 directors as well as its senior officers, being the four current named executive officers (the “**NEOs**”) identified below, in 2021. The directors and NEOs who are the focus of the CD&A and who appear in the compensation tables of this Management Information Circular are: (i) Marco A. Northland, the Chief Executive Officer (the “**CEO**”) and a director of the Company; (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

Given the Company’s current stage of operations, the Board as a whole effectively and objectively oversee the business and affairs of the Company, including all oversight responsibilities in respect of any limited remaining human resource matters. Following sale of the majority of the Company’s Japanese solar assets on June 22, 2021 (the “**Asset Sale Transaction**”) and the subsequent delisting of the Common Shares from the Toronto Stock

Exchange (the “**TSX**”) on September 17, 2021, the Board determined that given the intention to transition to a limited management team and budget, along with the reduced Board size, a separate compensation committee of the Board was no longer necessary.

Compensation Process

The Board relies on the knowledge and experience of its members to set appropriate levels of compensation in order to retain senior officers required to ensure the Company continues to meet its regulatory obligations until wind-up or the identification of an alternative opportunity for the Company.

The Board has considered the risk implications of the Company’s evolving 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 currently delisted from all stock exchanges and 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

Since the divestiture of its solar assets in June 2021, the Company has been reducing costs and expenses to a level more appropriate for a business at this stage of its life cycle. The Company’s CIO and EVPBD left the Company effective August 31, 2021. The company expects that the CFO will depart the Company on or around June 30, 2022.

Compensation Program Design and Analysis of Compensation Decisions

Standard compensation arrangements for the Company’s remaining senior officers and directors are composed of a base consulting fee and/or standard directorship fees.

2021 Performance and Compensation

During the year ended December 31, 2021, the Company successfully completed the sale of all of its operating and under construction solar parks in Japan to two different Japanese consortiums (the “**Asset Sale Transaction**”). The Compensation Committee as constituted 2021 determined that the use of traditional quantitative performance standards was not appropriate in the evaluation of corporate or NEOs performance in the context of the sale of all of the company’s material assets. The compensation of senior officers for the year ended December 31, 2021, was based, in substantial part, on the successful sale of these assets and the effects thereof.

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 were historically reviewed annually by the Compensation Committee and will be considered by the Board as a whole.

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 2021 fiscal year was CHF 424,941 (approximately US\$ 465,230 based on an exchange rate of US\$1.0 = CHF0.9134). The CFO’s annual salary was CHF 250,000 (approximately US\$ 273,703 based on an exchange rate of US\$1.0 = CHF0.9134). The CIO’s annual salary was US\$ 250,000. 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 Board does not assign any specific weight to any particular performance factor. Instead, the Board 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 CEO may be awarded an annual bonus of up to 125% of his base compensation. The CIO and EVPBD were (prior to their departures) and the CFO is 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 Company awarded no bonuses in connection with the 2021 fiscal year.

Restricted share unit awards (“RSUs” or “**Restricted Share Units**”) were previously awarded to employees of the Company (and the number thereof) based upon the recommendation of the (previously constituted) Compensation Committee(s), which based their 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 Committees’ decisions with respect to the granting of Restricted Share Units were reviewed by the Board and are subject to its final approval. Following the completion of the Asset Sale Transaction, all outstanding and unvested RSUs immediately vested, and holders of RSUs received proceeds from the Asset Sale Transaction in accordance with the terms of the Restricted Share Plan. An aggregate of 15,300,000 RSUs remain entitled to additional distributions in the event that further distributions of net proceeds from the Asset Sale Transaction and proceeds from certain tax refunds are made to shareholders. The Board currently has no intention of issuing any additional RSUs under its existing Restricted Share Plan.

Refer to “*Securities Authorized for Issuance under Equity Compensation Plans - Restricted Share Plan*” for a detailed description of the Restricted Share Plan.

Director and NEO Compensation

Summary Compensation

The following table provides a summary of the compensation earned by the directors and NEOs in all capacities during the fiscal years ended December 31, 2021, and 2020.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission ^{(1) (2)} (\$)	Bonus ^{(2) (3)} (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation ⁽⁴⁾ (\$)	Total compensation (\$)
Marco A. Northland (CEO)	2021	465,230	-	-	-	115,267	580,497
	2020	452,546	565,683	-	-	75,284	1,093,514
Christian Lacueva (CFO)	2021	273,703	-	-	-	41,335	315,037
	2020	266,241	199,681	-	-	36,134	502,055
German Salita (EVPBD) ⁽⁵⁾	2021	239,912	-	-	-	232,850	472,762
	2020	295,000	221,250	-	-	11,400	527,650
Martin Oravec (CIO) ⁽⁶⁾	2021	208,868	-	-	-	187,500	396,368
	2020	258,863	187,500	-	-	-	446,363
Ian H. Lundin Director	2021	-	-	18,750	-	-	18,750
	2020	-	-	37,500	-	-	37,500
Aksel Azrac Director	2021	-	-	18,750	-	-	18,750
	2020	-	-	37,500	-	-	37,500
Henrika Frykman Director ⁽⁷⁾	2021	-	-	18,750	-	-	18,750
	2020	-	-	37,500	-	-	37,500

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\$ 1.0948 in 2021 and CHF 1.00 = US\$ 1.065 in 2020.
- (3) Cash bonus payments relating to the relevant year paid in the following year.
- (4) Value of defined benefit pension plan contributions. See “*Defined Contribution Plans*” and severances paid
- (5) Mr. Salita was terminated effective August 31, 2021.
- (6) Mr. Oravec was terminated effective August 31, 2021.
- (7) Ms. Frykman resigned from the board of directors effective November 30, 2021.

Equity-Based Compensation

There were no compensation securities granted or issued to a director or NEO by the Company or any subsidiary thereof during the year ended December 31, 2021, for services provided, or to be provided directly or indirectly, to the Company or any subsidiary thereof.

Exercise of Compensation Securities By Directors and NEOs

The following table sets forth the compensation securities that were exercised by each Director or NEO during the financial year ended December 31, 2021.

Name and principal position	Exercise of Compensation Securities by Directors and NEOs					
	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$) ⁽¹⁾	Date of exercise ⁽¹⁾	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$) ⁽¹⁾
Marco A. Northland (CEO and director)	RSU	4,200,000	\$0.327	August 24 2021	\$0.327	\$1,373,400
Christian Lacueva (CFO)	RSU	3,000,000	\$0.327	August 24 2021	\$0.327	\$981,000
German Salita (EVPBD)	RSU	3,000,000	\$0.327	August 24 2021	\$0.327	\$981,000
Martin Oravec (CIO)	RSU	3,000,000	\$0.327	August 24 2021	\$0.327	\$981,000
Ian H. Lundin Director	RSU	-	-	-	-	-
Aksel Azrac Director	RSU	-	-	-	-	-
Henrika Frykman Director	RSU	-	-	-	-	-

Notes:

- (1) All of the unvested and outstanding RSUs automatically vested following completion of the Asset Sale Transaction, in accordance with the terms of the Company's Restricted Share Plan. The Board approved a fair value of \$0.327 per RSU on August 4, 2021, by reference to the market price on the TSX of the Common Shares at the time of the Board's approval of the settlement of such RSUs. On August 24, 2021, the Company settled an aggregate of 15,300,000 RSUs in cash, being all outstanding RSUs at the time of the distribution and distributed \$0.327 per RSU to the holders of the RSUs for a total amount of \$5,003,100 (the "Initial Distribution"). The Initial Distribution represented the first payment of the Payout Amount (as defined below) payable to RSU holders following completion of a Sale of Assets (as defined below). The holders of these 15,300,000 RSUs will be entitled to additional payments representing the balance of the Payout Amount in the event that further distributions of net proceeds from Asset Sale Transaction and/or certain tax refunds are made to shareholders. See "Incentive Plan Awards" and "Securities Authorized for Issuance Under Equity Compensation Plans – Restricted Share Plan" below for further details.

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, 2021. 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\$ 1.0948.

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 ⁽³⁾ (US\$)
Marco A. Northland (CEO)	1,212,739 ⁽²⁾	115,267	160,892	1,488,897
Christian Lacueva (CFO)	868,103	41,335	387,553 ⁽⁴⁾	1,296,990
German Salita (EVPBD)	285,873	11,600	26,615	324,088
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\$211,335 representing the accumulated value of his pension prior to his employment with Etrion SA in September 2009.
- (3) Mr. Salita and Mr. Oravec each were terminated effective August 31, 2021. The accumulated value is the total accumulated value for each of these NEOs as at the date of resignation.
- (4) This amount includes US\$311,145 contributed personally by Mr. Lacueva during 2021.

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 lies 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 following table estimates the incremental amounts payable to the CEO upon identified termination events, assuming each such event took place on December 31, 2021. 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, 2021 (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 - Annual incentives - Stock options / Restricted Share Units	2,512,590 - -
Termination by Etrion SA for any reason other than justified cause - Salary/severance - Annual incentives - Stock options / Restricted Share Units	904,533 - -
Termination by CEO upon a change of control - Salary/severance - Annual incentives - Stock options / Restricted Share Units	930,460 - -

Notes:

- (1) All amounts have been converted to US\$ using an exchange rate of US\$ 1.00 = CHF 0.9134.
- (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.

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. Given the current needs of the Company, Mr. Lacueva will likely depart from his role as CFO effective on or about June 30, 2022, following the Meeting.

Pursuant to the terms of the Lacueva Agreement, he is entitled to severance in the following situations:

Triggering Event	Obligations upon Termination	Amounts payable assuming each such event took place on December 31, 2021 (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.	205,277
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.	205,277
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.	205,277

The Lacueva Agreement also contains customary indemnification and confidentiality provisions.

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, 2021, the remuneration for non-executive directors was US\$18,750 until June 30, 2021. After this date, non-executive directors receive no remuneration. No additional fees were

paid to non-executive directors in 2021 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, 2021, 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.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table sets forth information as at December 31, 2021, 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	15,300,000	N/A	18,109,432
Equity compensation plans not approved by securityholders	-	-	-
Total	15,300,000	N/A	18,109,432

Notes:

- (1) All outstanding RSUs have vested and been redeemed for an Initial Distribution (as defined above) of the Payout Amount (as defined below). The Initial Distribution represented the first payment of the Payout Amount (as defined below) payable to RSU holders following completion of a Sale of Assets (as defined below). While these 15,300,000 RSUs remain outstanding, the holders of these RSUs are only entitled to additional payments, if any, representing the balance of the Payout Amount in the event that further distributions of net proceeds from Asset Sale Transaction and/or certain tax refunds are made to shareholders. None of the outstanding RSUs are redeemable for securities of the Company. See "*Incentive Plan Awards*" and "*Securities Authorized for Issuance Under Equity Compensation Plans – Restricted Share Plan*" below for further details.
- (2) There are no outstanding stock options.

Restricted Share Plan

All outstanding RSUs previously issued under the Restricted Share Plan vested and were redeemed (subject to future payment of the balance of the Payout Awards (as defined below)) following completion of the Asset Sale Transaction. No additional RSUs have been issued and while the Company currently has no intention of issuing additional RSUs, the Restricted Share Plan remains in place.

The purpose of the Restricted Share Plan was 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 18,109,432 Common Shares as at December 31, 2021).

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. Following completion of the Asset Sale Transaction, the Board determined that the Payout Amount for all outstanding RSUs would be payable in cash.

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 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; and
- (c) 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.

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. The Asset Sale Transaction was a “Sale of Assets” as that term is defined in the Restricted Share Plan.

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, 2021 and the date hereof, the Company had 334,094,324 Common Shares issued and outstanding, and an aggregate of 15,300,000 awards of Restricted Share Units outstanding under the Restricted Share Plan, but vested and redeemed in part by way of payment of the Initial Distribution (as defined below) following the completion of the Asset Sale Transaction.

On August 4, 2021, the Board approved the payment of an initial calculation of the Payout Amount as being equal to a fair value of \$0.327 per RSU, by reference to the market price on the TSX of the Common Shares at the time of such approval. The Company distributed a cash amount of \$0.327 per RSU to the holders of the 15,300,000 RSUs outstanding at the time of the Asset Sale Transaction, for a total amount of \$5,003,100 (the “**Initial Distribution**”). The Initial Distribution represented the first payment of the Payout Amount (as defined below) payable to RSU holders following completion of a Sale of Assets (as defined below). The holders of these 15,300,000 RSUs will be entitled to additional payments representing the balance of the Payout Amount in the event that further distributions of net proceeds from Asset Sale Transaction and/or certain tax refunds are made to shareholders. These outstanding and vested RSUs are only entitled to additional payments (if any) representing the balance of the Payout Amount and are not entitled to any further redemption upon a Change of Control or otherwise.

Given the Board has elected to distribute the Payout Amount in cash, no Common Shares will be issued under the Restricted Share Plan in respect of the remaining outstanding 15,300,000 RSUs. However, given these RSUs remain outstanding, as of December 31, 2021, 18,109,432, Restricted Share Units were available for future issuance under the Restricted Share Plan, which represents 10% of the Company’s issued and outstanding Common Shares as of such date less the number of RSUs outstanding pending payment of the balance of the Payout Amount (if any).

As at December 31, 2021 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. There are currently no stock options outstanding. No Common Shares have been issued under the Restricted Share Plan.

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.

GENERAL

All matters to be brought before the Meeting require, for the passing of same, a simple majority of the votes cast at the Meeting by the Shareholders. If a majority of the Common Shares represented at the Meeting should be voted against the appointment of PwC, as auditors of the Company, the Board will appoint another firm of chartered accountants based on the recommendation of the Audit Committee, which appointment for any period subsequent to the Meeting shall be subject to approval by the Shareholders at a meeting.

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 3 directors, of whom 2 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 and Aksel Azrac. Marco A. Northland, the CEO, is not independent by virtue of being a member of the Company's management. Attached as Appendix A hereto is a list of the other public companies on which current members of the Board also serve as directors. The Board has held 6 meetings since the beginning of its most recently completed financial year. **Each of the directors attended all of the Board meetings.**

Committees of the Board

The Board has established an audit committee of the Board comprised of the current members of the Board and chaired by Mr. Aksel Azrac:

Committee	Members ⁽¹⁾
Audit Committee	Aksel Azrac (Chairman) Ian Lundin Marco A. Northland

A detailed description of the Audit Committee together with a copy of the Audit Committee Terms of Reference as required by Form 52-110F2 of National Instrument 52-110 - *Audit Committees*, is included in **Appendix B** hereto.

Position Descriptions

The Board has developed written position descriptions for the Chairman of the Board, the Chairman of the Audit 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 any 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.

Unit November 30, 2021, the Company had one woman that was a member of its Board (25% prior to her resignation), Currently the Company has no women who are directors or executive officers (0%). From December 2012 until November 16, 2015, the Company had a female Chief Financial Officer.

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, 2021. 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.

APPENDIX A

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

APPENDIX B
ETRION CORPORATION
(“Etrion” or the “Company”)
AUDIT COMMITTEE

Audit Committee Charter

The Company’s Audit Committee Mandate is included herewith as **Schedule “I”** to this **Appendix B**.

Composition of the Audit Committee

The Audit Committee is comprised of Aksel Azrac (Chairman), Ian Lundin and Marco A. Northland.

Relevant Education and Experience

The following is a summary of the education and experience of each Audit Committee member that is relevant to their performance, including such education and experience that provides the member with an understanding of the accounting principles used by Etrion to prepare its financial statements, the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves; experience preparing, auditing, analyzing or evaluating financial statements and an understanding of internal controls and procedures for financial reporting.

The Audit Committee members are all financially literate and possess an understanding of the accounting principles, internal controls and procedures for financial reporting used by Etrion. Messrs. Azrac and Lundin are “independent” as that term is defined in National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”).

Name of Audit Committee Member	Relevant Education and Experience
Aksel Azrac	Currently, senior partner and co-founder of 1875 Finance SA since 2006, an asset management and investment advisory firm based in Geneva, Switzerland. Prior to 2006, Mr. Azrac was involved with a private banking firm in Switzerland. Mr. Azrac has extensive capital markets experience and related experience in all aspects of financial matters.
Ian Lundin	Born in 1960, Ian Lundin graduated from Tulsa University in 1982 with a Bachelor of Science in Petroleum Engineering. Upon graduation, he joined Wintershall AG where he worked as a drilling engineer. In 1984 he joined International Petroleum Corporation (“IPC”), working in a variety of operations roles he oversaw exploration projects in Papua New Guinea, Thailand, Oman and the U.A.E. In 1990 he was appointed President and Chief Executive Officer of IPC. In 1998, Sands Petroleum AB and IPC merged to form Lundin Oil AB and Mr. Lundin was appointed CEO. Following the \$480 million takeover of Lundin Oil by Talisman Energy in 2001, Lundin Petroleum was formed and Mr. Lundin was appointed CEO. In May 2002 he was appointed Chairman of the Board of Lundin Petroleum AB. Mr. Lundin has extensive experience overseeing public companies, operational and finance matters.
Marco A. Northland	Chief Executive Officer of Etrion since September 2009. In addition to his bachelor’s degree in electrical engineering and master’s degree in computer science, Mr. Northland has an MBA from the University of Chicago. Mr. Northland has extensive experience leading growth companies, including all aspects of operational and financial matters.

Audit Committee Oversight

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

Reliance on Certain Exemption

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Audit Committee Pre-Approval Policies for Non-Audit Services

The Audit Committee reviews and pre-approves any material engagement for non-audit services to be provided by the Company’s external auditors or its affiliates, together with estimated fees and considers the effect on the independence of the external auditor.

Fees Paid to External Auditor

In 2021 and 2020, fees payable to PricewaterhouseCoopers SA and their affiliates were as follows:

Type of Service Provided	2021 US\$	2020 US\$
Audit fees ⁽¹⁾	117,300	258,750
Audit-related fees ⁽²⁾	57,120	39,375
Tax fees ⁽³⁾	91,750	-
All other fees ⁽⁴⁾	12,000	12,000
Total	278,170	310,125

Notes:

- (1) Audit fees relate to professional services rendered by the auditors for the audit of Etrion's annual consolidated financial statements and the statutory audits required for the Company's subsidiaries.
- (2) Audit-related fees relate to professional services rendered by the auditors for the review of Etrion's interim consolidated financial statements.
- (3) Tax fees relate to professional services rendered by the auditors for corporate tax compliance and general tax planning.
- (4) All other fees relate to professional services rendered by the auditors for non-audit services relating to business development activities

Schedule “I” to Appendix “B”

Audit Committee Mandate

Purpose

1. The purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing the financial information that will be provided to shareholders of the Company and others, the systems of corporate financial controls that management and the Board have established and the audit process. More specifically, the purpose of the Audit Committee is to satisfy itself that:
 - (a) the Company’s annual financial statements are fairly presented in accordance with generally accepted accounting principles and to recommend to the Board whether the annual financial statements should be approved;
 - (b) the information contained in the Company’s quarterly financial statements, annual report to shareholders and other financial publications, such as management’s discussion and analysis (MD&A), is complete and accurate in all material respects and to approve these materials;
 - (c) the Company has appropriate systems of internal control over the safeguarding of assets and financial reporting to ensure compliance with legal and regulatory requirements; and
 - (d) the internal and external audit functions have been effectively carried out and that any matter that the internal or the independent auditors wish to bring to the attention of the Board has been addressed. The Audit Committee will also recommend to the Board the re-appointment or appointment of auditors and their remuneration.

Composition and Process

2. Following each annual meeting of shareholders of the Company, the Board shall appoint not less than three directors to serve on the Audit Committee, each of whom shall:
 - (a) be independent as that term is defined in then current laws applicable to the Company; and
 - (b) be financially literate as such term is defined in then current laws applicable to the Company.
3. The Chairman of the Audit Committee shall be appointed by the Board and shall be independent as that term is defined in the then current laws applicable to the Company.
4. Any member of the Audit Committee may be removed or replaced at any time by the Board and shall cease to be a member upon ceasing to be a director of the Company. Each member of the Audit Committee shall hold office until the close of the next annual meeting of shareholders of the Company or until the member resigns or is replaced, whichever first occurs.
5. The Audit Committee will meet at least four times per year. The meetings will be scheduled to permit timely review of the interim and annual financial statements. Additional meetings may be held as deemed necessary by the Chairman of the Audit Committee or as requested by any member of the Audit Committee or by the internal or external auditors.
6. If all members consent, and proper notice has been given or waived, a member or members of the Audit Committee may participate in a meeting of the Audit Committee by means of such telephonic, electronic or other communication facilities as permit all persons participating in the meeting to communicate adequately with each other, and a member participating in such a meeting by any such means is deemed to be present at that meeting.
7. The Chairman of the Audit Committee appointed by the Board will, in consultation with management, the members of the Audit Committee and the internal and external auditors, determine the schedule, time and place of meetings, establish the agenda for the meetings and ensure that properly prepared agenda materials are circulated to the members and other attendees with sufficient time for study prior to the meeting.
8. A quorum for the transaction of business at all meetings of the Audit Committee shall be a majority of the members of the Audit Committee. Questions arising at any meeting shall be determined by a majority of votes of the members of the Audit Committee present.

9. The Audit Committee may invite such individuals including directors, officers and employees of the Company as it may see fit from time to time to attend meetings of the Audit Committee and assist in the discussion and consideration of the business of the Audit Committee, but without voting rights.
10. The Audit Committee shall keep regular minutes of proceedings and shall cause them to be recorded in books kept for that purpose and shall report the same to the Board at such times as the Board may, from time to time, require.
11. Supporting schedules and information reviewed by the Audit Committee will be available for examination by any director upon request to the Secretary of the Company.
12. The Audit Committee shall choose as its secretary such person as it deems appropriate.
13. The internal and external auditors shall be given notice of and have the right to appear before and to be heard at, every regularly scheduled meeting of the Audit Committee, and shall appear before the Audit Committee when requested to do so by the Audit Committee.

Duties and Responsibilities

14. Subject to the powers and duties of the Board, the Board hereby delegates to the Audit Committee the following powers and duties to be performed by the Audit Committee on behalf of and for the Board:

- (a) Financial Reporting Control Systems

The Audit Committee shall:

- (i) review reports from senior officers of the Company outlining any significant changes in financial risks facing the Company;
- (ii) review any letters from the external auditors to management with respect to internal controls and the Company's responses thereto;
- (iii) annually review the Audit Committee Mandate;
- (iv) review any new appointments to senior positions of the Company with financial reporting responsibilities; and
- (v) discuss with the external auditors the overall control environment and the adequacy of accounting system controls.

- (b) Interim Financial Statements

The Audit Committee shall:

- (i) review the Company's interim financial statements and related MD&A and provide to the Board a recommendation as to whether the interim financial statements and MD&A should be approved; and
- (ii) review any interim earnings press release before it is publicly disclosed.

- (c) Annual Financial Statements and Other Financial Information

The Audit Committee shall:

- (i) review any changes in accounting policies or financial reporting requirements that may affect the current year's financial statements;
- (ii) obtain summaries of significant transactions, and other potentially difficult matters whose treatment in the annual financial statements merits advance consideration;
- (iii) obtain draft annual financial statements in advance of the Audit Committee meeting and assess, on a preliminary basis, the reasonableness of the financial statements in light of the analyses provided by officers of the Company;
- (iv) review a summary provided by the Company's legal counsel of the status of any material pending or threatened litigation, claims and assessments;

- (v) discuss the annual financial statements and the auditors' report thereon in detail with officers of the Company and the auditors;
- (vi) review the Company's annual MD&A;
- (vii) provide to the Board a recommendation as to whether the annual financial statements and MD&A should be approved; and
- (viii) review any annual earnings press release before it is publicly disclosed.

(d) Public Disclosure of Financial Information

The Audit Committee shall:

- (i) ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in sections 14(b) and 14(c) above; and
- (ii) periodically assess the adequacy of such procedures.

(e) External Audit Terms of Reference, Reports, Planning and Appointment

To preserve the independence of the external auditor responsible for issuing an auditor's report or performing other audit review or attest services for the Company, the Audit Committee shall:

- (i) review the audit plan with the external auditors;
- (ii) discuss with the external auditors, without management present, matters affecting the conduct of their audit and other corporate matters;
- (iii) recommend to the Board each year the retention or replacement of the external auditors; if there is a plan to change auditors, review all issues related to the change and the steps planned for an orderly transition; and evaluate the external auditor's qualifications, performance and independence;
- (iv) review the experience and qualifications of the senior members of the external auditors, ensure that the lead audit partner is replaced periodically in accordance with applicable law or audit practices, and that the audit firm continues to be independent;
- (v) review and pre-approve any engagements for non-audit services to be provided by the external auditor and its affiliates in light of the estimated fees and impact on the external auditor's independence, subject to any *de minimus* exception allowed by applicable law, provided that the Audit Committee may delegate to one or more designated members of the Audit Committee the authority to pre-approve non-audit services and provided further that any non-audit services that have been pre-approved by any such delegate of the Audit Committee must be presented to the Audit Committee at its first scheduled meeting following such pre-approval;
- (vi) review with management and with the external auditor:
 - (1) any proposed changes in major accounting policies;
 - (2) the presentation and impact of significant risks and uncertainties; and
 - (3) key estimates and judgments of management that may be material to financial reporting;
- (vii) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company in compliance with the requirements set out in section 2.4 of National Instrument 52-110;
- (viii) ensure that the external auditor reports directly to the Audit Committee;

- (ix) be directly responsible for overseeing the work of the external auditor engaged for the purposes of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting; and
 - (x) annually review and recommend for approval to the Board the terms of engagement and the remuneration of the external auditor.
- (f) Procedure for Complaints regarding Accounting, Internal Controls or Auditing Matters

The Audit Committee shall:

- (i) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters; and
- (ii) establish procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Reporting and Authority

- 15. The Audit Committee shall report to the Board at its next regular meeting all such action it has taken since the previous report.
- 16. The Audit Committee is empowered to investigate any activity of the Company and all employees are to co-operate as requested by the Audit Committee. The Audit Committee may retain persons having special expertise to assist it in fulfilling its responsibilities.
- 17. The Audit Committee is authorized to request the presence at any meeting, but without voting rights, of a representative from the external auditors, senior management, internal audit, legal counsel or anyone else who could contribute substantively to the subject of the meeting and assist in the discussion and consideration of the business of the Audit Committee, including directors, officers and employees of the Company.

Governance

- 18. The Audit Committee is responsible to review on a regular basis and at its discretion make recommendations to the Board regarding confirmation of or changes to be made to its Mandate and the position description of its Chairman.

Advisors

- 19. The Audit Committee has the power, at the expense of the Company, to retain, instruct, compensate and terminate independent advisors to assist the Audit Committee in the discharge of its duties.

Audit Committee Timetable

- 20. The timetable on the following page outlines the Audit Committee's schedule of activities during the year.

Audit Committee Timetable:

Meeting Timing	March	May	August	November
Agenda Item				
A. Financial Reporting Control Systems:				
(1) Review reports from senior officers outlining changes in financial risks.	X	X	X	X
(2) Review management letter of external auditors and Company's responses to suggestions made.	X			
(3) Review the Audit Committee Mandate.	X			
(4) Review any new appointments to senior positions with financial reporting responsibilities.	X	X	X	X
(5) Obtain assurance from both internal and external auditors regarding the overall control environment and the adequacy of account system controls.	X	X	X	X
B. Interim Financial Statements:				
(1) Review Interim financial statements with officers of the Company and approve prior to their release.		X	X	X
(2) Review narrative comment accompanying interim financial statements.		X	X	X
(3) Review interim earnings press release, if any.		X	X	X
C. Annual Financial Statements and Other Financial Information:				
(1) Review any changes in accounting policies or financial reporting requirements that may affect the current year's financial statements.	X	X	X	X
(2) Obtain summaries of significant transactions, and other potentially difficult matters whose treatment in the annual financial statements merits advance consideration.	X	X	X	X
(3) Obtain draft annual financial statements in advance of the Audit Committee meeting and assess, on a preliminary basis, the reasonableness of the financial statements in light of the analyses provided by officers of the Company.	X			
(4) Review a summary of the status of any material pending or threatened litigation, claims and assessments.	X	X	X	X
(5) Discuss the annual financial statements and the external auditors' report thereon in detail with officers of the Company and the external auditors.	X			
(6) Review the annual report and other annual financial reporting documents.	X			
(7) Provide to the Board a recommendation as to whether the annual financial statements should be approved.	X			
(8) Review annual earnings press release, if any.	X			
(9) Review insurance coverage.				X
D. External Audit Terms of Reference, Reports, Planning and Appointment				
(1) Review the audit plan with the external auditors.				X
(2) Discuss in private with the external auditors matters affecting the conduct of their audit and other corporate matters.	X			
(3) Recommend to the Board the retention or replacement of the external auditors. If there is a plan to change auditors, review all issues related to the change and the steps planned for an orderly transition.	X			X
(4) Review and recommend for approval to the Board the terms of engagement and the remuneration of the external auditor.	X	X	X	X