

ETRION CORPORATION

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

TO BE HELD ON JUNE 30, 2023

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 30, 2023, 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, 2022, 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 12, 2023, are entitled to receive notice of the Meeting.

DATED this 18 day of May, 2023.

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 12, 2023 (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

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 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.

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 18, 2023, (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 30, 2023, 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 29, 2023. 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 June 20, 2023 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 for any resurgence in the COVID-19 pandemic. 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>), and any applicable local instructions 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 or a resurgence 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, Chief Financial Officer and a director of the Company, the management designee, 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 Depository 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,

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 12, 2023, 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, and CHF means Swiss francs.

QUORUM

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

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No person who has been a director or executive officer of the Company at any time since the beginning of the last financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon 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 12, 2023, (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, 2022, 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⁾ Cologny, Switzerland | 18,819,082 5.6% | 2009 | Chief Executive Officer of the Company since September 2009 and Chief Financial Officer of the Company since November 2022. |
| Paul Rapisarda ⁽³⁾⁽⁴⁾ Miami, FL, USA | - | 2022 | Chief Financial Officer of Lionheart Capital, LLC, a diversified investment firm focused on growth investments, since 2019; former CFO of Etrion Corporation from 2015 to 2017. |
| 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) Mr. Ramisarda was appointed to the board of directors on December 1, 2022, to fill the vacancy created by the resignation of Ian H. Lundin from the board of directors effective November 30, 2022.

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 two current named executive officers (the “NEOs”) identified below, in 2022. The 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”), Chief Financial Officer (the “CFO”) and a director of the Company; and (ii) Christian Lacueva, the former CFO of the Company.

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, and from the Nasdaq Stockholm Stock Exchange on January 4, 2022, 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’s long-time CFO stepped down from his role as CFO of the Company on September 30, 2022.

Effective at the beginning of 2023, executive and non-executive Directors will receive a quarterly directorship fee of US\$3,000.

Base Salaries and Consultant Fees

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

Mr. Northland, the CEO and CFO of the Company, is party to an agreement with the Company’s wholly-owned Swiss subsidiary Etrion SA (“Etrion SA”), pursuant to which Mr. Northland has agreed, given the stated intention to ultimately wind up the Company, to be paid from July 1, 2022 the amount which he would be entitled to as severance payment on a *pro rata* monthly basis, until his departure from the Company or the winding of the Company. Mr. Northland received, as CEO/CFO of the Company, a salary of CHF 432,721 (approximately US\$453,159) based on an exchange rate of US\$1.0 = CHF 0.9549 for the 2022 fiscal year (reducing his remaining severance entitlement by US\$230,653). The former CFO was party to an employment agreement with Etrion SA until he stepped down from his role as CFO effective September 30, 2022. The former CFO was paid a salary of CHF 187,500 (approximately US\$ 196,356) in the position of CFO in 2022.

Annual Incentives and Restricted Share Units

The Company has historically paid annual cash bonuses to senior officers. 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 2022 fiscal year.

Restricted share unit awards (“RSUs” or “**Restricted Share Units**”) were previously awarded to employees of the Company as equity based compensation. 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 the Restricted Share Plan and has resolved to terminate the RSU plan except insofar as the 15,300,000 RSUs remain entitled to additional distributions as described above.

Refer to “*Securities Authorized for Issuance under Equity Compensation Plans - Restricted Share Plan*” for additional information.

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, 2022, and 2021.

| 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 Error! Bookmark not defined. (\$) |
| Marco A. Northland (CEO) | 2022 | 453,159 | - | - | - | 49,880 | 503,039 |
| | 2021 | 465,230 | - | - | - | 115,267 | 580,497 |
| Christian Lacueva ⁽⁵⁾ (Former CFO) | 2022 | 196,356 | 157,085 | - | - | 28,181 | 381,621 |
| | 2021 | 273,703 | - | - | - | 41,335 | 315,037 |
| Paul Rapisarda ⁽⁶⁾ Director | 2022 | - | - | - | - | - | - |
| Ian H. Lundin ⁽⁶⁾ Former Director | 2022 | - | - | - | - | - | - |
| | 2021 | - | - | 18,750 | - | - | 18,750 |
| Aksel Azrac Director | 2022 | - | - | - | - | - | - |
| | 2021 | - | - | 18,750 | - | - | 18,750 |

Notes:

- (1) Each of the NEOs received their salaries from Etrion SA.
- (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\$ 1.0472 in 2022 and CHF 1.00 = US\$ 1.0948 in 2021.
- (3) Cash bonus payments relating to the relevant year paid in the following year. The 2022 amount for Mr. Lacueva represents his contractual severance amounts.
- (4) Value of defined benefit pension plan contributions. See “*Defined Contribution Plans*”.
- (5) Mr. Lacueva stepped down from his position as Chief Financial Officer of the Company on September 30, 2022.
- (6) Mr. Rapisarda was appointed to the board of directors on December 1, 2022, to fill the vacancy created by the resignation of Ian H. Lundin from the board of directors effective November 30, 2022.

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, 2022, 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

No compensation securities were exercised by any of the Directors or NEOs during the financial year ended December 31, 2022.

Defined Contribution Plans

The table below presents the benefits accumulated by the NEOs under the defined contribution plans of Etrion SA during the year ended December 31, 2022. 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\$ 1.0472.

| 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) | 1,424,190 ⁽²⁾ | 49,880 | 89,621 | 1,563,691 |
| Christian Lacueva (Former CFO) | 1,240,623 | 28,181 | 56,007 | 1,324,811 |

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\$202,150 representing the accumulated value of his pension prior to his employment with Etrion SA in September 2009.
- (3) Mr. Lacueva stepped down from his position as CEO effective September 30, 2022. The accumulated value is the total accumulated value for each of the NEOs as at year end or the date employment ceased, as the case may be.

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.

Termination and Change of Control Benefits

Marco A. Northland

In order to conserve the Company's capital and provide an orderly transition to wind-up and dissolution, Mr. Northland, the Company's CEO and CFO, has agreed with Etrion SA that: A) effective June 30, 2022, Mr. Northland's employment with Etrion SA was terminated by Etrion entitling Mr. Northland to a termination amount thereunder, and B) for as long as Mr. Northland remains with the Company to act as CEO, and more recently, CFO, he will receive part of this termination amount *pro rata* on a monthly basis, in lieu of an additional salary or fee. To the date hereof, Mr. Northland has received approximately 11 months of his termination payment. Upon termination effective June 30, 2022, Mr. Northland was entitled to a termination payment of US\$1,036,760, and during the year ended December 31, 2022, Mr. Northland was paid monthly amounts equal to an aggregate of approximately US\$230,653. As a result, Mr. Northland's remaining termination payment entitlement as at January 1, 2023 was US\$806,107. Mr. Northland continues to be paid a monthly *pro rata* amount. At such time that Mr. Northland resigns as CEO and CFO of the Company, he will be entitled to a lump sum payment of the balance of the termination amount.

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. Mr. Lacueva stepped down from his role as CFO effective September 20, 2022.

Pursuant to the terms of the Lacueva Agreement, Mr. Lacueva received a lump sum severance payment in the amount of US\$157,085, being equal to 6 months' base salary then in effect, which was paid on top of any salary owing during the applicable notice period.

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, 2022, non-executive directors receive no remuneration. No additional fees were paid to non-executive directors in 2022 for serving on Board committees or for attending meetings and no RSUs or stock options were granted to non-executive directors.

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, however no such reimbursements were paid by the Company in 2022.

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, 2022, 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, 2022, 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 of the Payout Amount. The Initial Distribution represented the first payment of the Payout Amount payable to RSU holders following completion of a Sale of Assets. 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.
- (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 Amount following completion of the Asset Sale Transaction. No additional RSUs have been issued, the Company currently has no intention of issuing additional RSUs, the Board has resolved to terminate the RSU Plan except insofar as the 15,300,000 RSUs remain entitled to additional distributions as described herein.

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.

As at December 31, 2022 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 paid to RSU holders in 2021 following the completion of the Asset Sale Transaction.

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, 2022, 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). The Board has subsequently resolved to terminate the Restricted Share Plan and issue no additional RSUs, except to the extent that the plan remains in force in order to provide for the payment of any subsequent distribution to the 15,300,000 outstanding but vested and in-part redeemed RSUs.

As at December 31, 2022 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 Paul Rapisarda, and Aksel Azrac. Marco A. Northland, the CEO and CFO, 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 5 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) Paul Rapisarda (from 12/01/2022) Ian Lundin (until 11/30/2022) 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.

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. Prior to the Asset Sale Transaction, the Company had been 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 gave 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. However, given the current state of the Company’s operations, the Company has significantly reduced its core management team and number of directors on the Board.

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.

Until 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, 2022. 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 MARCO A. NORTHLAND

| Reporting issuer (or equivalent) |
|---|
| N/A |

LIST OF COMPANY DIRECTORSHIPS FOR AKSEL AZRAC

| Reporting issuer (or equivalent) |
|---|
| N/A |

LIST OF COMPANY DIRECTORSHIPS FOR PAUL RAPISARDA

| 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), Paul Rapisarda, 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 |
| Paul Rapisarda | Currently serving as Chief Financial Officer at Lionheart Capital, LLC. Previous experience includes acting as CFO for three publicly-listed Special Purpose Acquisition Corporations (“SPACs”) as well as ten years of C-suite experience, including CFO for Etrion Corporation. Prior to this, Mr. Rapisarda had more than 20 years of investment banking and direct investing experience. He has extensive experience in capital markets, mergers & acquisitions and financial reporting matters. He has a BA from Amherst College and an MBA from Harvard Business School. |
| Marco A. Northland | Chief Executive Officer of Etrion since September 2009 and Chief Financial Officer of Etrion since November 2022. 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 2022 and 2021, fees payable to PricewaterhouseCoopers SA and their affiliates were as follows:

| Type of Service Provided | 2022 US\$ | 2021 US\$ |
|-----------------------------------|---------------|----------------|
| Audit fees ⁽¹⁾ | 57,200 | 117,300 |
| Audit-related fees ⁽²⁾ | - | 57,120 |
| Tax fees ⁽³⁾ | - | 91,750 |
| All other fees ⁽⁴⁾ | 12,000 | 12,000 |
| Total | 69,200 | 278,170 |

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 | April | 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 |