



**NOTICE OF MEETING**

**and**

**MANAGEMENT INFORMATION CIRCULAR**

**in respect of the**

**ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

**to be held on Tuesday, March 11, 2025**

Dated as of February 11, 2025

*This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this Information Circular, you should immediately contact your advisor.*

*If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please date and sign the enclosed form of proxy and return it in the envelope provided. All proxies to be valid, must be received by Computershare Investor Services Inc., 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, by fax to 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at [www.investorvote.com](http://www.investorvote.com) at least 48 hours prior to the Meeting or any adjournment thereof. If you are not a registered Shareholder of the Company and receive these materials through your broker or through another intermediary, please complete and return the voting instruction form in accordance with the instructions provided to you by your broker or intermediary*



Suite 720, 999 West Broadway Street, Vancouver, BC, V5Z 1K5

Tel: 604 631-4483

Contact: Wilbur Lang; Email: [wlang@oceanicwind.ca](mailto:wlang@oceanicwind.ca)

## NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting (the "Meeting") of **OCEANIC WIND ENERGY INC.** (the "Company") will be held on Tuesday, March 11, 2025, at the Suite 2200, 1055 West Hastings Street, Vancouver, British Columbia, at the hour of 10:00 a.m. (Pacific Time) for the following purposes:

1. to receive the audited financial statements of the Company for the fiscal year ended September 30, 2024, and the accompanying report of the auditors;
2. to set the number of directors of the Company for the ensuing year at six (6) persons;
3. to elect Philip Hughes, Joseph S. Houssian, Michael J. O'Connor, Peter Pastewka, David Rehn, and Arthur Willms as directors of the Company to hold office until the next annual meeting of the Company, or until such time as their successors are duly elected or appointed in accordance with the Company's constating documents;
4. to appoint Davidson & Company LLP, Chartered Professional Accountants, as the auditors of the Company, and to authorize the directors of the Company to fix the remuneration to be paid to the auditors;
5. to approve an ordinary resolution to ratify, confirm and approve the Company's 2025 Stock Option Plan, as described in the Information Circular accompanying this Notice of Meeting; and.
6. to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The Company's board of directors has fixed February 3, 2025, as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder (the "Registered Shareholders") at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the Circular.

If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please date and sign the enclosed form of proxy and return it in the envelope provided. All proxies to be valid, must be received by Computershare Investor Services Inc., 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, by fax to 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at [www.investorvote.com](http://www.investorvote.com) at least 48 hours (excluding Saturdays, Sundays and holidays

recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered Shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (the "Intermediary"), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia this 11<sup>th</sup> day of February 2025.

**OCEANIC WIND ENERGY INC.**

Michael O'Connor  
President, Chief Executive Officer & Director



Suite 720, 999 West Broadway Street, Vancouver, BC, V5Z 1K5

Tel: 604 631-4483

Contact: Wilbur Lang: Email: [wlang@oceanicwind.ca](mailto:wlang@oceanicwind.ca)

## MANAGEMENT INFORMATION CIRCULAR

As at February 11, 2025

### INTRODUCTION

This management information circular (the "Circular") accompanies the Notice of Annual General and Special Meeting (the "Notice") and is furnished to shareholders (each, a "Shareholder") holding common shares (each, a "Share") in the capital of OCEANIC WIND ENERGY INC. (the "Company") in connection with the solicitation by the management of the Company of proxies to be voted at the Annual General and Special Meeting (the "Meeting") of the Shareholders to be held at 10:00 a.m. (Pacific time) on Tuesday, March 11, 2025, or at any adjournment or postponement thereof.

#### Date and Currency

The date of this Circular is February 11, 2025. Unless otherwise stated, all amounts herein are in Canadian dollars.

### PROXIES AND VOTING RIGHTS

#### Management Solicitation

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out-of-pocket expenses. No solicitation will be made by specially engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Circular. This Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

#### Appointment of Proxy

Shareholders of the Company may be "Registered Shareholders" or "Beneficial Shareholders". If Shares are registered in the Shareholder's name, they are said to be owned by a "Registered Shareholder". If Shares are registered in the name of an intermediary and not registered in the Shareholder's name, they are said to be owned by a "Beneficial Shareholder". An intermediary is usually a bank, trust company, securities dealer or broker, or a clearing agency in which an intermediary participates. Registered Shareholders are entitled to vote at the Meeting.

A Shareholder is entitled to one vote for each Share that such Shareholder holds on the record date of February 3, 2025 (the "Record Date") on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the "Designated Persons") in the enclosed form of proxy are directors and/or officers of the Company.

**A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING.**

**A SHAREHOLDER MAY EXERCISE THIS RIGHT BY STRIKING OUT THE PRINTED NAMES OF THE DESIGNATED PERSONS AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED ON THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.**

In order to be voted, the completed form of proxy must be received by the Company's registrar and transfer agent, Computershare Investor Services Inc., (i) by mail using the enclosed return envelope or (ii) by hand delivery to Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. Alternatively, you may vote by telephone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at [www.investorvote.com](http://www.investorvote.com) at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder's attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders, or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarial certified copy thereof, must accompany the form of proxy.

#### **Revocation of Proxies**

A Shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder's attorney-in-fact, authorized in writing, or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

#### **Voting of Shares and Proxies and Exercise of Discretion by Designated Persons**

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the Shareholder specifies a choice in the proxy with respect to a matter to be acted

upon, then the Shares represented will be voted or withheld from the vote on that matter accordingly. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

If no choice is specified in the proxy with respect to a matter to be acted upon, the proxy confers discretionary authority with respect to that matter upon the Designated Persons named in the form of proxy. It is intended that the Designated Persons will vote the Shares represented by the proxy in favor of each matter identified in the proxy AND for the nominees of the Company's board of directors (the "Board") for directors and auditor.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

#### **ADVICE TO BENEFICIAL SHAREHOLDERS**

**The information set out in this section is of significant importance to those Shareholders who do not hold Shares in their own name. Beneficial Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Shares can be recognized and acted upon at the Meeting.** If Shares are listed in an account statement provided by a broker, then in almost all cases those Shares will not be registered in the Beneficial Shareholder's name on the records of the Company. Such Shares will more likely be registered under the names of the Beneficial Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person well in advance of the Meeting.**

The Company does not have access to the names of Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the Registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of Shares to be voted at the Meeting. Beneficial Shareholders are requested to complete and return the voting instructions to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Shares held by them. 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 receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have its Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of their broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the Registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their 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 (or agent), well in advance of the Meeting.

Alternatively, a Beneficial Shareholder may request in writing that their broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend the Meeting and vote their Shares.

All references to Shareholders in this Circular are to Registered Shareholders, unless specifically stated otherwise.

### NOTICE AND ACCESS

The Company is **not** sending the Meeting materials to Shareholders using "notice-and-access", as defined under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 *Continuous Disclosure Obligations*.

Copies of the documents incorporated herein by reference may be obtained by a Shareholder upon request without charge from the Company at Suite 720, 999 West Broadway Street, Vancouver, BC, V5Z 1K5. These documents are also available through the internet on SEDAR, which can be accessed at [www.sedarplus.ca](http://www.sedarplus.ca).

### VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company has an authorized capital comprised of Unlimited Common Shares (the "Common Shares") without par value issuable in series. As of the Record Date, February 3, 2025, a total of 87,327,896 Common Shares were issued and outstanding. Each Common Share carries the right to one vote at the Meeting.

Only Registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

Under the Articles of the Company, subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of Shareholders is two persons entitled to vote.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to the outstanding Shares of the Company other than:

Name of Director	Number of Common Shares Beneficially Owned	Percentage of Issued Share Capital
Joseph Houssian	17,868,193	20.5%

### STATEMENT OF EXECUTIVE COMPENSATION

The following information is presented in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation*, and sets forth compensation for each of Philip G. Hughes, Chairman of the Board and director and Michael O'Connor, President, Chief Executive Officer and director (the "CEO"), Wilbur Lang, Chief Financial Officer, Corporate Secretary and VP Finance (the "CFO"), (Messrs. Hughes, O'Connor and Lang are collectively together referred to as the "NEO's"), Joseph S. Houssian, David Rehn, and Arthur Willms, directors as at September 30, 2024.

## General

For the purposes of this Statement of Executive Compensation:

“CEO” means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“CFO” means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“Named Executive Officer” or “NEO” means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers of the Company or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than \$150,000 as determined in accordance with applicable securities laws; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity at the end of the most recently completed financial year.

Based on the foregoing definition, during the last completed fiscal year of the Company ended September 30, 2024, the Company had three NEOs, namely, Philip G. Hughes, Chairman of the Board, Michael O’Connor, the President and CEO, and Wilbur Lang, the CFO, Corporate Secretary and VP Finance.

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

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company during the financial year ended September 30, 2024:

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Philip G. Hughes Chairman of the Board and Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil <sup>1</sup>	Nil	Nil	Nil
Michael O’Connor President, CEO and Director	2024	96,000	Nil	Nil	Nil	3,845 <sup>(1)</sup>	99,845
	2023	96,000	Nil	Nil	Nil	4,320 <sup>(1)</sup>	100,320
Wilbur Lang CFO, Corporate Secretary & VP Finance	2024	39,600	Nil	Nil	Nil	3,079 <sup>(1)</sup>	42,679
	2023	39,600	Nil	Nil	Nil	2,771 <sup>(1)</sup>	42,371
Joseph S. Houssian Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Peter Pastewka Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
David Rehn Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Arthur Willms Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil

NOTES:

- (1) Payroll taxes and extended health benefits



## Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued, to each NEO and director by the Company for services provided or to be provided, directly or indirectly, to the Company, which remain outstanding as at September 30, 2024.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (Sept. 30, 2024) (\$)	Expiry date
Philip G. Hughes Chairman of the Board and Director	Stock Option	250,000	Oct. 1, 2020	0.145	0.13	0.055	Sep 30, 2030
		250,000	Oct. 25, 2021	0.14	0.14		Oct 24, 2031
		250,000	Oct 27, 2022	0.05	0.055		Oct 26, 2032
Michael O'Connor President, CEO and Director	Stock Option	200,000	Dec. 5, 2017	0.095	0.095	0.055	Nov 1, 2027
		300,000	Oct. 1, 2020	0.145	0.13		Sep 30, 2030
		250,000	Oct. 25, 2021	0.14	0.14		Oct. 24, 2031
		250,000	Oct 27, 2022	0.05	0.055		Oct 26, 2032
Wilbur Lang CFO, Corporate Secretary & VP Finance	Stock Option	200,000	Dec. 5, 2017	0.095	0.095	0.055	Nov 1, 2027
		200,000	Jan 24, 2019	0.10	0.07		Jan. 24, 2029
		100,000	Oct. 1, 2020	0.145	0.13		Sep 30, 2030
		250,000	Oct. 25, 2021	0.14	0.14		Oct. 24, 2031
		250,000	Oct 27, 2022	0.05	0.055		Oct 26, 2032
Joseph S. Houssian Director	Stock Option	39,474	Dec. 5, 2017	0.095	0.095	0.055	Nov 1, 2027
		200,000	Jan. 24, 2019	0.10	0.07		Jan. 24, 2029
		250,000	Oct. 1, 2020	0.145	0.13		Sep 30, 2030
		250,000	Oct. 25, 2021	0.14	0.14		Oct. 24, 2031
		250,000	Oct 27, 2022	0.05	0.055		Oct 26, 2032
Peter Pastewka Director	Stock Option	250,000	Oct 27, 2022	0.05	0.055	0.055	Oct 26, 2032
David Rehn Director	Stock Option	250,000	Oct. 1, 2020	0.145	0.13	0.055	Sep 30, 2030
		250,000	Oct. 25, 2021	0.14	0.14		Oct. 24, 2031
		250,000	Oct 27, 2022	0.05	0.055		Oct 26, 2032
Arthur Willms Director	Stock Option	250,000	Dec. 5, 2017	0.095	0.095	0.055	Nov 1, 2027
		250,000	Oct. 1, 2020	0.145	0.13		Sep 30, 2030
		250,000	Oct. 25, 2021	0.14	0.14		Oct. 24, 2031
		250,000	Oct 27, 2022	0.05	0.055		Oct 26, 2032

## Exercise of Stock Options

During the financial year ended September 30, 2024, no NEO's or directors of the Company exercised compensation securities.

## Stock Option Plans and Other Incentive Plans

The Company adopted a stock option plan (the "Option Plan") pursuant to which the Board may grant options (the "Options") to purchase common shares of the Company (the "Shares") to NEOs, directors and employees of the Company or affiliated corporations and to consultants retained by the Company.

The purpose of the Option Plan is to attract, retain, and motivate NEOs, directors, employees and other service providers by providing them with the opportunity, through options, to acquire an interest in the Company and benefit from the Company's growth. Under the Option Plan, the maximum number of Shares reserved for issuance, including Options currently outstanding, is equal to 10% of the Shares outstanding from time to time (the "10% Maximum"). The 10% Maximum is an "evergreen" provision, meaning that, following the exercise, termination, cancellation or expiration of any Options, a number of Shares equivalent to the number of options so exercised, terminated, cancelled or expired would automatically become reserved and available for issuance in respect of future Option grants.

The number of Shares which may be the subject of Options on a yearly basis to any one person cannot exceed 5% of the number of issued and outstanding Shares at the time of the grant. Options may be granted to any employee, officer, director, consultant, affiliate or subsidiary of the Company exercisable at a price which is not less than the market price of common shares of the Company on the date of the grant. The directors of the Company may, by resolution, determine the time period during which any option may be exercised (the “Exercise Period”), provided that the Exercise Period does not contravene any rule or regulation of such exchange on which the Shares may be listed. All Options will terminate on the earliest to occur of (a) the expiry of their term; (b) the date of termination of an optionee’s employment, office or position as director, if terminated for just cause; (c) 90 days (or such other period of time as permitted by any rule or regulation of such exchange on which the Shares may be listed) following the date of termination of an optionee’s position as a director or NEO, if terminated for any reason other than the optionee’s disability or death; (d) 30 days following the date of termination of an optionee’s position as a consultant engaged in investor relations activities, if terminated for any reason other than the optionee’s disability, death, or just cause; and (e) the date of any sale, transfer or assignment of the Option.

Options are non-assignable and are subject to early termination in the event of the death of a participant or in the event a participant ceases to be a NEO, director, employee, consultant, affiliate, or subsidiary of the Company, as the case may be. Subject to the foregoing restrictions, and certain other restrictions set out in the Option Plan, the Board is authorized to provide for the granting of Options and the exercise and method of exercise of options granted under the Option Plan.

The TSX Venture Exchange requires listed companies that have “rolling” stock option plans in place to receive shareholder approval for such plans on a yearly basis at the Company’s annual Shareholders meeting. The last shareholders meeting was held on March 26, 2024, and approval was granted to a new Option Plan.

### **Employment, Consulting and Management Agreements**

Management functions of the Company are not, to any substantial degree, performed other than by directors or NEOs of the Company.

During the fiscal year ended September 30, 2024, the Company did not have a contract, agreement, plan or arrangement that provides for payments to a NEO following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in responsibilities of the NEO following a change in control, other than:

Michael O’Connor - Pursuant to a management agreement dated June 15, 2010, as amended January 1, 2016, and September 1, 2020 (the “Management Agreement”) the Company agreed to pay Mr. Michael O’Connor a fee of \$8,000 per month, less required payroll deductions and withholdings, such amount being based on working 800 hours per annum. The agreement provides that Mr. O’Connor shall receive a “Success Bonus” (as defined below) of either (a) \$2,000,000 in the event a success event occurs and the sale or disposition of all or substantially all of the assets exceed \$30,000,000; or (b) \$1,000,000 in the event a success event occurs and the sale or disposition of all or substantially all of the assets are less than \$30,000,000.

The agreement also provides that if the Company is voluntarily, involuntarily wound-up or dissolved prior to the occurrence of a success event, then the Company will, to the extent it has the cash resources following payments to secured creditors (if any) pay Mr. O’Connor \$1,000,000 prior to payment of any other unsecured creditors and prior to any distribution of the assets of the Company to its shareholders, provided that Mr. O’Connor acknowledges and agrees that under no circumstances will any shareholder, director or officer of the Company, or any other person, have any obligation to make any investment in or contribution to the Company to fund any payment to Mr. O’Connor.

The agreement also provides that Mr. O’Connor is entitled to 3 weeks paid vacation and health and dental insurance.

The agreement also provides that the Company may terminate the contract (i) at any time for cause, without notice or pay in lieu of notice and (ii) on 3 months written notice. Mr. O'Connor can terminate the contract: (i) at any time for good reason; or (ii) on 3 months written notice to the Company without good reason; or (iii) at any time within 6 months of a Change of Control (as defined below). Upon termination, Mr. O'Connor shall be paid his accrued and unpaid salary up to the date of termination and accrued and unused vacation time as of such termination.

The agreement with Mr. O'Connor is in good standing.

With respect to the above, "Change of Control" means any event, including an amalgamation, merger or consolidation that causes:

- (i) a third party to own or control, directly or indirectly, 50% or more of the voting Shares of the Company;
- (ii) a third party to own or control, directly or indirectly, sufficient voting Shares in the Company to elect a majority of the directors of the Company;
- (iii) an assignment, sale, or transfer by the Company of all or substantially all of the Company's business to a third party or to an affiliate or a wholly owned subsidiary; or
- (iv) an assignment, sale, or transfer by the Company of all or substantially all of the Company's assets to a third party or to an affiliate or a wholly owned subsidiary.

#### *Other Contracts/Agreements*

Wilbur Lang has a verbal agreement with the Company pursuant to the terms of which Mr. Lang has agreed to act as Chief Financial Officer, Corporate Secretary and VP Finance for the Company in consideration of the annual compensation of \$36,000 per year plus 10% vacation pay based on work hours of up to 30 hours per month and then paid \$100 per hour thereafter (2024 \$39,600) (2023 \$39,600).

#### **Estimated Incremental Payments on Change of Control**

Under the terms of the agreement with Mr. O'Connor, the estimated incremental payments, payables and other benefits that would be triggered by or could result in the event of Mr. O'Connor's termination by the Company without cause, resignation for good cause or termination without cause by the Company following a change of control of the Company (calculated as at September 30, 2024) total approximately \$1,000,000.

#### **Oversight and Description of Director and NEO Compensation**

##### *Compensation of Directors*

The Company's compensation program is intended to attract, motivate, reward and retain the management talent needed to achieve the Company's business objectives of improving overall corporate performance and creating long-term value for the Company's shareholders. The compensation program is intended to reward executive officers on the basis of individual performance and achievement of corporate objectives, including the advancement of the exploration and development goals of the Company. The Company's current compensation program is comprised of base salary or fees, short term incentives such as discretionary bonuses and long-term incentives such as stock options. Effective January 1, 2022, all compensation to directors, other than stock options, was terminated.

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussions relating to compensation and disclose their interest in and abstain from voting on compensation decisions relating to them, as applicable, in accordance with the applicable corporate legislation.

### Pension Disclosure

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recent financial year September 30, 2023.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	5,739,474	\$0.13	2,993,316
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	5,739,474	N/A	2,993,316

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of this Circular, there was no indebtedness outstanding of any current or former Director, executive officer or employee of the Company which is owing to the Company or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company; or
- (ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company,

in relation to a securities purchase program or other program.

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

Except as set out herein, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed below, as of the date of this Information Circular, no informed person of the Company, proposed director of the Company, or any associate or affiliate of any informed person or proposed director, had a material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed

financial year or in any proposed transaction which has materially affected or would materially affect the Company. An informed person is one who, generally speaking, is a director or executive officer or a 10% shareholder of the Company.

During the year ended September 30, 2024, the Company had the following transactions with informed persons:

- Key management compensation to Michael O'Connor the Chief Executive Officer and Wilbur Lang the Chief Financial Officer, and the Board of Directors for the years ended September 30, 2024, and 2023 are as follows:

	2024	2023
Wages and benefits	\$142,524	\$142,691
Share-based compensation	Nil	\$70,000

- During the year ended September 30, 2023, the Company issued 1,750,000 stock options, with a fair value of \$70,000, were issued to officers and directors and \$70,000 was recorded in compensation expense for the year ended September 30, 2023 (2024 - Nil).
- As at September 30, 2024, Nil (2023 - \$1,000,000) was payable to Michael O'Connor, the Company's CEO, and included in current liabilities. Given the contingent nature of this payable it was decided to reverse it from the balance sheet but continue to reference in the notes to the financial statements. See the details of Mr. O'Connor's contract as detailed on page 7 of this circular. To preserve cash the Company entered into agreements with several consultants to defer all or a portion of their retainer, fees, or compensation, the payment of which is triggered by a future success event. The "Success Event" is defined as the point in time at which an agreement has been announced to undertake the first phase of the project, to develop the project(s) on some deferred timeframe, or to sell all or part of the Company assets. The agreement to proceed, to develop, or to sell assets may be undertaken by an arms-length third party acceptable to the board of the Company that may or may not be partially owned by the Company. In order for the deferred retainers and fees to become payable, the Success Event must provide the Company's shareholders with a significant increase in share value and further, this event must provide the Company with sufficient liquidity to pay the outstanding amounts due. The accumulated amounts have not been accrued due to the uncertainty of the occurrence of a future Success Event. As at September 30, 2024, the remaining unpaid, unaccrued balance of these deferred retainer and fee amounts for consultants is \$672,375 (2023 - \$672,375).

## MANAGEMENT CONTRACTS

No management functions of the Company are performed to any substantial degree by a person other than the Directors or executive officers of the Company.

## AUDIT COMMITTEE

The audit committee has various responsibilities as set forth in NI 52-110.

### The Audit Committee's Charter

The Company's Audit Committee (the "Committee") is governed by an audit committee charter, the text of which is attached as Schedule "A" to this Circular.

### Composition of the Audit Committee

The following are the current members of the Committee:

Philip Hughes	Not Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Joseph S. Houssian	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Peter Pastewka	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
David Rehn	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Arthur Willms	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>

NOTES:  
(1) As defined by NI 52-110

### **Audit Committee Member Education and Experience**

*David Rehn* - Mr. Rehn was Executive Vice President, Generation, Information Technology and Supply Chain with ENMAX Corporation (“ENMAX”), an electric services company, from 2007 to 2017, where he was responsible for the negotiation, construction, and operation of ENMAX’s power generation facilities, management of wholesale energy and retail electric sales and the Information Technology infrastructure. Prior to joining ENMAX, Mr. Rehn held key positions with Constellation Energy Group Inc. and Roving Dynamics A/S. He also served with Duke Energy Corporation for 25 years in a variety of positions, including President and Chief Executive Officer of Duke Energy Power Services North America.

*Philip Hughes* - Mr. Hughes has served as President and Chief Executive Officer of five energy companies across Canada. Mr. Hughes was a senior executive with the Fortis Inc. group of companies and led the operations as President and CEO of several Fortis Inc. subsidiaries including Fortis Alberta Inc., Newfoundland Power Inc., Maritime Electric Company and FortisBC. Mr. Hughes is also a past Officer of the World Energy Council, former Chair of the Canadian Electrical Association, and former Chair of the Energy Council of Canada. Mr. Hughes was awarded the Alberta Centennial Medal. He is a Chartered Accountant (Alberta, England and Wales) with over 30 years of diverse experience in the Canadian energy business. He graduated from the University of Lancaster, England in 1977 with a Bachelor of Arts Honors, Economics degree.

*Joseph S. Houssian* - Mr. Houssian has extensive experience in business development, growth, and operations. Mr. Houssian founded Intrawest Corporation (“Intrawest”) and acted as the President and CEO from 1976 until 2006. Intrawest, a global developer and operator of luxury mountain, golf, and beach resorts. Intrawest's operations and ancillary businesses include Abercrombie & Kent, which operates in 100 countries. When sold in 2006, Intrawest employed 25,000 people with annual revenues over \$1.5 billion. Currently, Mr. Houssian is Chairman and founder of Intracorp Development, an urban real estate development company and Elemental Energy Inc., a renewable energy development and operating company. He has also served on the boards of Versacold Corporation and Lions Gate Entertainment Corp.

*Peter Pastewka, Q.C.* - Mr. Pastewka participated in private legal practice for 25 years primarily as a partner with the firm of “Gowlings” based in Calgary. He then became General Counsel for Janes Family Foods Limited (Mississauga) for approximately six years. He participated in a number of political organizations and not-for-profits boards and organizations within Calgary. He currently participates in a variety of multifamily and flex space investments in Canada and the US. He has most recently involved in numerous start-up investments in areas such as artificial intelligence, virtual reality, augmented reality, blockchain and cryptocurrencies, alternative banking, Web3/Spatial Web and related technologies. He obtained his BA ’76 from University of Alberta and his LL.B ’79 from University of Calgary. He is currently resident in Denver CO

*Arthur Willms* - Mr. Willms spent 30 years in the energy business in Canada culminating as President and Chief Operating Officer of Westcoast Energy Inc. for ten years prior to his retirement. He has served as Chairman of the Canadian Gas Association, Pacific Gas Association and on numerous energy, mining and pharmaceutical boards. He graduated from the University of Calgary with degrees in Education, Mathematics and a Masters Degree in Economics.

### **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 Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis* Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

### Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

### External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees \$	Audit Related Fees \$	Tax Fees \$	All Other Fees \$
September 30, 2024	\$33,403	Nil	Nil	Nil
September 30, 2023	\$20,244	Nil	Nil	Nil

### Exemption in Section 6.1 of NI 52-110

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President and Chief Executive Officer. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### 1. PRESENTATION AND RECEIPT OF FINANCIAL STATEMENTS

The audited financial statements of the Company for the period ended September 30, 2024, together with the auditor's report thereon will be presented to Shareholders at the Meeting. The financial statements, auditor's report and management discussion and analysis for the financial year ended September 30, 2024 are available under the Company's profile on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).

### 2. NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at six (6). The number of directors will be approved if the affirmative vote of the majority of shares present or represented by proxy at the Meeting and entitled to vote are voted in favor of setting the number of directors at six (6).

**Management recommends the approval of the resolution to set the number of directors of the Company at six (6).**

### 3. ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal. The Company's current Board consists of Philip

G. Hughes, Michael O'Connor, David Rehn, Joseph S. Houssian, Arthur Willms and Peter Pastewka. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the Board.

Management of the Company proposes to nominate the persons named in the table below for election by the Shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

<b>Name, Province, Country of Residence and Position(s) with the Company</b>	<b>Principal Occupation, Business or Employment for last 5 Years</b>	<b>Periods during which Nominee has served as a Director</b>	<b>Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly<sup>(1)</sup></b>
<b>PHILIP G. HUGHES<sup>(1)</sup></b> <i>Chair of the Board and Director</i> Alberta, Canada	Businessman; Chair of Kineticor Resource Inc., a power generation company, since 2014; director of Helium Evolution Inc, a publicly listed company since 2024.	Since 2008	5,116,574
<b>MICHAEL O'CONNOR</b> <i>President, CEO and Director</i> British Columbia, Canada	Businessman	Since 2010	3,200,744
<b>DAVID REHN<sup>(1)</sup></b> <i>Director</i> Alberta, Canada	Retired businessman	Since 2008	1,008,780
<b>JOSEPH S. HOUSSIAN<sup>(1)</sup></b> <i>Director</i> British Columbia, Canada	Founder and Chair of Intracorp Development, a real estate development company, from 1994 to present	Since 2007	17,868,193
<b>ARTHUR WILLMS<sup>(1)</sup></b> <i>Director</i> British Columbia, Canada	Retired businessman	Since 2015	1,991,763
<b>PETER PASTEWKA<sup>(1)</sup></b> <i>Director</i> Colorado, USA	Retired barrister and solicitor, QC formerly practicing with Gowlings; former General Counsel to Janes Family Foods	Since 2022	8,439,976 <sup>(2)</sup>

**NOTES:**

Information as to principal occupation, business or employment and shares beneficially owned or controlled is not within the knowledge of management of the Company and has been furnished by the respective nominees

(1) Member of the Audit Committee

(2) of which 2,736,700 are held indirectly

The term of office of those nominees set out above, who are presently directors, will expire as of the date of the Meeting. All of the directors who are elected at the Meeting will have their term of office expire at the next annual general meeting or at such time when their successors are duly elected or appointed in accordance with the Company's Articles of Incorporation, or with the provisions of applicable corporate legislation or until such director's earlier death, resignation or removal.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the common shares represented by proxy for the election of any other persons as directors.

**Management recommends the approval of each of the nominees listed above for election as directors of the Company for the ensuing year.**

**Orders**

Other than as disclosed herein, to the knowledge of the Company, no proposed Director:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a Director, chief executive officer ("CEO") or chief financial officer ("CFO") of any company (including the Company) that:



- (i) was the subject, while the proposed Director was acting in the capacity as Director, CEO or CFO of such company, of a cease trade or similar 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; or
- (ii) was subject to a cease trade or similar 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, CEO or CFO but which resulted from an event that occurred while the proposed Director was acting in the capacity as Director, CEO or CFO of such company; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, 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; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director; or
- (d) has been subject to 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
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed Director.

*Philip G. Hughes* Mr. Hughes was a director of CellCube Energy Storage Systems Inc. (“CellCube”), a company listed on the Canadian Securities Exchange that was subject to a cease trade order (“CTO”) issued on November 2, 2018 by the British Columbia Securities Commission (“BCSC”) and the Ontario Securities Commission (“OSC”) for failure to file its audited annual financial statements, management's discussion and analysis (“MD&A”) and related officer certifications for the year ended June 30, 2018 (the “Filing Documents”), which were required to be filed on October 29, 2018. The Filing Documents were filed on December 7, 2018. Given the delay in filing the Filing Documents, CellCube was unable to file its unaudited interim financial statements, MD&A and officer certifications for the three months ended September 30, 2018, until December 10, 2018, when they were required to be filed on November 29, 2018. On December 11, 2018, the BCSC and the OSC issued a revocation order to revoke the CTO. Mr. Hughes resigned as a director of CellCube in February 2019.

#### **4. APPOINTMENT OF AUDITOR**

Davidson & Company LLP, Chartered Professional Accountants, are the auditors of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of Davidson & Company LLP, Chartered Professional Accountants, of Vancouver, BC as the auditors of the Company to hold office for the ensuing year. Davidson & Company LLP, Chartered Professional Accountants, was first appointed as the auditor of the Company effective February 17, 2023.

**The Board unanimously recommends that the Shareholders vote for the appointment of Davidson & Company LLP, Chartered Professional Accountants, as auditors of the Company, to hold office until the next Annual General Meeting of Shareholders, and to authorize the directors to fix their remuneration.**

## 5. 2025 STOCK OPTION PLAN

In accordance with Policy 4.4 Security Based Compensation of the TSXV (“Policy 4.4”), “Rolling Up to 10% Plans” must receive shareholder approval yearly. The Company is therefore seeking shareholder approval of the Company’s Stock Option Plan, which reserves a maximum of 10% of the issued shares of the Company at the time of any stock option grant. The purpose of the Stock Option Plan is to provide incentive to employees, directors, officers and consultants who provide services to the Company and to reduce the cash compensation the Company would otherwise have to pay.

The Stock Option Plan complies with the current policies of the TSXV under Policy 4.4. Under the Stock Option Plan, a maximum of 10% of the issued and outstanding shares of the Company are proposed to be reserved at any time for issuance on the exercise of stock options. As the number of shares reserved for issuance under the Stock Option Plan increases with the issue of additional shares of the Company, the Stock Option Plan is considered to be a “rolling up to 10%” stock option plan.

Management is seeking shareholder approval for the Stock Option Plan in accordance with and subject to the rules and policies of the TSXV.

### *Terms of the Stock Option Plan*

The Stock Option Plan provides that the Company’s Board of Directors may from time to time, in its discretion, and in accordance with the TSXV’s requirements, grant to directors, officers, employees, management company employees and consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance does not exceed 10% of the common shares of the Company at the time of the stock option grant. Further, unless authorized by disinterested shareholder approval, the Stock Option Plan may not result in the issuance to “Insiders” (as defined in TSXV Policy 1.1 Interpretation), at any time, of a number of common shares exceeding 10% of the Company’s issued and outstanding common shares, calculated on the date the option is granted, or the issuance to holders, within a one year period, of a number of common shares exceeding 10% of the common shares issued and outstanding, calculated on the date the option is granted. Individual stock option grants must comply with the terms of the Stock Option Plan and the policies of the TSXV as they relate to the minimum exercise price, hold periods and filing requirements.

The Stock Option Plan provides that:

- (a) options will be non-assignable and non-transferable except that they will be exercisable by the personal representative of the option holder in the event of the option holder’s death, if exercised within one year of the optionee’s death;
- (b) options may be exercisable for a maximum of 10 years from the date of grant;
- (c) options under the Stock Option Plan (plus any other security-based compensation of the Company) to acquire no more than 5% of the issued shares of the Company may be granted to any one individual in any 12 month period;
- (d) options under the Stock Option Plan (plus any other security-based compensation of the Company) to acquire no more than 2% of the issued shares of the Company may be granted to any one consultant in any 12 month period;
- (e) options under the Stock Option Plan (plus any other security-based compensation of the Company) to acquire no more than 2% of the issued shares of the Company may be granted to all persons (in aggregate) conducting “Investor Relations Activities” (as defined in TSXV Policy 1.1), in any 12 month period;
- (f) disinterested shareholder approval must be obtained for any reduction in the exercise price, or extension of the term, if the optionee is an Insider of the Company;

- (g) for stock options granted to employees, consultants or Management Company Employees (as defined in Policy 4.4), the Company and the optionee represent that the optionee is a bona fide employee, consultant or Management Company Employee, as the case may be;
- (h) for stock options granted to any optionee who is a director, employee, consultant or Management Company Employee, the option must expire within a reasonable period following the date optionee ceases to be in that role (as set out in more detail below);
- (i) the exercise price of an option granted under the Stock Option Plan shall not be less than the “Discounted Market Price” (as defined in TSXV Policy 1.1) at the time of granting the option. Options may not be granted which are exercisable at an exercise price that is less than a price permitted by the TSXV. An exercise price cannot be established until options are allocated to a particular optionee;
- (j) options granted to persons engaged in Investor Relations Activities will vest in stages over a minimum period of 12 months with no more than one-quarter of the options vesting in any three-month period, or as otherwise prescribed by Policy 4.4. These vesting parameters may not be accelerated without prior TSXV approval; and
- (k) upon the exercise of an option, an optionee shall pay to the Company the exercise price of the option, in cash or by certified cheque, unless the optionee is utilizing the cashless exercise feature, described below.

If an optionee is a director of the Company and ceases to be director for any reason other than death, such optionee shall have the right to exercise any options not exercised prior to such termination within a reasonable period of time after the date of termination, as set out in the optionee’s option certificate, such reasonable period not to exceed one year after termination. However, if the optionee ceases to be a director as a result of: (i) ceasing to meet the qualifications set forth in the *Business Corporation’s Act* (British Columbia); (ii) his or her removal as a director pursuant to the *Business Corporation’s Act* (British Columbia); or (iii) an order made by any regulatory authority having jurisdiction to so order; the expiry date shall be the date the optionee ceases to be a director of the Company.

If an optionee is an officer, employee, Management Company Employee or consultant and ceases to be an officer, employee, Management Company Employee or consultant for any reason other than death, such optionee shall have the right to exercise any options not exercised prior to such termination within a reasonable period of time after the date of termination, as set out in the optionee’s option certificate, such reasonable period not to exceed one year after termination. However, if the optionee ceases to be: (i) an officer or employee as a result of termination for cause; (ii) a Management Company Employee of a as a result of termination for cause; or (iii) an officer, employee, Management Company Employee or consultant as a result of an order made by any regulatory authority having jurisdiction to so order; the expiry date shall be the date the optionee ceases to be an officer, employee, Management Company Employee or consultant of the Company, as the case may be.

If a director, officer, consultant, employee, or Management Company Employee dies prior to the expiry of their options, their legal representatives may, within the lesser of one year from the date of the optionee’s death or the expiry date of the particular options, exercise options granted to the optionee under the Stock Option Plan which remain outstanding.

The directors believe that the Stock Option Plan is in the Company’s best interests and recommend that the shareholders approve the Stock Option Plan. Accordingly, the shareholders will be asked to consider and, if thought fit, pass the following ordinary resolution:

As of the date of this Information Circular, the Company has 5,739,474 Options issued and outstanding, as follows:

Holder of Options	Number of Options Held	Exercise Price	Issue Date	Term
Directors (who are not also executive officers) of the Company, as a group <sup>(1)</sup>	289,474	0.095	Dec 5, 2017	10 years
	200,000	0.10	Jan 24, 2019	10 years
	750,000	0.145	Oct 1, 2020	10 years
	750,000	0.14	Oct 25, 2021	10 years
	1,000,000	0.055	Oct 27, 2022	10 years
Executive officers of the Company, as a group <sup>(2)</sup>	400,000	0.095	Dec 5, 2017	10 years
	200,000	0.10	Jan 24, 2019	10 years
	650,000	0.145	Oct 1, 2020	10 years
	750,000	0.14	Oct 25, 2021	10 years
	750,000	0.055	Oct 27, 2022	10 years

**Notes:**

(1) This information applies to 4 directors of the Company.

(2) This information applies to 3 executive officers of the Company

The Stock Option Plan is attached hereto as Schedule “B”.

Pursuant the policies of the TSX Venture Exchange, the adoption by the Company of the Plan requires approval of the Company’s shareholders by ordinary resolution, via disinterested approval. Accordingly, at the Meeting, the shareholders of the Company will be asked to pass the following resolution (the “Stock Option Plan Resolution”):

“BE IT RESOLVED, via disinterested shareholder approval, THAT:

1. the 2025 Stock Option Plan (the “Plan”), including the reserving for issuance under the Plan at any time of a maximum of 10% of the issued common shares of the Company be and is hereby ratified, approved and confirmed;
2. the Company is authorized to grant stock options under the Plan, in accordance with its terms;
3. the Company is authorized to prepare such disclosure documents and make such submissions and filings as the Company may be required to make with the TSXV to obtain TSXV acceptance of the Plan; and
4. authority is granted to the Board of Directors of the Company to make such amendments to the Plan as are required by the TSXV to obtain TSXV.

The Board unanimously recommends that each Shareholder vote FOR the Stock Option Plan Resolution.

**Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the Instrument of Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy.**

It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Stock Option Plan Resolution

Management of the Company recommends that Shareholders vote in favour of the Stock Option Plan Resolution.

### ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca). Shareholders may contact the Company at Suite 720, 999 West Broadway Street, Vancouver, BC, V5Z 1K5 to request copies of the Company’s financial statements and MD&A.

Financial information is provided in the Company’s comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

**OTHER MATTERS**

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Shares represented thereby in accordance with their best judgment on such matter.

**APPROVAL OF THE BOARD OF DIRECTORS**

The contents of this Circular have been approved, and the delivery of it to each Shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized, by the Board.

DATED this 11<sup>th</sup> day of February, 2025.

**BY ORDER OF THE BOARD OF DIRECTORS**

Michael O'Connor  
President, Chief Executive Officer & Director

**SCHEDULE "A"**  
**AUDIT COMMITTEE CHARTER**

*I. Mandate*

The primary function of the audit committee (the "Committee") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and Shareholders, the Company's systems of internal controls regarding finance and accounting, and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

*II. Composition*

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual Shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

*III. Meetings*

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

*IV. Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

*Documents/Reports Review*

1. Review and update this Charter annually.
2. Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

**External Auditors**

3. Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the Shareholders of the Company.

4. Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
5. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
6. Take, or recommend that the full Board of Directors take appropriate action to oversee the independence of the external auditors.
7. Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for Shareholder approval.
8. At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
9. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
10. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
11. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenue paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
  - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

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

#### **Financial Reporting Processes**

12. In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
13. Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
14. Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
15. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
16. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
17. Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.

18. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
19. Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
20. Review certification process.
21. Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Risk Management

22. To review, at least annually, and more frequently if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
23. To inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk.
24. To request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
25. To assess the effectiveness of the overall process for identifying principal business risks and report thereon to the Board.

Other

26. Review any related-party transactions.

*V. Annual Work Plan*

	Spring	Fall
Review audit plan and year-end statements template	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review accounting systems and procedures	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review auditors' letter of recommendation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review financial and accounting human resources	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review Committee's charter and membership	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review and recommend year-end financial statements	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review MD&A	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review external auditors' work, independence and fees	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Recommend auditors for the ensuing year	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review Risk Management Performance	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review and reassess the adequacy of the Code of Ethics for Financial Reporting Officers	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review any proposed prospectus filings or similar filings	<input type="checkbox"/>	<input checked="" type="checkbox"/>



**SCHEDULE "B"**



Suite 720, 999 West Broadway Street, Vancouver, BC, V5Z 1K5  
Tel: 604 631-4483

## 10% ROLLING STOCK OPTION PLAN

### 1. PURPOSE OF THE PLAN

The Company hereby establishes a stock option plan for directors, officers, Employees, Management Company Employees, Consultants and Eligible Charitable Organizations (as such terms are defined below) of the Company and its subsidiaries (collectively "**Eligible Persons**"), to be known as the "Oceanic Wind Energy Inc. Stock Option Plan" (the "**Plan**"). The purpose of the Plan is to give to Eligible Persons as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals Options, exercisable over periods of up to ten (10) years as determined by the board of directors of the Company, to buy shares of the Company at a price not less than the Market Price prevailing on the date the Option is granted less applicable discount, if any, permitted by the policies of the Exchange and approved by the Board.

### 2. DEFINITIONS

In this Plan, the following terms shall have the following meanings:

- 2.1 "**Board**" means the Board of Directors of the Company.
- 2.2 "**Change of Control**" means the occurrence of any one or more of the following events:
- (i) a consolidation, reorganization, amalgamation, merger, acquisition or other business combination (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and any one or more of its affiliates, with respect to which all or substantially all of the persons who were the beneficial owners of the Shares and other securities of the Company immediately prior to such consolidation, reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement do not, following the completion of such consolidation, reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement, beneficially own, directly or indirectly, more than 50% of the resulting voting rights (on a fully-diluted basis) of the Company or its successor;
  - (ii) the sale, exchange or other disposition to a person other than an affiliate of the Company of all, or substantially all of the Company's assets;
  - (iii) a resolution is adopted to wind-up, dissolve or liquidate the Company;
  - (iv) a change in the composition of the Board, which occurs at a single meeting of the shareholders of the Company or upon the execution of a shareholders' resolution, such that individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority of the Board, without the Board, as constituted immediately prior to such meeting or resolution, having approved of such change; or

- (v) any person, entity or group of persons or entities acting jointly or in concert (an "**Acquiror**") acquires or acquires control (including, without limitation, the right to vote or direct the voting) of Voting Securities of the Company which, when added to the Voting Securities owned of record or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror and/or associates and/or affiliates of the Acquiror to cast or to direct the casting of 20% or more of the votes attached to all of the Company's outstanding Voting Securities which may be cast to elect directors of the Company or the successor Company (regardless of whether a meeting has been called to elect directors);

For the purposes of the foregoing, "**Voting Securities**" means Shares and any other shares entitled to vote for the election of directors and shall include any security, whether or not issued by the Company, which are not shares entitled to vote for the election of directors but are convertible into or exchangeable for shares which are entitled to vote for the election of directors including any options or rights to purchase such shares or securities;

- 2.3 "**Company**" means Oceanic Wind Energy Inc. and its successors.
- 2.4 "**Consultant**" means a "Consultant" as defined in the TSXV Policies.
- 2.5 "**Consultant Company**" means a "Consultant Company" as defined in the TSXV Policies.
- 2.6 "**Disability**" means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:
- a. being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or
  - b. acting as a director or officer of the Company or its subsidiaries.
- 2.7 "**Eligible Charitable Organization**" means an "Eligible Charitable Organization" as defined in TSXV Policies.
- 2.8 "**Eligible Persons**" has the meaning given to that term in section 1 hereof.
- 2.9 "**Employee**" means an "Employee" as defined in the TSXV Policies.
- 2.10 "**Exchange**" means the TSX Venture Exchange and, if applicable, any other stock exchange on which the Shares are listed.
- 2.11 "**Exchange Hold Period**" means "Exchange Hold Period" as defined in TSXV Policies.
- 2.12 "**Expiry Date**" means the date set by the Board under section 3.1 of the Plan, as the last date on which an Option may be exercised.
- 2.13 "**Grant Date**" means the date specified in an Option Agreement as the date on which an Option is granted.
- 2.14 "**Insider**" means an "Insider" as defined in the TSXV Policies.

- 2.15 **"Investor Relations Activities"** means "Investor Relations Activities" as defined in the TSXV Policies.
- 2.16 **"Investor Relations Service Provider"** means "Investor Relations Service Provider" as defined in the TSXV Policies.
- 2.17 **"Joint Actor"** means a person acting "jointly or in concert with" another person as that phrase is interpreted in National Instrument 62-104 – *Take-Over Bids and Issuer Bids*.
- 2.18 **"Management Company Employee"** means a "Management Company Employee" as defined in the TSXV Policies.
- 2.19 **"Market Price"** of Shares at any Grant Date means the market price per Share as determined by the Board, provided that if the Company is listed on an Exchange, such price shall not be less than the market price determined in accordance with the rules of such Exchange.
- 2.20 **"Option"** means an option to purchase Shares granted pursuant to, or governed by, this Plan and any pre-existing stock option plan of the Company.
- 2.21 **"Option Agreement"** means an agreement, in the form attached hereto as Schedule "A", whereby the Company grants to an Optionee an Option.
- 2.22 **"Optionee"** means each of the Eligible Persons granted an Option pursuant to this Plan and their heirs, executors and administrators.
- 2.23 **"Option Price"** means the price per Share specified in an Option Agreement, adjusted from time to time in accordance with the provisions of section 5.
- 2.24 **"Option Shares"** means the aggregate number of Shares which an Optionee may purchase under an Option.
- 2.25 **"Plan"** means this Oceanic Wind Energy Inc. Stock Option Plan.
- 2.26 **"Shares"** means the common shares in the capital of the Company as constituted on the Grant Date provided that, in the event of any adjustment pursuant to section 5, "Shares" shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.
- 2.27 **"Securities Act"** means the Securities Act (British Columbia), R.S.B.C. 1996, c.418, as amended, as at the date hereof.
- 2.28 **"TSXV Policies"** means the policies included in the TSX Venture Exchange Corporate Finance Manual and **"TSXV Policy"** means any one of them.
- 2.29 **"Unissued Option Shares"** means the number of Shares, at a particular time, which have been reserved for issuance upon the exercise of an Option but which have not been issued, as adjusted from time to time in accordance with the provisions of section 5, such adjustments to be cumulative.
- 2.30 **"Vested"** means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

### 3. GRANT OF OPTIONS

#### 3.1 Option Terms

The Board may from time to time authorize the issue of Options to Eligible Persons. Where permitted under applicable policies of the Exchange, companies that are wholly owned by Eligible Persons may also be issued Options. The Option Price under each Option shall be not less than the Market Price on the Grant Date less the applicable discount permitted under the policies of the Exchange or, if the Shares are not listed on any Exchange, less 25%. The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than ten years after the Grant Date, subject to the operation of section 4.1. Options shall not be assignable or transferable by the Optionee.

#### 3.2 Limits on Shares Issuable on Exercise of Options

The maximum aggregate number of Shares that are issuable under the Plan and all of the Company's other previously established or proposed stock option plans (to which the following limits apply under Exchange policies):

- (a) to all Optionees as a group (including for greater certainty Insiders (as a group)) shall not exceed 10% of the total number of issued and outstanding Shares on a non-diluted basis at any point in time;
- (b) to Insiders (as a group) in any 12-month period shall not exceed 10% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval pursuant to applicable Exchange policies;
- (c) to any one Optionee (including, where permitted under applicable policies of the Exchange, any companies that are wholly owned by such Optionee) in any 12-month period shall not exceed 5% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval pursuant to applicable Exchange policies.
- (d) to any one Consultant in any 12-month period shall not exceed 2% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date;
- (e) to Investor Relations Service Providers (as a group and in the aggregate to all Investor Relations Service Providers) in any 12-month period shall not exceed 2% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date, and Investor Relations Service Providers shall not be eligible to receive any security based compensation other than Options if the Shares are listed on the TSX Venture Exchange at the time of any issuance or grant; and
- (f) to Eligible Charitable Organizations (as a group) shall not exceed 1% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date.

While the Company is listed on NEX, the Company is not permitted to grant and/or issue stock options for the provision of Investor Relations Activities (as defined in Exchange Policy 1.1), and are not permitted to engage with any Investor Relations Service Provider (as defined in Exchange Policy 4.4).

#### 3.3 Option Agreements

Each Option shall be confirmed by the execution of an Option Agreement. Each Optionee shall have the option to purchase from the Company the Option Shares at the time and in the manner set out in the Plan and in the Option Agreement applicable to that Optionee. For stock options to Employees, Consultants, Consultant Companies or Management Company Employees, the Company and the Optionee is representing herein and in the applicable Option Agreement that the Optionee is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as the case may be,

of the Company or its subsidiary. The execution of an Option Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan. All Options shall be subject to any applicable resale restrictions pursuant to applicable securities laws. In addition, Options and Option Shares that are subject to the Exchange Hold Period pursuant to TSXV Policy 1.1 must be legended with the Exchange Hold Period commencing on the Grant Date, and the Option Agreement shall contain any applicable resale restriction or Exchange Hold Period.

#### **4. EXERCISE OF OPTION**

##### **4.1 When Options May be Exercised**

Subject to sections 4.3 and 4.4, an Option may be exercised to purchase any number of Shares up to the number of Vested Unissued Option Shares at any time after the Grant Date up to 4:00 p.m. Pacific Time on the Expiry Date and shall not be exercisable thereafter. In the event that the Expiry Date of an Option falls during a trading blackout period imposed by the Company (the “**Blackout Period**”), the Expiry Date of such Option shall automatically be extended to a date which is ten (10) trading days following the end of such Blackout Period (the “**Extension Period**”), subject to no cease trade order being in place under applicable securities laws; provided that if an additional Blackout Period is subsequently imposed by the Company during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional Blackout Period to enable the exercise of such Option within ten (10) trading days following the end of the last imposed Blackout Period.

##### **4.2 Manner of Exercise**

The Option shall be exercisable by delivering to the Company a notice specifying the number of Shares in respect of which the Option is exercised together with payment in full of the Option Price for each such Share. Upon notice and payment there will be a binding contract for the issue of the Shares in respect of which the Option is exercised, upon and subject to the provisions of the Plan. Delivery of the Optionee's cheque payable to the Company or such other method of payment as is acceptable to the Company in the amount of the Option Price shall constitute payment of the Option Price unless the cheque is not honored upon presentation in which case the Option shall not have been validly exercised.

##### **4.3 Vesting of Option Shares**

The Board, subject to the policies of the Exchange, may determine and impose terms upon which each Option shall become Vested in respect of Option Shares. Unless otherwise specified by the Board at the time of granting an Option, and subject to the other limits on Option grants set out in Section 3.2 hereof, all Options granted under the Plan shall vest and become exercisable in full upon grant, except Options granted to Investor Relations Service Providers, which Options must vest in stages over twelve months with no more than one-quarter of the Options vesting in any three month period.

##### **4.4 Termination of Employment**

If an Optionee ceases to be an Eligible Person, his or her Option shall be exercisable as follows:

(a) Death or Disability

If the Optionee ceases to be an Eligible Person, due to his or her death or Disability or, in the case of an Optionee that is a company, the death or Disability of the person who provides management or consulting services to the Company or to any entity controlled by the Company, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of:

- (i) 365 days after the date of death or Disability; and
- (ii) the Expiry Date;

(b) Termination For Cause

If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person as a result of termination for cause as that term is interpreted by the courts of the jurisdiction in which the Optionee, or, in the case of a Management Company Employee or a Consultant Company, of the Optionee's employer, is employed or engaged; any outstanding Option held by such Optionee on the date of such termination, whether in respect of Option Shares that are Vested or not, shall be cancelled as of that date.

(c) Early Retirement, Voluntary Resignation or Termination Other than For Cause

If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 90 days (30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person.

(d) Spin-Out Transactions

Subject to Exchange approval, if pursuant to the operation of sub-paragraph 5.3(c) an Optionee receives options (the "**New Options**") to purchase securities of another company (the "**New Company**") in respect of the Optionee's Options (the "**Subject Options**"), the New Options shall expire on the earlier of: (i) the Expiry Date of the Subject Options; (ii) if the Optionee does not become an Eligible Person in respect of the New Company, the date that the Subject Options expire pursuant to sub-paragraph 4.4(a), (b) or (c), as applicable; (iii) if the Optionee becomes an Eligible Person in respect of the New Company, the date that the New Options expire pursuant to the terms of the New Company's stock option plan that correspond to sub-paragraphs 4.4(a), (b) or (c) hereof; and (iv) the date that is one (1) year after the Optionee ceases to be an Eligible Person in respect of the New Company or such shorter period as determined by the Board.

(e) Eligible Charitable Organizations

If the Optionee ceases to be an Eligible Person due to no longer being an Eligible Charitable Organization, the Options then held by that Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 90 days after the date the Optionee ceases to be an Eligible Person.

Notwithstanding the foregoing, the Board may, in its sole discretion if it determines such is in the best interests of the Company, extend the early Expiry Date (as set out above in this paragraph 4.4) of any Option held by an Optionee who ceases to be an Eligible Person to a later date within a reasonable period, subject to such period not exceeding 12 months from the date the Optionee ceases to be an Eligible Person.

For purposes of this paragraph 4.4, the dates of death, Disability, termination, retirement, voluntary resignation, ceasing to be an Eligible Person and incapacity shall be interpreted to be without regard to any period of notice (statutory or otherwise) or whether the Optionee or his or her estate continues thereafter to receive any compensatory payments from the Company or is paid salary by the Company in lieu of notice of termination.

For greater certainty, an Option that had not become Vested in respect of certain Unissued Option Shares at the time that the relevant event referred to in this section 4.4 occurred, shall not be or become vested or exercisable in respect of such Unissued Option Shares and shall be cancelled.

#### **4.5 Effect of a Take-Over Bid**

If a *bona fide* offer ( an "**Offer**") for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the Securities Act, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon (subject to the approval of the Exchange with respect to Investor Relations Service Providers) all Option Shares subject to such Offer will become Vested and the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of clause (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become Vested pursuant to section 4.3 shall be reinstated. If any Option Shares are returned to the Company under this section 4.5, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

#### **4.6 Acceleration of Expiry Date**

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Board may, upon notifying each Optionee of full particulars of the Offer and subject to the approval of the Exchange with respect to Investor Relations Service Providers, declare all Option Shares issuable upon the exercise of Options granted under the Plan, Vested, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer. The Board shall give each Optionee as much notice as possible of the acceleration of the Options under this section, except that not less than 5 business days notice is required and more than 30 days notice is not required.

#### **4.7 Compulsory Acquisition or Going Private Transaction**

If and whenever, following a take-over bid or issuer bid, there shall be a compulsory acquisition of the Shares of the Company pursuant to Division 6 of the *Business Corporations Act* (British Columbia) or any successor or similar legislation, or any amalgamation, merger or arrangement in which securities acquired in a formal take-over bid may be voted under the conditions described in Section 8.2 of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*, then following the date upon which such compulsory acquisition, amalgamation, merger or arrangement is effective, an Optionee shall be entitled to receive, and shall accept, for the same exercise price, in lieu of the number of Shares to which such Optionee was theretofore entitled to purchase upon the exercise of his or her Options, the aggregate amount of cash, shares, other securities or other property which such Optionee would have been entitled to receive as a result of such bid if he or she had tendered such number of Shares to the take-over bid.

#### **4.8 Effect of a Change of Control**

If a Change of Control occurs, all Option Shares subject to each outstanding Option will become Vested, whereupon such Option may be exercised in whole or in part by the Optionee, subject to the approval of the Exchange with respect to Investor Relations Service Providers or if otherwise necessary.



#### **4.9 Exclusion from Severance Allowance, Retirement Allowance or Termination Settlement**

If the Optionee, or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares which were not Vested at that time or which, if Vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

#### **4.10 Shares Not Acquired**

Any Unissued Option Shares not acquired by an Optionee under an Option which has been settled in cash, cancelled, terminated, surrendered, forfeited or expired without being exercised, may be made the subject of a further Option pursuant to the provisions of the Plan.

### **5. ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES**

#### **5.1 Share Reorganization**

Whenever the Company issues Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution (subject to the prior approval of the Exchange), or subdivides all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a "**Share Reorganization**") then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

- (a) the Option Price will be adjusted to a price per Share which is the product of:
  - (i) the Option Price in effect immediately before that effective date or record date; and
  - (ii) a fraction, the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and
- (b) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in subsection (a)(ii).

Any increase in the number of Unissued Option Shares as a result of the adjustment provisions provided in this section 5.1 is subject to compliance with the limits set out in section 3.2 and, if any increase in the number of Unissued Option Shares as a result of the adjustment provisions provided in this section 5.1 would result in any limit set out in section 3.2 being exceeded, then the Company may, if determined by the Board in its sole and unfettered discretion (subject to the prior approval of the Exchange), make payment in cash to the Optionee in lieu of increasing the number of Unissued Option Shares in order to properly reflect any diminution in value of the Option Shares as a result of such Share Reorganization.

#### **5.2 Special Distribution**

Subject to the prior approval of the Exchange, whenever the Company issues by way of a dividend or otherwise distributes to all or substantially all holders of Shares;

- (a) shares of the Company, other than the Shares;

- (b) evidences of indebtedness;
- (c) any cash or other assets, excluding cash dividends (other than cash dividends which the Board has determined to be outside the normal course); or
- (d) rights, options or warrants;

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a "**Special Distribution**"), and effective immediately after the record date at which holders of Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, and the number of Unissued Option Shares will be correspondingly increased, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution. Any increase in the number of Unissued Option Shares as a result of the adjustment provisions provided in this section 5.2 is subject to compliance with the limits set out in section 3.2 and, if any increase in the number of Unissued Option Shares as a result of the adjustment provisions provided in this section 5.2 would result in any limit set out in section 3.2 being exceeded, then the Company may, if determined by the Board in its sole and unfettered discretion (subject to the prior approval of the Exchange), make payment in cash to the Optionee in lieu of increasing the number of Unissued Option Shares in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.

### 5.3 Corporate Organization

Subject to the prior approval of the Exchange, whenever there is:

- (a) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Company, other than as described in sections 5.1 or 5.2;
- (b) a consolidation, merger or amalgamation of the Company with or into another corporation resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other shares or securities;
- (c) an arrangement or other transaction under which, among other things, the business or assets of the Company become, collectively, the business and assets of two or more companies with the same shareholder group upon the distribution to the Company's shareholders, or the exchange with the Company's shareholders, of securities of the Company, or securities of another company, or both; or
- (d) a transaction whereby all or substantially all of the Company's undertaking and assets become the property of another corporation (subject to prior approval of the Exchange);

(any such event being herein called a "**Corporate Reorganization**") the Optionee will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option Shares which he/she would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that he/she would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, he/she had been the holder of all Unissued Option Shares or if appropriate, as otherwise determined by the Board.

### 5.4 Determination of Option Price and Number of Unissued Option Shares

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Share Reorganization, Special Distribution or Corporate Reorganization, such questions shall be conclusively determined by the Company's auditor, or, if they decline to so act, any other firm of Chartered Accountants in Vancouver, British Columbia, that

the Board may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

## **5.5 Regulatory Approval**

Any adjustment to the Option Price or the number of Unissued Option Shares purchasable under the Plan pursuant to the operation of any one of sections 5.1, 5.2 or 5.3 is subject to the prior approval of the Exchange and any other governmental authority having jurisdiction. Notwithstanding the foregoing, adjustments pursuant to section 5.1 due to a Share subdivision or consolidation do not require prior TSX Venture Exchange approval.

## **6. MISCELLANEOUS**

### **6.1 Right to Employment**

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Company or any subsidiary of the Company or interfere in any way with the right of the Company or any subsidiary of the Company to terminate such employment.

### **6.2 Necessary Approvals**

The Plan shall be effective upon the approval of the Plan by the Board and the Exchange or any regulatory authority having jurisdiction over the securities of the Company and shall be ratified thereafter by the shareholders of the Company by way of an ordinary resolution at the next duly convened meeting of the shareholders of the Company. Disinterested shareholder approval (as required by the Exchange) will be obtained for any reduction in the exercise price, or any extension of the term, of any Option granted under this Plan if the Optionee is an Insider of the Company at the time of the proposed amendment. In addition, any amendment to an Option (including any cancellation of an Option and subsequent grant of a new Option to the same Person within one year) that results in a benefit to an Insider of the Company at the time of amendment will be subject to disinterested shareholder approval (as required by the Exchange). The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to the approval of the Exchange and any governmental authority having jurisdiction. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and any Option Price paid by an Optionee to the Company shall be immediately refunded to the Optionee by the Company.

### **6.3 Administration of the Plan**

The Board shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in section 5.4 and subject to any required prior Exchange approval, the interpretation and construction of any provision of the Plan by the Board shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

### **6.4 Withholding Taxes**

The exercise of each Option granted under the Plan is subject to the condition that if at any time the Company determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such exercise, such exercise is not effective unless such withholding has been effected to the satisfaction of the Company. In such circumstances, the Company may require that the Optionee pay to the Company, in addition to and in the same manner as the exercise price for the Shares, such amount as the Company is obliged to remit to the relevant tax authority in respect of the exercise of the Option. Alternatively, the Company shall have the right in its discretion to satisfy any such liability for withholding or other required deduction amounts by retaining or acquiring

any Shares acquired upon exercise of any Option, or retaining any amount payable, which would otherwise be issued or delivered, provided or paid to an Optionee by the Company, whether or not such amounts are payable under the Plan.

For greater certainty, the application of this section 6.4 to any exercise of an Option shall not conflict with the policies of the Exchange that are in effect at the relevant time and the Company will obtain prior Exchange acceptance and/or shareholder approval of any application of this section 6.4 if required pursuant to such policies.

#### **6.5 Amendments to the Plan**

The Board may from time to time, subject to applicable law and to the prior approval, if required, of the shareholders (or disinterested shareholders, if required), Exchange or any other regulatory body having authority over the Company or the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan and the Option Agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any Option previously granted to an Optionee under the Plan without the consent of that Optionee.

#### **6.6 Form of Notice**

A notice given to the Company shall be in writing, signed by the Optionee and delivered to the head business office of the Company.

#### **6.7 No Representation or Warranty**

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

#### **6.8 Compliance with Applicable Law**

If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

#### **6.9 No Assignment or Transfer**

No Optionee may assign or transfer any of his or her rights under the Plan or any option granted thereunder. Notwithstanding the foregoing, where permitted under applicable policies of the Exchange, companies that are wholly owned by Eligible Persons may be issued Options.

#### **6.10 Rights of Optionees**

An Optionee shall have no rights whatsoever as a shareholder of the Company in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any rights offering).

#### **6.11 Previously Granted Options**

Stock options which are outstanding under pre-existing stock option plan(s) of the Company as of the effective date of this Plan shall continue to be exercisable and shall be deemed to be governed by and be subject to the terms and conditions of this Plan except to the extent that the terms of this Plan are more restrictive than the terms of such pre-existing plan(s) under which such stock options were originally granted, in which case the applicable pre-existing plan(s) shall govern, provided that any stock options granted, issued or amended after November 23, 2021 must comply with TSXV Policy 4.4 - *Incentive Stock Options (as at November 24, 2021)*.

**6.12 Conflict**

In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.

**6.13 Governing Law**

The Plan and each Option Agreement issued pursuant to the Plan shall be governed by the laws of the province of British Columbia.

**6.14 Time of Essence**

Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be or to operate as a waiver of the essentiality of time.

**6.15 Entire Agreement**

This Plan and the Option Agreement sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.

## SCHEDULE "A"

### OCEANIC WIND ENERGY INC.

#### STOCK OPTION PLAN - OPTION AGREEMENT

[If the Company is listed on the TSXV at the time of the option grant, the following legend is required in respect of: (i) Options with an Option Price at a discount to the Market Price; or (ii) Options granted to directors, officers, consultants, promoters of the Company or persons holding securities carrying more than 10% of the voting rights and who have elected or appointed or have the right to elect or appoint one or more directors or senior officers of the Company: *Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this agreement and any securities issued upon exercise thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until ●, 20● (being four months and one day after the date of grant).*]

This Option Agreement is entered into between **OCEANIC WIND ENERGY INC.** (the "**Company**") and the **OPTIONEE** named below pursuant to the Company Stock Option Plan (the "**Plan**"), a copy of which is attached hereto, and confirms that:

1. on ●, 20● (the "**Grant Date**");
2. ● (the "**Optionee**");
3. was granted the option (the "**Option**") to purchase ● common shares (the "**Option Shares**") of the Company;
4. for the price (the "**Option Price**") of \$● per share;
5. which rights to purchase the Option Shares under the Option may be exercised and will vest on the Grant Date [OR set forth applicable vesting schedule – NOT LESS THAN QUARTERLY VESTING OVER A MINIMUM OF 1 YEAR FOR INVESTOR RELATIONS SERVICE PROVIDERS]; and
6. the Option will terminate on ● (the "**Expiry Date**");

all on the terms and subject to the conditions set out in the Plan. For greater certainty, Option Shares continue to be exercisable until the termination or cancellation thereof as provided in this Option Agreement and the Plan.

Where the Optionee is resident in or otherwise subject to the securities laws of the United States, the Optionee acknowledges that any Option Shares received by him/her upon exercise of the Option have not been registered under the United States *Securities Act of 1933*, as amended, or the Blue Sky laws of any state (collectively, the "**Securities Acts**"). The Optionee acknowledges and understands that the Company is under no obligation to register, under the Securities Acts, the Option Shares received by him/her or to assist him/her in complying with any exemption from such registration if he/she should at a later date wish to dispose of the Option Shares. The Optionee acknowledges that the Option Shares shall bear a legend restricting the transferability thereof, such legend to be substantially in the following form:

***"The shares represented by this certificate have not been registered or qualified under the United States Securities Act of 1933, as amended or state securities laws. The shares may not be offered for sale, sold, pledged or otherwise disposed of unless so registered or qualified, unless an exemption exists or unless such disposition is not subject to U.S. federal or state securities laws, and the Company may require that the availability of any exemption or the inapplicability of such securities laws be established by an opinion of counsel, which opinion of counsel shall be reasonably satisfactory to the Company."***

By signing this Option Agreement, the Optionee acknowledges that the Optionee has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement.

**Acknowledgement – Personal Information**

The undersigned hereby acknowledges and consents to:

- (a) the disclosure to the TSX Venture Exchange and all other regulatory authorities of all personal information of the undersigned obtained by the Company; and
- (b) the collection, use and disclosure of such personal information by the TSX Venture Exchange and all other regulatory authorities in accordance with their requirements, including the provision to third party service providers, from time to time.

**IN WITNESS WHEREOF** the parties hereto have executed this Option Agreement as of the ● day of ●, 20●.

\_\_\_\_\_  
Signature

**OCEANIC WIND ENERGY INC.**

\_\_\_\_\_  
Print  
Name

Per: \_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Address  
\_\_\_\_\_

**OCEANIC WIND ENERGY INC.  
STOCK OPTION PLAN  
NOTICE OF EXERCISE OF OPTION**

**TO: OCEANIC WIND ENERGY INC. (the "Company")**

The undersigned hereby irrevocably gives notice, pursuant to the stock option plan of the Company (the exercise of stock options ("**Options**") to acquire and hereby subscribes for (cross out inapplicable item):

- (a) all of the Option Shares; or
- (b) \_\_\_\_\_ of the Option Shares,

which are the subject of the Option Agreement attached hereto.

The undersigned tenders herewith payment to "Oceanic Wind Energy Inc.", or such other payee as directed by the Company, in an amount equal to the aggregate exercise price of the aforesaid Option Shares and directs the Company to issue the certificate evidencing said Option Shares in the name of the undersigned and mail a copy of that certificate to the undersigned at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DATED the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Signature of Option Holder



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# **OCEANIC WIND ENERGY INC.**

**Audited Consolidated Financial Statements**

**For the years ended September 30, 2024 and 2023**

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## MANAGEMENT'S REPORT

To the Shareholders of

### **Oceanic Wind Energy Inc. (the "Company")**

The preparation and presentation of the Company's consolidated financial statements as at September 30, 2024 and 2023 is the responsibility of management. The financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and where appropriate include managements best estimates and judgments.

Management is responsible for installing and maintaining a system of internal controls to provide reasonable assurances that the Company's assets are safeguarded, transactions are authorized and financial information is reliable.

Independent auditors are appointed by the Company's shareholders to give an opinion on the financial statements based upon their scope of examination as outlined in their Auditor's Report.

The Board of Directors is responsible for ensuring management fulfills its responsibilities for financial reporting and internal control. The Board exercises this responsibility with the assistance of the Audit Committee. The Audit Committee meets with management and the independent auditors to satisfy itself that management's responsibilities are properly discharged, to review the consolidated financial statements and recommend that the financial statements be presented to the Board of Directors for approval.

**Signed: "Wilbur J. Lang"**

Wilbur J. Lang - Chief Financial Officer

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of  
Oceanic Wind Energy Inc.

### *Opinion*

We have audited the accompanying consolidated financial statements of Oceanic Wind Energy Inc. (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2024 and 2023, and the consolidated statements of income (loss) and comprehensive income (loss), changes in shareholders' deficiency, and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

### *Material Uncertainty Related to Going Concern*

We draw attention to Note 2 of the consolidated financial statements, which indicates that the Company has recurring operating losses, negative cash flow from operations, and as of September 30, 2024 has a working capital deficiency of \$194,383 and a shareholders' deficiency of \$261,916. As stated in Note 2, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year ended. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our auditor's report.

### *Other Information*

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### ***Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:


- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year ended and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Michael MacLaren.

A handwritten signature in black ink that reads "Davidson & Company LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

January 24, 2025

**OCEANIC WIND ENERGY INC.**  
**Consolidated Statements of Financial Position**  
**in Canadian Dollars**

	September 30, 2024	September 30, 2023
<b>Assets</b>		
Current assets		
Cash	\$ 13,448	\$ 35,111
Accounts receivable	54,130	559
Prepaid expenses and other current assets	1,474	898
	69,052	36,568
Non-current assets		
Deposit - Natural Resources Canada (note 5)	360,000	-
<b>Total assets</b>	<b>\$ 429,052</b>	<b>\$ 36,568</b>
<b>Liabilities</b>		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 138,435	\$ 73,542
Short term loan (note 8)	125,000	-
CEBA loan (note 9)	-	40,000
Deferred government grants (note 9)	-	20,000
Deferred compensation payable (note 7)	-	1,000,000
	263,435	1,133,542
Non-Current Liabilities		
Reclamation provisions (note 5)	427,533	-
<b>Total liabilities</b>	<b>690,968</b>	<b>1,133,542</b>
<b>Shareholders' Deficiency</b>		
Share capital (note 4(a))	49,219,671	48,950,902
Contributed surplus	2,650,456	2,688,225
Deficit	(52,132,043)	(52,736,101)
<b>Total shareholders' deficiency</b>	<b>(261,916)</b>	<b>(1,096,974)</b>
<b>Total liabilities &amp; shareholders' deficiency</b>	<b>\$ 429,052</b>	<b>\$ 36,568</b>

Nature of operations and going concern (notes 1 and 2)  
Contingent liabilities (notes 7 and 10)  
Subsequent events (note 13)

The accompanying notes are an integral part of these consolidated financial statements

Approved by the Board of Directors and authorized for issue on January 24, 2025.

Director: "Dave Rehn"

Director: "Michael O'Connor"

## OCEANIC WIND ENERGY INC.

Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)  
For the years ended September 30, 2024 and 2023  
in Canadian Dollars

	September 30, 2024	September 30, 2023
<b>Expenses</b>		
Accretion (note 5)	\$ 14,869	\$ -
Compensation (note 7)	142,524	212,691
Consultant	950	-
Interest and borrowing costs	2,930	-
Office and administration	62,541	83,903
Public and community relations	39,579	1,980
Professional fees	90,287	36,866
Travel	11,529	4,533
	(365,209)	(339,973)
Provision reversal (note 7)	1,000,000	-
Other income (note 9)	20,000	-
Interest income	1,932	2,045
Transaction costs (note 5)	(40,760)	-
Reclamation provision adjustment (note 5)	(11,905)	-
	969,267	2,045
Income (loss) and comprehensive income (loss) for the year	\$ 604,058	\$ (337,928)
Income (loss) per share, basic and diluted	\$ 0.01	\$ (0.00)
Weighted average number of shares outstanding basic and diluted	86,841,011	83,274,345

The accompanying notes are an integral part of these consolidated financial statements.

**OCEANIC WIND ENERGY INC.****Consolidated Statements of Changes in Shareholders' Deficiency****For the years ended September 30, 2024 and 2023****in Canadian Dollars**

	Number of Common Shares (Note 4)	Share Capital (Note 4)	Contributed Surplus	Deficit	Total Shareholders' Deficiency
Balance, September 30, 2022	79,027,056	\$ 48,769,326	\$ 2,560,990	\$ (52,398,173)	\$ (1,067,857)
Total comprehensive income (loss) for the year	-	-	-	(337,928)	(337,928)
Share based compensation expense - options	-	-	70,000	-	70,000
Private placement	5,000,840	181,576	57,235	-	238,811
Balance, September 30, 2023	84,027,896	\$ 48,950,902	\$ 2,688,225	\$ (52,736,101)	\$ (1,096,974)
Total comprehensive income for the year	-	-	-	604,058	604,058
Exercise of warrants	3,300,000	268,769	(37,769)	-	231,000
Balance, September 30, 2024	87,327,896	\$ 49,219,671	\$ 2,650,456	\$ (52,132,043)	\$ (261,916)

The accompanying notes are an integral part of these consolidated financial statements.



**OCEANIC WIND ENERGY INC.**  
**Consolidated Statements of Cash Flows**  
**For the years ended September 30, 2024 and 2023**  
**in Canadian Dollars**

	<b>September 30, 2024</b>	<b>September 30, 2023</b>
Cash flows provided by (used in)		
<b>OPERATING ACTIVITIES</b>		
Income (loss) for the year	\$ 604,058	\$ (337,928)
Items not affecting cash		
Accretion	14,869	-
Share based compensation expense	-	70,000
Forgiveness on portion of CEBA loan	(20,000)	-
Transaction costs	40,760	-
Reclamation provision adjustment	11,905	-
Reversal of provision	(1,000,000)	-
Changes in non-cash working capital		
Accounts receivables	(53,571)	218
Prepaid expenses and other	(576)	15,920
Accounts payable and accrued liabilities	64,892	(1,836)
<b>Net cash used in operating activities</b>	<b>(337,663)</b>	<b>(253,626)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from private placement	-	238,811
Proceeds from exercise of warrants	231,000	-
Proceeds of shareholder loans	125,000	-
Repayment of CEBA loan	(40,000)	-
<b>Net cash from financing activities</b>	<b>316,000</b>	<b>238,811</b>
<b>Decrease in cash</b>	<b>(21,663)</b>	<b>(14,815)</b>
<b>Cash, beginning of year</b>	<b>35,111</b>	<b>49,926</b>
<b>Cash, end of year</b>	<b>\$ 13,448</b>	<b>\$ 35,111</b>
Cash paid for interest and taxes	\$ 2,930	\$ -

The accompanying notes are an integral part of these consolidated financial statements.

# OCEANIC WIND ENERGY INC.

## Notes to the Consolidated Financial Statements For the years ended September 30, 2024 and 2023 in Canadian Dollars

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### 1. Corporate Information

Oceanic Wind Energy Inc. ("Oceanic" or the "Company"), is incorporated under the Business Corporations Act (British Columbia) and is listed on the TSX Venture Exchange-NEX (TSXV-NEX : NKW.H). The Company's registered office is at Suite 720 - 999 West Broadway Street, Vancouver, BC, V5Z 1K5. The Company's primary business is the development of renewable energy projects. The Company has been developing an offshore wind project on the north coast of British Columbia in Hecate Strait. As the Company has been in the development phase, it has not generated any revenue from the sale of wind energy.

During the year ended September 30, 2020, the Company signed and formally closed a definitive agreement related to the sale of the development rights in its offshore wind project in Hecate Strait to Northland Power Inc. ("Northland") (the "Agreement"). Pursuant to the terms of the Agreement, the Company sold 100% of its interest in its wholly owned subsidiary NaiKun Wind Development Inc. ("Devco") which held the certain intellectual information and property, permits, a deposit with Natural Resources Canada ("NRCan") with respect to certain asset retirement obligations, an asset retirement obligation associated with fully depreciated Metmast wind-monitoring equipment, and Canadian tax losses.

Under terms in the Agreement between Oceanic and Northland, the control and ownership of the Hecate Strait project have now been returned to Oceanic in fiscal 2024. The agreements for this return, between Oceanic and two of Northland Power wholly owned subsidiaries, closed on November 13, 2023, and reinstates Oceanic's interest in the project as further disclosed in note 5.

### 2. Basis of presentation and going concern

#### (a) Going concern

These consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to realize, in the foreseeable future, its assets and discharge its liabilities in the normal course of business as they come due. The Company has recurring operating losses, negative cash flow from operations, and as of September 30, 2024 has a working capital deficiency of \$194,383 and a shareholders' deficiency of \$261,916 which includes an accumulated deficit of \$52,132,043 (2023 - \$52,736,101). The Company also expects to incur losses in future years until it secures a relationship with a major offshore wind company to progress the wind project.

The Company's ability to continue as a going concern is dependent on its ability to obtain additional financing in order to meet its planned business objectives. The Company will need to raise additional funds through grants, strategic collaborations, public or private equity, debt financing, or other funding sources. Additional funding will be required and may not be available on acceptable terms, or at all, and may be dilutive to shareholder interests. If the Company is unable to generate positive cash flows or obtain adequate financing, the Company would need to curtail operations. These factors indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. If the going concern assumption is not appropriate for these consolidated financial statements, adjustments affecting the carrying values of assets, liabilities, reported net losses and statement of financial position classifications may be required and such adjustments could be material.

#### (b) Statement of compliance

These financial statement have been prepared in accordance with IFRS Accounting Standards ("IFRS") and were authorized for issue by the Board of Directors on January 24, 2025.

#### (c) Use of estimates and judgments

The preparation of the consolidated financial statements, in conformity with IFRS, requires management to make judgements, estimates, and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of expenses during the reporting periods. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future period affected.

Areas requiring the use of management estimates relate to the amount of the determination of share compensation expense associated with stock options and valuation of warrants. A discussion of these estimates is provided in the relevant accounting policy notes and in note 4. Management estimates are required to calculate the reclamation provisions as discussed in note 5. Significant judgment is applied in the determination of the Company's ability to continue as a going concern as discussed in note 2(a). Management assesses its ability to continue as a going concern taking into account its forecast cash requirements, its budgeted non-discretionary expenditures, its available cash, and expected sources of financing.

**OCEANIC WIND ENERGY INC.**  
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**(d) Principles of consolidation**

These consolidated financial statements include the accounts of the Company and its directly wholly-owned subsidiaries. Control exists when the company possesses power over an investee, has exposure to variable returns from the investee and has the ability to use its power over the investee to affect its returns. Intercompany balances and transactions, and any unrealized income and expenses arising from intercompany transactions, are eliminated in preparing the consolidated financial statements.

For partially owned subsidiaries, non-controlling interest represents the portion of a subsidiary's earning and losses and net assets that is not held by the Company. Adjustments to non-controlling interest are accounted for as transactions with owners and adjustments that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

<u>Name of Subsidiary</u>	<u>Percentage of Ownership</u>	<u>Principal Activity</u>
NaiKun Wind Development Inc	100%	Holding Company
NP B.C. Offshore Wind GP	100%	General Partner of LP
NP B.C. Offshore Wind Limited Partnership	100%	Development Company

**3. Material accounting policy information**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by Oceanic.

**a) Foreign currency translation**

The presentation and functional currency of the Company and its subsidiaries is the Canadian dollar. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. Foreign exchange gains and losses resulting from the settlements of such transactions are recognized in the income statement. At each financial reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position. Non-monetary assets and liabilities are translated using the historical rate on the date that the fair value was determined.

**b) Cash**

Cash includes short term investments that are readily convertible into cash with original maturities of three months or less.

**c) Income taxes**

Tax expense comprises current and deferred tax. Tax expense is recognized in income except to the extent it relates to items recognized in other comprehensive income or directly in equity.

Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period.

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position. Deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period, and which are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized to the extent it is probable that taxable profits will be available against which the deductible temporary differences can be utilized. Deferred tax assets are reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

**d) Interest income**

Interest earned on the Company's cash and cash equivalent balances is recorded as investment income on an accrual basis.

**e) Loss per share**

Basic loss per share is calculated using the weighted average number of common shares outstanding during the year. If the Company had reported positive earnings, diluted earnings per share would be calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares. As the Company has had a net loss for all periods presented herein, the unexercised stock options and share purchase warrants, disclosed in notes 4(b) and 4(c), have not been included in any calculations of loss per share as their inclusion would have been anti-dilutive.

## OCEANIC WIND ENERGY INC.

### Notes to the Consolidated Financial Statements For the years ended September 30, 2024 and 2023 in Canadian Dollars

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#### **f) Share based payments**

Compensation expense for stock options granted to employees or consultants is measured at fair value, using the Black-Scholes valuation model, factoring in amounts that are believed to approximate the volatility of the trading price of the Company's stock, the expected lives of the stock options, the fair value of the Company's stock and the risk-free interest rate. The estimated fair values of stock-based compensation are charged to expense over the vesting period with offsetting amounts recognized as contributed surplus. The value assigned to stock options shown on the consolidated statement of financial position as contributed surplus is subsequently reduced if the options are exercised, and the amount so reduced is then credited to share capital. Any values assigned to stock options that have expired remain in contributed surplus.

#### **g) Financial instruments**

Under IFRS 9 Financial Instruments, financial assets and liabilities are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows.

##### *Recognition, classification and measurement*

All financial assets are initially recorded at fair value and subsequently classified as measured at amortized cost, fair value through other comprehensive income (FVOCI), or fair value through profit and loss (FVTPL).

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL.

- the asset is held within a business model whose objective is to hold the asset to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt security is measured at FVOCI only if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This election is made on an investment-by-investment basis. All other financial assets are classified as measured at FVTPL.

All financial liabilities are initially recorded at fair value and subsequently classified as measured at amortized cost or FVTPL.

On initial recognition, the Company may irrevocably designate a financial liability at FVTPL when doing so results in more relevant information, because either:

- the designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets of liabilities or recognizing the gains and losses on them on different bases; or
- a group of financial liabilities or financial assets and financial liabilities is managed with its performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to key management personnel.

For financial assets classified as measured at FVTPL or designated at FVTPL, changes in fair value are recognized in profit or loss. For financial assets classified as measured at FVOCI or an irrevocable election has been made, changes in fair value are recognized in other comprehensive income or loss. For financial assets and other financial liabilities measured at amortized cost, interest income and interest expense is calculated using the effective interest method and is recognized in profit or loss.

##### *Equity Instruments*

Equity instruments issued by the Company are recorded at the proceeds received net of direct issuance costs. If an equity instrument is comprised of a common share and a share purchase warrant, the gross proceeds are allocated between share capital for the common share component, and contributed surplus, for the warrant component, on a relative fair value basis where the value of the warrants is estimated using a Black-Scholes valuation model.

##### *Fair value measurements*

The fair value of financial instruments that are measured subsequent to initial recognition at their fair value, is measured within a 'fair value hierarchy' which has the following levels:

- (i) Level 1: quoted price (unadjusted) in active markets for identical assets or liabilities
- (ii) Level 2: valuation techniques using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e.: as prices) or indirectly (i.e.: derived from prices)

## OCEANIC WIND ENERGY INC.

### Notes to the Consolidated Financial Statements For the years ended September 30, 2024 and 2023 in Canadian Dollars

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(iii) Level 3: valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs)

#### **h) Reclamation provisions:**

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations, including those associated with the rehabilitation of exploration and evaluation assets which those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for rehabilitation obligations is recognized at its fair value in the period in which it is incurred if a reasonable estimate of cost can be made. The Company records the present value of estimated future cash flows associated with rehabilitations as a liability when the liability is incurred and increases the carrying value of related assets for that amount. Subsequently, these capitalized rehabilitation costs are amortized over the life of the related assets. At the end of each period, the liability is increased to reflect the passage of time (accretion expense) and changes in the estimated future cash flows underlying any initial estimates (additional rehabilitation costs).

The Company recognizes its environmental liability on a site-by-site basis when it can be reliably estimated. Environmental expenditures related to existing conditions resulting from past or current operations and from which no current or future benefit is discernible are charged to profit or loss.

#### **i) Impairment of financial assets:**

##### *Credit-impaired financial assets*

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amounts of the assets.

##### *Financial instruments and contract assets*

The Company recognizes loss allowances for expected credit losses (ECL) on:

- financial assets measured at amortized costs; and
- contracted assets

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which the credit risk has not increased significantly since initial recognition.

Loss allowances for trade receivables are measured at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. ECLs are probability-weighted estimate of credit losses, and credit losses are measured as the present value of cash shortfalls from a financial asset.

The Company determines whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating lifetime ECLs, by considering reasonably available quantitative and qualitative information based on the Company's credit risk experience, forward looking information, and other reasonable estimates.

#### **j) Government grants:**

Under IAS 20, Accounting for Government Grants and Disclosure of Government Assistance, the Company classifies forgivable loans from the government as a government grant when there is a reasonable assurance that the Company will meet the terms for forgiveness on the loan. If this threshold is not met, the Company classifies forgivable loans as other liabilities, measured initially at fair value in accordance with IFRS 9. The Company recognizes forgivable government loans classified as liabilities in profit or loss during the period in which the loan is forgiven. The benefit of a government loan at below-market rate of interest is treated as a government grant. The difference between the present value of future cash flows of the loan discounted at the market interest rate and the loan proceeds received is recognized in profit or loss on the same basis that the related interest expense is recognized on the liability.

#### **k) New standards adopted during the year:**

The Company adopted the following amendment to accounting standards, which is effective for annual reporting periods beginning on or after January 1, 2023:

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) - the amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy.

The amendment was applied effective October 1, 2023 and did not have a material impact on the Company's consolidated financial statements.

## OCEANIC WIND ENERGY INC.

### Notes to the Consolidated Financial Statements For the years ended September 30, 2024 and 2023 in Canadian Dollars

#### I) New standards issued but not yet effective:

IFRS 18 - *Presentation and Disclosure in Financial Statements* - is effective for reporting periods on or after January 1, 2027. It introduces several new requirements that are expected to impact the presentation and disclosure of most, if not all, entities. The Company is in the process of assessing the impact on the financial statements of the new standard.

#### 4. Share Capital

##### a) Authorized Capital

Authorized: Unlimited common shares of no par value

During the year ended September 30, 2023, the Company completed a private placement issuing 5,000,840 units at \$0.05 per unit, raising \$250,042. Each unit consisted of one common share in the capital of the Company and one warrant. Each warrant was exercisable at an exercise price of \$0.07 for a period of one year from the date of issuance. The private placement closed November 25, 2022. The proceeds of the private placement were allocated between share capital and contributed surplus based on the relative fair value of the components, net of \$11,231 in related share issuance costs. The fair value of the warrants was determined using a Black-Scholes valuation model with significant assumptions being a 1 year life, an expected volatility of 101%, and a risk free rate of 03.56%.

On November 24, 2023 the Company received proceeds from the exercise of outstanding warrants. A total of 3,300,000 warrants were exercised at a price of \$0.07 resulting in proceeds of \$231,000. The remaining 1,700,840 warrants expired on November 24, 2023, unexercised.

##### b) Stock Options

The Company has an incentive stock option plan ("Option Plan") whereby the Company may grant stock options to its directors, officers, employees, and consultants at an exercise price to be determined by the board of directors, provided the exercise price is not lower than the market value at time of issue. The Option Plan provides for the issuance of up to 10% of the issued and outstanding share capital, and having a maximum term of ten years. The board of directors has the exclusive power over the granting of options. Options will vest at the discretion of the directors. Compensation costs attributable to share options granted to employees, directors or consultants are measured at fair value at the grant date, using the Black-Scholes formula, and expensed with a corresponding increase to contributed surplus over the vesting period.

Stock option transactions are summarized as follows:

	Options Outstanding and Exercisable	Expiry Date	Weighted Average Exercise Price
Balance, September 30, 2022	3,989,474		\$ 0.130
Issued - October 27, 2022	1,750,000	26-Oct-2032	0.050
Balance, September 30, 2023 and 2024	5,739,474		\$ 0.106

On October 27, 2022 1,750,000 stock options were granted to directors and officers with an exercise price of \$0.05 per share, an expiry date of October 26, 2032, vesting 50% at issuance and 50% in 180 days.

As at September 30, 2024, the Company had the following outstanding stock options:

Issue date	Options outstanding	Exercise price	Expiry date
December 5, 2017	689,474	\$0.095	November 1, 2027
January 24, 2019	400,000	\$0.10	January 24, 2029
October 1, 2020	1,400,000	\$0.145	September 30, 2030
October 25, 2021	1,500,000	\$0.140	October 24, 2031
October 27, 2022	1,750,000	\$0.050	October 26, 2032

At September 30, 2024 5,739,474 of the outstanding stock options were fully exercisable.

During the year ended September 30, 2023, share based compensation expense associated with stock options was \$70,000 for options awarded on October 27, 2022.

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The inputs used in the measurement of the fair values at grant date were as follows.

	2023 Directors/Officers 1,750,000 stock options
Fair value at grant date	\$0.040
Share price at grant date	\$0.050
Exercise price	\$0.050
Expected volatility (weighted-average)	72%
Expected life in years	10
Risk-free interest rate	2.96%

**c) Warrants**

As of September 30, 2024 the Company has the following common share purchase warrants outstanding totalling nil (2023 - 5,000,840):

Issue date	Warrants outstanding	Exercise price	Expiry date
Balance, September 30, 2022	-		
Issued November 25, 2022	5,000,840	\$0.07	November 25, 2023
Balance, September 30, 2023	5,000,840	0.07	
Exercised November 24, 2023	(3,300,000)	0.07	
Expired November 25, 2023	(1,700,840)	0.07	
Balance, September 30, 2024	-	\$ -	

**5. Hecate Strait Project**

In accordance with the November 13, 2023 agreement, as described in note 1, Oceanic received Devco, NP B.C. Offshore GP Inc. ("GP"), and NP B.C. Offshore Limited Partnership ("LP"), the entity that is furthering the development of the project. The Company is the general partner and major limited partner in LP.

The Company has recorded a reclamation provision in regards to its wind measuring equipment ("Metmast") installed in Hecate Strait. The Company did an analysis of the methodology of removing this equipment and received an estimate of the related costs from a marine contractor. On the date of acquisition the Company applied an inflation rate of 2% and a discount rate of 4.22% to these costs and a discount period of three years. Based on this analysis the provision was estimated to be \$400,759. The Company remains obligated to remove such equipment at a future date. Related to this obligation, the Company has a deposit with Natural Resources Canada in the amount of \$360,000.

The acquisition was treated as an acquisition of assets as Devco, GP, and LP did not meet the definition of a business under IFRS 3. The value of the assets and liabilities acquired was based on the relative fair value.

The allocation of the consideration to the estimated fair value of assets and liabilities is as follows:

Purchase price:	
Cash paid	\$1
<u>Total purchases price</u>	<u>\$1</u>
Net assets acquired:	
Deposit - Natural Resources Canada	\$360,000
Reclamation provision	(400,759)
<u>Total Net assets required</u>	<u>(\$40,759)</u>

The differential between the net assets and purchase price of \$40,760 has been expensed as a transaction cost.

For the reclamation provision, during the year ended September 30, 2024, the Company recorded \$14,869 (2023 - \$nil) in accretion and recorded a change in estimate of \$11,905 (2023 - \$nil) to reflect the updated discount rate of 2.84%

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**6. Income Tax Expense**

a) A reconciliation of income taxes at statutory rates to actual income taxes is as follow:

	September 30, 2024	September 30, 2023
Income (loss) before income taxes	\$ 604,058	\$ (349,159)
Statutory rate	27.00%	27.00%
Expected income tax cost (benefit)	163,096	(94,273)
Reconciliation of effective tax rate:		
Permanent differences	19,656	19,915
Change in unrecognized tax benefits	(80,676)	74,358
Deferred tax asset not recognized on acquisition	(108,205)	-
Other	6,129	-
Income tax expense	\$ -	\$ -

b) Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	September 30, 2024	September 30, 2023
Non-capital losses and resource deductions	\$ 20,306,219	\$ 20,019,286
Other deductible temporary differences	531,278	1,117,013
	\$ 20,837,497	\$ 21,136,299

c) As at September 30, 2024, the Company has non-capital losses carried forward for Canadian tax purposes totaling approximately \$11,193,000 (2023 - \$10,905,000) for which \$nil (2023 - \$nil) have been recognized as deferred tax assets. The Company recognizes the benefit of tax losses only to the extent of anticipated future taxable income in relevant jurisdictions. The gross amount of tax losses carried forward expire as follows:

Expiry date	\$
2027	259,000
2029	1,582,000
2030	3,558,000
2031	2,027,000
2032	571,000
2033	492,000
2034	506,000
2035	475,000
2037	130,000
2039	393,000
2040	300,000
2041	87,000
2042	250,000
2043	244,000
2044	319,000
	<u>\$ 11,193,000</u>



## OCEANIC WIND ENERGY INC.

### Notes to the Consolidated Financial Statements For the years ended September 30, 2024 and 2023 in Canadian Dollars

#### 7. Related Party Transactions

Key management compensation to the Chief Executive Officer ("CEO"), Chief Financial Officer, and the Board of Directors for the years ended September 30, 2024 and 2023 are as follows:

	2024	2023
Wages and benefits	\$142,524	\$142,691
Reverse accrual for contingent wages	(1,000,000)	-
Share-based compensation	-	70,000
	(\$857,476)	\$212,691
Rent expense paid for use of home offices	\$ 10,200	\$ 10,200

On October 27, 2022, 1,750,000 stock options, with a fair value of \$70,000, were issued to officers and directors and \$70,000 was recorded in compensation expense for the year ended September 30, 2023.

As at September 30, 2024 the accrued salary payable amount was \$nil (2023 - \$22,751) and accounts payable to related parties was \$15,720 (2023 - \$3,354). Additionally, as at September 30, 2024, shareholder loans totaling \$125,000, plus accrued interest of \$2,195, was owing to directors of the Company (2023 - \$nil). These loans were subsequently paid on October 4, 2024.

Pursuant to a management agreement dated June 15, 2010, as amended January 1, 2016 and September 1, 2020 (the "Management Agreement"), the Company agreed to pay Mr. Michael O'Connor a fee of \$8,000 per month, such amount being based on working 800 hours per annum. The agreement provides that Mr. O'Connor shall receive a "Success Bonus" (as defined below) of either (a) \$2,000,000 in the event a Success Event (as defined in Note 10) occurs and the sale or disposition of all or substantially all of the assets exceed \$30,000,000; or (b) \$1,000,000 in the event a Success Event occurs and the sale or disposition of all or substantially all of the asset are less than \$30,000,000. At the election of Mr. O'Connor, the Success Bonus may be paid either in cash or common shares of the Company, provided that, if the Company has insufficient available cash resources to pay in cash, the Success Bonus will be paid in shares. The Company would need to obtain regulatory approval to the issuance of any common shares in lieu of cash.

The agreement also provides that if the Company is voluntarily, involuntarily wound-up or dissolved prior to the occurrence of a success event, then the Company will, to the extent it has the cash resources following payments to secured creditors (if any) pay Mr. O'Connor \$1,000,000 prior to payment of any other unsecured creditors and prior to any distribution of the assets of the Company to its shareholders, provided that Mr. O'Connor acknowledges and agrees that under no circumstances will any shareholder, director or officer of the Company, or any other person, have any obligation to make any investment in or contribution to the Company to fund any payment to Mr. O'Connor. The agreement also provides that the Company may terminate the contract (i) at any time for cause, without notice or pay in lieu of notice and (ii) on 3 months written notice. Mr. O'Connor can terminate the contract: (i) at any time for good reason; or (ii) on 3 months written notice to the Company without good reason; or (iii) at any time within 6 months of a Change of Control. Upon termination, Mr. O'Connor shall be paid his accrued and unpaid salary up to the date of termination and accrued and unused vacation time as of such termination. Given the contingent nature of these provisions in the agreement, the Company has accrued \$nil (2023 - \$1,000,000), resulting in a reversal of provision of \$1,000,000 (2023 - \$nil).

#### 8. Short Term Loan

In May 2024 the Company received financing by way of shareholder loans from the Company's directors. This short term arrangement is to have a term of less than one year and interest will be paid at 5% per annum. As at September 30, 2024 the balance of shareholder loans is \$125,000 (2023 - \$nil) and interest expense has been expensed and accrued in the amount of \$2,195 (2023 - \$nil). Subsequent to September 30, 2024, these amounts were paid in full.

#### 9. CEBA Loans

The Company borrowed \$40,000 in April 2020 and \$20,000 in December 2020 under the federal government Covid-19 relief program Canadian Emergency Business Assistance ("CEBA"). These funds are interest free until January 18, 2024 and if the loans are repaid by January 18, 2024, \$20,000 of the loans is forgiven. After January 18, 2024 the loans bear interest at 5% per annum and all principal and interest amounts must be paid no later than December 31, 2026.

## OCEANIC WIND ENERGY INC.

### Notes to the Consolidated Financial Statements For the years ended September 30, 2024 and 2023 in Canadian Dollars

The Company classifies the \$20,000 potential forgiveness as a government grant and recognizes this amount in deferred government grants until such time as the January 18, 2024 payment threshold is met. At that time the Company recognizes the grant as other income. Furthermore, the below-market rate of interest is treated as a government grant. The present value of the difference in cashflows related to the difference between a market interest rate, which the Company estimated to be 8%, and the 0% rate is also recorded in deferred government grants. On January 9, 2024 the Company paid the \$40,000 and recognized the \$20,000 loan forgiveness as other income.

#### 10. Contingent Liabilities

To preserve cash the Company entered into agreements with several consultants to defer all or a portion of their retainer, fees, or compensation, the payment of which is triggered by a future Success Event. "Success Event" is defined as the point in time at which an agreement has been announced to undertake the first phase of the project, to develop the project(s) on some deferred timeframe, or to sell all or part of the Company assets. The agreement to proceed, to develop, or to sell assets may be undertaken by an arms-length third party acceptable to the board of Oceanic that may or may not be partially owned by Oceanic. In order for the deferred retainers and fees to become payable, the Success Event must provide Oceanic shareholders with a significant increase in share value and further, this event must provide Oceanic with sufficient liquidity to pay the outstanding amounts due. The accumulated amounts have not been accrued due to the uncertainty of the occurrence of a future Success Event. As at September 30, 2024, the remaining unpaid, unaccrued balance of these deferred retainer and fee amounts for consultants is \$672,375 (2023 - \$672,375).

#### 11. Financial Risk Management and Fair Values

The Company's exposure to risk on its financial instruments arises primarily from its cash, accounts receivable, deposit, accounts payable, accrued liabilities, and its short term loan. The Company's intent is to minimize and manage these risks through the following:

Interest Rate Risk	The Company maintains an investment policy where all cash deposits and short term investments must be convertible to cash within three months. Given the Company's cash balance, the Company's exposure to interest rate risk is not significant. The CEBA loan bears no interest and thereby does not result in an exposure to interest rate risk.
Currency Rate Risk	Most of the Company's expenditures are currently in Canadian dollars and to minimize currency rate risk, it maintains its cash and cash equivalents in Canadian dollar denominated accounts. Therefore, the Company's exposure to currency risk is not significant.
Credit Risk	The Company's credit risk arises from its cash, and accounts receivable and deposit. The carrying amount of these assets represents the Company's maximum exposure to credit risk. The Company manages its credit risk by restricting its deposits to Government of Canada treasury notes or short term instruments guaranteed by a Canadian chartered bank. The Company has not incurred any credit losses during the years ended September 30, 2024 and 2023.
Liquidity Risk	The Company manages liquidity risk by continually monitoring actual and projected cash flows. All of the Company's accounts payable and accrued liabilities, and deferred compensation payable are potentially due within 1 year (see Note 2(a)).

The following table shows the carrying values of financial instrument assets and liabilities classified by measurement category at September 30, 2024 and 2023.

	September 30, 2024	September 30, 2023
Financial assets		
Amortized cost:		
Cash	\$ 13,448	\$ 35,111
Accounts receivable	54,130	559
Deposit	360,000	-
	<u>\$ 427,578</u>	<u>\$ 35,670</u>

**OCEANIC WIND ENERGY INC.**  
**Notes to the Consolidated Financial Statements**  
**For the years ended September 30, 2024 and 2023**  
**in Canadian Dollars**

Financial liabilities

Amortized cost:

Accounts payable and accrued liabilities	\$ 138,435	\$ 73,542
Deferred compensation payable (note 7)	-	1,000,000
Shareholder loans (note 8)	125,000	-
CEBA loan (note 9)	-	60,000
	\$ 263,435	\$ 1,133,542

The fair value of the Company's cash, accounts receivable, deposit, accounts payable and accrued liabilities, deferred compensation payable, shareholders loans, and CEBA loan approximate their carrying amounts due to the short-term maturities and/or ability for prompt liquidation of these instruments.

**12. Capital Management**

The Company's capital management objectives are to safeguard its assets and maintain investor, creditor and market confidence in order to sustain ongoing development activities in the wind energy sector. The Company's capital management objectives have not changed from September 30, 2024. The Company includes all shareholders' deficiency balances as capital.

The Company currently has the debt obligation as disclosed in note 8 and is not subject to externally imposed capital restrictions. To complete its planned business objectives, the Company intends to raise additional capital when necessary by issuing additional equity and/or borrowing funds.

**13. Subsequent Events**

On October 1, 2024, the Company closed on a sale of its wholly owned subsidiary NaiKun Wind Development Inc. ("Devco") to Elemental Energy Inc. ("Elemental"). The \$1,500,000 proceeds of this sale will be received in three instalments being \$550,000 on October 1, 2024; \$475,000 on October 1, 2025; and \$475,000 on October 1, 2026. In addition, Elemental agreed to fund \$50,000 of the Company's advisory costs (legal and accounting) related to this transaction. On September 30, 2024, Devco holds a minority interest in NP B.C. Offshore Limited Partnership ("LP"). The Company is the general partner and major limited partner in LP. Following the October 1, 2024 closing of the share purchase agreement, both the Company and Devco each contributed \$100,000 into LP and as further capital is required by LP, Devco and the Company will contribute matching amounts up to an additional \$150,000 each, pursuant to the terms of the LP agreement.

On October 4, 2024 the outstanding shareholder loans and accrued interest were paid in full.

# OCEANIC WIND ENERGY INC.

(A Development Stage Company)

## Management's Discussion & Analysis For the year ended September 30, 2024

Containing information up to and including January 24, 2025

This Management's Discussion and Analysis ("MD&A") reviews the activities of Oceanic Wind Energy Inc., (the "Company" or "Oceanic") and its material subsidiaries; the wholly owned NaiKun Wind Development Inc. ("Devco"), NP B.C. Offshore Wind GP Inc ("GP"), and NP B.C. Offshore Wind Limited Partnership ("LP"). For a more complete understanding of the Company's financial condition and results of operations, this MD&A should be read together with the Company's financial statements for the year ended September 30, 2024 and 2023 and the accompanying notes, and the MD&A for the year ended September 30, 2023. The above-mentioned documents along with additional information and disclosure relating to the Company can be found on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca) or on the Company's website, [www.oceanicwind.ca](http://www.oceanicwind.ca).

### *Forward-Looking Information and Report Date*

This MD&A contains certain forward-looking information. Investors are cautioned that all information, other than historical facts included herein, including without limitation, data regarding future plans and objectives of the Company, is forward-looking information based on management's expectations, assumptions and estimates. Although the Company believes these underlying estimates and assumptions to be reasonable, they are difficult to predict, and actual results may differ materially from those in the forward-looking statements.

Forward-looking information can be subject to significant risks, uncertainties, estimates and assumptions can prove to be inaccurate. There are many factors that could result in materially different outcomes than the forward-looking information contained herein including, but not limited to, the state of capital and financial markets, the general economy, the political climate, the commodity markets, foreign exchange fluctuations, the energy sector, electricity demand, technology, environmental factors, community relations and First Nations. Investors should be aware that there can be no assurance that forward-looking information will prove to be accurate and future events and actual results could differ materially from those anticipated.

The information herein is only provided as of the date of this MD&A, January 24, 2025 (the "Report Date").

### *Description and Overview of Business*

Oceanic Wind Energy Inc. is a British Columbia ("BC") based renewable energy company with a current focus on an offshore wind energy project. Headquartered in Vancouver, the Company trades on the TSX Venture Exchange-NEX (TSXV-NEX: NKW.H). On March 27, 2020, the Company signed definitive agreements (the "Agreements") to sell its development rights in its offshore wind project to Northland Power Inc. ("Northland"). Upon closing, which took place on September 1, 2020, Northland had the right to develop the offshore wind project located in Hecate Strait off the north coast of British Columbia.

Subsequent to September 30, 2023, under terms in the original agreement with Northland, the control and ownership of the Hecate Strait project have now been returned to Oceanic. The agreements for this return, between Oceanic and two of Northland's wholly owned subsidiaries, closed on November 13, 2023. Northland was not able to dedicate sufficient human and financial resources to give priority to the Hecate Strait project at this time and the two parties felt it was in the best interest of the project to put Oceanic back in control of

the project. Oceanic is currently in discussions with large international companies who are renowned for development, construction, and operation of large offshore wind projects around the world. The goal is to partner with a significant company who can engage in continuing the development of the project, build a strong partnership with the First Nations, and ultimately be a successful part in meeting the future electrical demands of the province.

### *Wind Energy Project in Hecate Strait*

The area's wind resource is recognized as one of the best in the world. This is due to the strong, consistent, and high wind speeds, with mean annual wind speeds exceeding 10.0 meters/second (rated as a Class 7 resource). The wind is the strongest and most consistent in the fall and winter when electricity demand in BC is the highest. Other characteristics that make Hecate Strait an ideal location for offshore wind projects include its sedimentary seabed of consolidated silts, sands and gravels, relatively shallow waters, access to BC Hydro's power grid, and its proximity to the increasing electricity demand in Northwest British Columbia.

### *Outlook*

BC Hydro and the Province have announced the first of many Power Calls in 2024. Updated modeling released in B.C.'s [2021 Climate Change Accountability Report](#) highlights a much larger and growing policy gap in meeting its 2030 GHG emissions reduction targets than previously thought. Actions outlined in the CleanBC climate plan of 2018 originally projected to achieve 75 per cent of the 2030 target are now estimated to achieve just 32 to 48 per cent. This widening gap is mainly attributed to revised modeling of government's industrial and transportation electrification policy agenda. In response, the province's [Roadmap to 2030](#) significantly increases electrification policy ambition. As a recent KPMG report demonstrates, the electricity deficit is large and growing. KPMG projects the deficit to be between 4,386 MW and 5,869 MW by 2030.

As outlined above, the Government of B.C. is facing increasing pressure to meet its 2030 climate targets and the growing demand for power from industry, population growth and the strong trends to move away from fossil fuels. This has resulted in the government directing BC Hydro to engage existing and emerging industrial customers to discuss the development of additional generation assets to meet the growing gap between supply and demand. This and the growing supply deficit resulted in the province announcing the first of many Clean Power calls for 2024. On December 9, 2024, the province and BC hydro announced nine successful wind tenders totaling approximately 5,000 Gwh/yr; far less than is needed to meet the demand deficit. No projects were awarded in the power strapped NW part of the province. All these projects must meet certain requirements within a tight schedule to be awarded a PPA. Oceanic is in discussions with major offshore wind developers and First Nations in the region to partner in the Hecate Strait project. The project is well positioned due to its scale and proximity to the emerging large scale industrial demand on the North Coast.

Both the provincial and the federal governments have established numerous programs that will substantially assist in reducing the levelized cost of the energy produced, predicted to be a reduction of 25% to 45%.

### BC Government Climate Action Plans and Renewable Energy "Road Map"

The wind resource in Hecate Strait is a remarkable utility scale world-class wind resource that can be developed to help meet the power needs in BC.

The BC Government policy announcements (CleanBC and Climate Change Policies) make it clear that to achieve the Paris Accord Climate Action objectives and the province's GHG targets, BC must electrify most energy consuming uses and must convert more carbon-based fuel industries to electricity.

**On December 9, 2024, when Premier Ebby announced the Clean Power Awards,** he mentioned that the province has huge demands for power from new prospective customers that is a "Generational Opportunity" and the province is going to achieve these opportunities for jobs and prosperity. The Premier specifically mentioned the greenest aluminum production in the world, the greenest LNG in the world, and we can do that with mines that can use electricity in place of expensive "dirty" diesel. "We can attract more investment using electricity" and with the change in the EAO process "we will bring these projects on sooner." There will be many more calls for power to meet the "exceptional demand".

It has been estimated the demand for new power in the province now exceeds 10,000 MWs.

Couple these aggressive policy commitments, exceptional demand for power, and the likelihood that British Columbia will not build another new Hydro Dam or a large gas generation facility, it is clear that future energy supply must come from utility scale renewable resources like the Hecate Strait offshore wind project. The NW of BC was left out of the 2024 power call and will be a higher priority for future calls as the demand for power in this region of the province must be provided by projects in the region.

#### Northwest BC is a Unique Region supplied by a single HVAC Transmission Line

With the growing demand for abundant and affordable electrical energy, there are compelling reasons for this project to proceed. The wind resource in Hecate Strait is located in the northwest region of BC, a unique part of the province serviced by one 600km long HVAC transmission line with a finite capacity. Additional electrical power for this part of the province must be provided locally or via a new multi-billion-dollar transmission line that would take up to a decade to approve and complete. Providing electrical power locally is the more practical and cost-effective alternative for the fast growing commercial and industrial demand in the region. The Hecate Strait wind project is a significant utility scale project in the region that can help meet the growing demand for power.

#### Green Hydrogen becoming a clean fuel of the future and the Port of Prince Rupert is building an Export Facility

Hydrogen production, shipping and use, for purposes such as electricity generation and fueling transportation is increasingly seen as a crucial element of decarbonization strategies. Trigon BC, a company in partnership with the Lax Kw'alaams and Metlakatla First Nations, is developing a second terminal, "Berth Two Beyond Carbon", on Ridley Island to ship green fuels, hydrogen, ammonia and other renewable biofuels (<https://www.trigonbc.com/trigon-terminals-set-to-nearly-double-shiploading/>).

The Vopak/AltaGas Terminal on Ridley Island has started construction on their \$3b fuel export facility (<https://vopakpacificcanada.com/project-updates/f/federal-determinations-received>). These facilities will require the production of green hydrogen/ammonia from local renewable energy projects. This market will rapidly grow as the critical demand for green fuels expands worldwide.

The Port of Prince Rupert has announced an important "Decarbonization Program" to reduce their carbon footprint 30% by 2030, and 100% by 2050. This equates to significant local demand in the Prince Rupert area.

All these projects require power, electricity that could be provided by the Hecate Strait project.

## *Risks and Uncertainties*

The Company's future and growth is dependent on a number of risk factors common to other companies in the renewable energy sector and, wind energy companies. Some factors that may have a material impact on the Company's future include, but are not limited to:

### Electricity Purchase Agreement ("EPA")

A significant milestone and risk factor for the Company would be an award of an EPA for the Hecate Strait project from BC Hydro, a large industrial user of electricity, or a large corporate purchaser of renewable energy. On June 15, 2023, BC Hydro announced the first of many power calls to meet the growing electricity deficit in the province of 3,000 GWh per year. Of note other reports indicate the demand is substantially greater than 3,000 GWh/year. The Province of BC has also stated there will be major calls for power every 2 years; equating to roughly 6,000 GWh per call. In the December 9, 2024 power call announcement, the Premier and Minister of Energy and Climate Solutions both expressed the urgency to bring more renewable energy on line to meet the "Generational Opportunity" to provide electricity to industry.

Chris O'Riley, CEO BC Hydro was quoted in the June 15, 2023, power call announcement: "As many of you know, we are in the midst of a once-in-a-100-year energy transition ... Here in BC, we continue to see growing interest ... in making the switch from fossil fuels to using clean electricity and in fact that interest is accelerating.

The Hecate Strait wind resource is well suited to meet the growing need for electricity in BC. However, Oceanic cannot predict if an EPA will be awarded to the project or if we will reach a financial close and successfully develop the wind project.

### Major Partner and First Nations Partners

It is critical for the Company to bring on a major partner with the desire and capacity to further the development of the project and participate in the BC Hydro future calls for power. The Company is currently in discussions and is optimistic that with the increasing demand for electricity in BC and particularly in the power starved NW that a partnership can be put in place.

Discussions are also progressing with First Nations to partner in developing of the project.

However, Oceanic cannot predict if such partnerships can be concluded on acceptable terms.

### Capital Resources

Since the sale to Northland, the Company has substantially reduced its activity level and cash expenditures. During the year ended September 30, 2023, the Company completed a private placement issuing 5,000,840 units at \$0.05 per unit, raising \$238,811, net of \$11,231 in stock issuance costs. Each unit consisted of one common share in the capital of the Company and one warrant. Each warrant was exercisable at an exercise price of \$0.07 for a period of one year from the date of issuance. The private placement closed November 25, 2022.

On November 24, 2023, the company received proceeds from the exercise of 3,300,000 warrants at \$0.07 raising \$231,000. The balance of the 1,700,840 outstanding warrants expired on November 25, 2023 unexercised.

In May 2024, the Company received financing by way of shareholder loans from the Company's directors. This short-term arrangement is to have a term of less than one year and interest will be paid at 5% per annum. As of September 30, 2024, the balance of shareholder loans is \$125,000 (\$nil – 2023) and interest expense has been expensed and accrued in the amount of \$2,195 (\$nil – 2023). These loans with accrued interest were paid in full October 4, 2024.

On October 1, 2024, the Company closed on a sale of its wholly owned subsidiary NaiKun Wind Development Inc. ("Devco") to Elemental Energy Inc. ("Elemental"). The \$1,500,000 proceeds of this sale will be received in three instalments, \$550,000 on October 1, 2024, \$475,000 on October 1, 2025, and \$475,000 on October 1, 2026. In addition, Elemental agreed to fund \$50,000 of the Company's advisory costs (legal and accounting) related to this transaction. Devco currently holds a minority interest in NP B.C. Offshore Limited Partnership ("LP"). The Company is the general partner and major limited partner in LP, which is the entity that is furthering the development of the Hecate Strait project. Following the October 1, 2024 closing of the share purchase agreement, both the Company and Devco each contributed \$100,000 into LP and as further capital is required by LP, Devco and the Company will contribute matching amounts up to an additional \$150,000 each, pursuant to the terms of the limited partnership agreement.

To complete its planned business objectives and cover ongoing operational costs, the Company intends to raise additional capital, when necessary, by issuing additional equity, borrowing funds, and/or entering into a partnership relationship with a major partner.

### Wind Resource and Weather

Long-term historical wind data, obtained from Environment Canada at or around the site for the project, along with data received from the Met Mast, indicate this is a world-class, affordable wind resource. However, wind speeds may vary over time and may or may not continue at the historical trend due to changes in weather patterns. The 20 plus years of correlated data indicate the resource may be growing stronger over time, however, this is not assured. During construction, the weather and marine environment at the project site can cause scheduling delays resulting in cost overruns or a delay in the operation start date.

### *Financial Summary*

The following summarizes selected financial information for the three years ended September 30, 2024, 2023, and 2022.

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Income (loss) and comprehensive income (loss)	\$604,058	\$(337,928)	\$(401,902)
Income (loss) per common share	<u>\$0.01</u>	<u>\$(0.00)</u>	<u>\$(0.01)</u>



The following summarizes the total assets and total liabilities as at September 30, 2024, 2023, and 2022.

	September 30, <u>2024</u>	September 30, <u>2023</u>	September 30, <u>2022</u>
Total Assets	\$429,052	\$36,568	\$67,521
Total Liabilities	\$690,968	1,133,542	\$1,135,378

The income during the year ended September 30, 2024 is primarily due to the Company's expenditures on the project and administration, which were expensed in the period incurred, net of the reversal of the \$1,000,000 contingent wage accrual. The increase in total assets and decrease in total liabilities, over September 30, 2023, are related to the \$360,000 deposit with National Resources Canada and the related asset retirement obligation which were part of the return of the project ownership and control to Oceanic, net of the reversal of the \$1,000,000 contingent wage accrual.

### *Summary of Quarterly Results*

The following table summarizes information derived from the Company's financial statements for each of the eight most recently completed quarters. For more detailed information, refer to the financial statements for the applicable periods.

Quarter ended	Revenues - \$	Project, general and administrative expenses - \$	Net income (loss) - \$	Basic and diluted loss (income) per share - \$
30-Sep-24	Nil	103,801	843,961	0.01
30-Jun-24	Nil	100,729	(100,402)	(0.00)
31-Mar-24	Nil	73,684	(52,892)	(0.00)
31-Dec-23	Nil	86,995	(86,609)	(0.00)
30-Sep-23	Nil	69,605	(69,314)	(0.00)
30-Jun-23	Nil	83,290	(82,741)	(0.00)
31-Mar-23	Nil	88,797	(87,592)	(0.00)
31-Dec-22	Nil	98,281	(98,281)	(0.00)

The level of expenditures and loss varies from period to period depending on the level of Company activity.

### *Results of Operations*

The Company reported an income of \$604,058 for year ended September 30, 2024 compared with a loss of \$337,928 for the same period last year. Cash used in operations for the year ended September 30, 2024 was \$337,663 compared to \$253,626 for the same period last year.

Project, general and administrative expenses (“PG&A”) for the year ended September 30, 2024 totaled \$365,209 (2023 - \$339,973) of which \$39,579 (2023 - \$1,980) related to public and community relations, \$90,287 (2023 - \$36,866) related to professional fees, \$62,541 (2023 - \$83,903) for office and administrative expenses, \$14,869 (2023 - \$nil) related to accretion, and \$11,529 (2023 - \$4,533) related to travel, \$950 (2023 - \$nil) related to consultant fees, and \$2,930 (2023 - \$nil) related to interest and borrowing costs. Compensation expense for the year ended September 30, 2024, which is also included in PG&A, amounted to \$142,524 (2023 - \$212,691). Compensation costs were lower due to the difference in the cost of options issued; for the year ended September 30, 2024 the expense was \$nil (2023 - \$70,000). Public and community relations and travel were higher as a result of First Nations consultation work and building awareness and support for the project. Office and administration is lower than fiscal 2023 as 2023 was the last year of the amortization of a run-off insurance policy taken out in 2020 as a result of the transaction with Northland Power Inc. Interest and borrowing costs relate to interest accrued on the shareholder loans \$2,195 (2023 - \$nil) and interest on the CAFO loan \$735 (2023 - \$nil). Professional fees were higher due to extra tax returns related to the multiple entities now again part of the Oceanic group of companies and higher legal fees related to the return of the project in November 2023 and legal fees related to the sale of Devco, all net of the \$50,000 recovery as part of the agreement with Elemental. With the return of the project from Northland, the Company reevaluated the present value of the reclamation provision and accordingly recognized \$40,760 (2023 - \$nil) as transaction costs, and adjusted the reclamation provision by \$11,905 (2023 - \$nil). The provision reversal of \$1,000,000 (2023 - \$nil) relates to the CEO wage accrual which was reversed due to its contingent nature. During the year ended September 30, 2024, the company repaid \$40,000 on the outstanding CEBA loan and recorded \$20,000 (\$nil - 2023) in other income to record the forgiveness of the balance of the loan as per the original terms of the borrowing.

### *Liquidity*

As at September 30, 2024, the Company had \$13,448 in cash compared to \$35,111 as at September 30, 2023. Working capital, being current assets less current liabilities, as at September 30, 2024 was a deficit of \$194,383 as compared to a deficit of \$1,096,974 as at September 30, 2023. The decrease in cash and the decrease in working capital deficit during the year ended September 30, 2024 is the result of funds raised from the exercise of warrants and the funding through shareholder loans, net of expenditures related to the ongoing overhead and administration to maintain the Company and advance the project. Given its contingent nature, the \$1,000,000 wage accrual for the CEO was reversed, creating a provision reversal of \$1,000,000 (2023 - \$nil).

During the three months ended December 31, 2022, the Company completed a private placement issuing 5,000,840 units at \$0.05 per unit, raising \$238,811, net of \$11,231 in stock issuance fees. Each unit consisted of one common share in the capital of the Company and one warrant. Each warrant is exercisable at an exercise price of \$0.07 for a period of one year from the date of issuance. The private placement closed November 25, 2022. On November 24, 2023, a total of \$231,000 was raised from the exercise of 3,300,000 warrants. The remaining 1,700,840 warrants expired on November 25, 2023 unexercised.

The Company borrowed \$40,000 in April 2020 and \$20,000 in December 2020 under the federal government Covid-19 relief program Canadian Emergency Business Assistance (“CEBA”). On January 10, 2024, \$40,000 was repaid on the loan and \$20,000 was forgiven.

In May 2024 the Company received financing by way of shareholder loans from the Company’s directors. This short-term arrangement is to have a term of less than one year and interest will be paid at 5% per annum. As at September 30, 2024, the balance of shareholder loans is \$125,000 (\$nil - 2023) and interest expense has

been expensed and accrued in the amount of \$2,195 (\$nil – 2023). These loans plus accrued interest were paid in full October 4, 2024.

As evidenced by the announcement by the Province of BC and BC Hydro, related to the calls for power, there is a growing demand for electricity and a growing support for renewable energy. Oceanic is confident that the project in Hecate Strait can play a role in meeting that demand.

The Company's ability to continue as a going concern is dependent on its ability to obtain additional financing. The Company will need to raise funds through grants, strategic collaborations, public or private equity, debt financing, or other funding sources. The funding may not be available on acceptable terms, or at all, and may be dilutive to shareholder interests. If the Company is unable to generate positive cash flows or obtain adequate financing, the Company would need to curtail operations.

### *Capital Resources*

During the year ended September 30, 2023, the Company completed a private placement issuing 5,000,840 units at \$0.05 per unit, raising \$238,811, net of 11,231 in stock issuance costs. Each unit consisted of one common share in the capital of the Company and one warrant. Each warrant was exercisable at an exercise price of \$0.07 for a period of one year from the date of issuance. The private placement closed November 25, 2022. On November 24, 2023, a total of \$231,000 was raised from the exercise of 3,300,000 warrants. The remaining 1,700,840 warrants expired unexercised on November 25, 2023. As of the Report Date, the Company had 87,327,896 common shares issued and outstanding.

On October 27, 2022, 1,750,000 stock options were issued to officers and directors at an exercise price of \$0.05 and an expiration date of October 26, 2032.

As of the Report Date, the Company had 5,739,474 stock options and nil warrants outstanding.

Description	Exercise Price	Expiry Date	Number Outstanding
Stock Options	\$0.095	November 1, 2027	689,474
Stock Options	\$0.10	January 24, 2029	400,000
Stock Options	\$0.145	September 30, 2030	1,400,000
Stock Options	\$0.14	October 24, 2031	1,500,000
Stock Options	\$0.05	October 26, 2032	1,750,000

### *Contingent Liabilities*

To preserve cash, the Company entered into agreements with several consultants and the CEO to defer all or a portion of their retainer, fees, or compensation; the payment of which is triggered by a future Success Event. "Success Event" is defined as the point in time at which an agreement has been announced to undertake the first phase of the project, to develop the project(s) on some deferred timeframe or to sell all or part of the Company assets. The agreement to proceed, to develop, or to sell assets may be undertaken by an arms-length third party acceptable to the Board of Oceanic that may or may not be partially owned by Oceanic. In order for the deferred retainers and fees to become payable, the Success Event must provide Oceanic shareholders with a significant increase in share value and further, this event must provide Oceanic with sufficient liquidity to pay the outstanding amounts due. The accumulated amounts have not been accrued due to the uncertainty

of the occurrence of a future Success Event. As at September 30, 2024, the remaining unpaid, unaccrued balance of these deferred retainer and fee amounts for consultants is \$672,375 (2023 – \$672,375).

### *Related Party Transactions*

Key management compensation to the Chief Executive Officer (“CEO”), Chief Financial Officer, and the Board of Directors for the year ended September 30, 2024 are as follows:

	2024	2023
Wages and benefits	\$142,524	\$142,691
<u>Share-based compensation</u>	<u>-</u>	<u>70,000</u>
	<u>\$142,524</u>	<u>\$212,691</u>

On October 27, 2022, 1,750,000 stock options, with a fair value of \$70,000, were issued to officers and directors and \$70,000 was recorded in compensation expense for the year ended September 30, 2023 (2024 - \$nil).

Pursuant to a management agreement dated June 15, 2010, as amended January 1, 2016 and September 1, 2020 (the “Management Agreement”), the Company agreed to pay Mr. Michael O’Connor a fee of \$8,000 per month, such amount being based on working 800 hours per annum. The agreement provides that Mr. O’Connor shall receive a “Success Bonus” (as defined below) of either (a) \$2,000,000 in the event a success event occurs and the sale or disposition of all or substantially all of the assets exceed \$30,000,000; or (b) \$1,000,000 in the event a success event occurs and the sale or disposition of all or substantially all of the assets are less than \$30,000,000. At the election of Mr. O’Connor, the Success Bonus may be paid either in cash or common shares of the Company, provided that, if the Company has insufficient available cash resources to pay in cash, the Success Bonus will be paid in shares. The Company will obtain regulatory approval to the issuance of any common shares in lieu of cash.

The agreement also provides that if the Company is voluntarily, involuntarily wound-up or dissolved prior to the occurrence of a success event, then the Company will, to the extent it has the cash resources following payments to secured creditors (if any) pay Mr. O’Connor \$1,000,000 prior to payment of any other unsecured creditors and prior to any distribution of the assets of the Company to its shareholders, provided that Mr. O’Connor acknowledges and agrees that under no circumstances will any shareholder, director or officer of the Company, or any other person, have any obligation to make any investment in or contribution to the Company to fund any payment to Mr. O’Connor. The agreement also provides that the Company may terminate the contract (i) at any time for cause, without notice or pay in lieu of notice and (ii) on 3 months written notice. Mr. O’Connor can terminate the contact: (i) at any time for good reason; or (ii) on 3 months written notice to the Company without good reason; or (iii) at any time within 6 months of a Change of Control. Upon termination, Mr. O’Connor shall be paid his accrued and unpaid salary up to the date of termination and accrued and unused vacation time as of such termination. Given the contingent nature of these provisions in the agreement, the Company has accrued \$nil (2023 - \$1,000,000), resulting in a provision reversal of \$1,000,000 (2023 - \$nil).

### *Internal Controls and Procedures over Financial Reporting*

Disclosure controls and procedures (“DC&P”) are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized, and reported within the time periods specified by

securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting (“ICFR”) are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles.

TSX Venture listed companies are not required to provide representations in their annual and interim filings relating to the establishment and maintenance of DC&P and ICFR, as defined in National Instrument 52-109. In particular, the certifying officers (the Chief Executive Officer and Chief Financial Officer) do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP. The issuer’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in National Instrument 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

### *Approval*

The board of directors of the Company has approved the disclosure contained in this MD&A.

### *Additional Information*

Additional information relating to the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com) under Oceanic Wind Energy Inc. or at [www.oceanicwind.ca](http://www.oceanicwind.ca).

Dated January 24, 2025