

DIAMOND ESTATES WINES & SPIRITS INC.
1067 Niagara Stone Road
Niagara-on-the-Lake, Ontario
L0S 1J0

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the “**Meeting**”) of the shareholders of Diamond Estates Wines & Spirits Inc. (the “**Corporation**”) will be held on Thursday, October 30, 2025 at 10:00 a.m. (Eastern Daylight Saving Time) by Zoom teleconference (information below in Note 3) for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for the fiscal year ended March 31, 2025, and the auditor’s report thereon;
2. to fix the number of directors of the Corporation at seven and to elect each of the directors for the ensuing year;
3. to appoint auditors for the ensuing year and to authorize the directors to fix the auditors’ remuneration;
4. to consider, and if thought fit to pass, with or without variation, an ordinary resolution to confirm, approve and ratify certain amendments to the Corporation’s Stock Option Plan, as more particularly described in the accompanying management proxy circular (the “**Circular**”);
5. to consider, and if thought fit to pass, with or without variation, an ordinary resolution of the majority of disinterested shareholders to confirm, approve and ratify certain amendments to the Corporation’s current Deferred Share Unit Plan, as more particularly described in the Circular;
6. to consider, and if thought fit to pass, with or without variation, an ordinary resolution of the majority of disinterested shareholders to approve certain amendments to the replacement convertible debentures held by Mr. Pierre-Paul Lassonde and Lassonde Industries Inc. (“**Lassonde**”) and the issuance of new replacement convertible debentures to Mr. Lassonde and Lassonde, as more particularly described in the Circular; and
7. to transact such other business as may properly come before the Meeting or any adjournment thereof.

The board of directors of the Corporation (the “**Board**”) has fixed Friday September 19, 2025 as the record date for the determination of shareholders entitled to notice of, and to vote at, the Meeting and any adjournment thereof.

This notice of meeting is accompanied by the Circular.

A shareholder who is unable to attend the Meeting in person and who wishes to ensure that such shareholder’s shares will be voted at the Meeting is requested to complete, date and execute the form of proxy which was mailed separately to shareholders and deliver it by facsimile, by hand or by mail or vote online in accordance with the instructions set out in the form of proxy and in the management information circular.

DATED at Toronto, Ontario this 25th day of September, 2025.

BY ORDER OF THE BOARD

(signed) “Andrew Howard”

Andrew Howard
President and Chief Executive Officer

NOTES:

1. Shareholders registered on the books of the Corporation at the close of business September 19, 2025 are entitled to notice of and to vote at the Meeting.
2. The Board has fixed a time that is not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or any adjournment thereof as the time before which the instrument of proxy to be used at the Meeting must be deposited with the Corporation's transfer agent, TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1.
3. Join Zoom Meeting

<https://us02web.zoom.us/j/88930293400?pwd=zcPcUZCDQf9XWOAWq05GclFBVuHEv3.1>

Topic: Andrew Green Meeting

Time: Oct 30, 2025 09:45 AM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/88930293400?pwd=zcPcUZCDQf9XWOAWq05GclFBVuHEv3.1>

Meeting ID: 889 3029 3400

Passcode: 111517

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- +1 587 328 1099 Canada
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- +1 301 715 8592 US (Washington DC)
- +1 305 224 1968 US
- +1 309 205 3325 US
- +1 312 626 6799 US (Chicago)
- +1 346 248 7799 US (Houston)
- +1 360 209 5623 US
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DIAMOND ESTATES WINES & SPIRITS INC.

1067 Niagara Stone Road
Niagara-on-the-Lake, Ontario
L0S 1J0

MANAGEMENT INFORMATION CIRCULAR

For the Annual General and Special Meeting of Shareholders to be held on October 30, 2025

GENERAL PROXY INFORMATION

SOLICITATION OF PROXIES

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies for use at the annual general and special meeting (the “**Meeting**”) of shareholders (the “**Shareholders**”) of Diamond Estates Wines & Spirits Inc. (the “**Corporation**”) to be held on Thursday, October 30, 2025 at 10:00 am. (Eastern Daylight Time) by Zoom teleconference (link below) and at any adjournments thereof, for the purposes set out in the accompanying notice of meeting. The cost of solicitation of proxies will be borne by the Corporation.

Join Zoom Meeting:

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Find your local number: <https://us02web.zoom.us/j/kdSDD1hmfN>

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors or representatives of the Corporation. **A SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE CORPORATION, TO REPRESENT THEM AT THE MEETING MAY DO SO** by inserting such other person's name in the blank space provided in the form of proxy and depositing the completed proxy with the Corporation's transfer agent, TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, as instructed below. Shareholders may execute a proxy personally or through an attorney duly authorized in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized.

In addition to any other manner permitted by law, a proxy may be revoked before it is exercised by an instrument in writing executed and delivered in the same manner as the proxy at any time up to and including the last business day preceding the day of the Meeting or any adjournment at which the proxy is to be used or delivered to the Chair of the Meeting on the day of the Meeting or any adjournment prior to the time of voting and upon either such occurrence, the proxy is revoked.

DEPOSIT OF PROXY

ALL PROXIES TO BE USED AT THE MEETING MUST BE DEPOSITED NOT LATER THAN 48 HOURS PRECEDING THE DAY OF THE MEETING, EXCLUDING SATURDAYS, SUNDAYS AND STATUTORY HOLIDAYS, OR ANY ADJOURNMENT, WITH THE CORPORATION'S TRANSFER AGENT, TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, by mail or pursuant to the instructions provided on the form of proxy. Shareholders may also vote online via www.voteproxyonline.com by entering the 12-digit control number found on the Form of Proxy or fax via 416-595-9593.

NON-REGISTERED SHAREHOLDERS

Only Shareholders of record at the close of business on September 19, 2025 (the "**Record Date**"), or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, shares beneficially owned by a person (a "**Non-Registered Holder**") are registered either:

- i. in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the shares of the Corporation (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or
- ii. in the name of a clearing agency (such as The Canadian Depository for Securities Limited ("**CDS**")) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 ("**NI 54-101**"), the Corporation will have distributed copies of the notice of meeting, this Circular and the form of proxy (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders. Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Material to Non-Registered

Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- i. be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise uncompleted. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the form of proxy and submit it to the Corporation or the Corporation's transfer agent, TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1; or
- ii. more typically, be given a form of proxy which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a "proxy authorization form") which the Intermediary must follow. Typically, the Non-Registered Holder will be given a page of instructions that contains a removable label containing a barcode and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy, and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the shares of the Corporation they beneficially own. Should a Non-Registered Holder who receives either form of proxy wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the person named in the proxy and insert the Non-Registered Holder or such other person's name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.

A Non-Registered Holder may revoke a proxy authorization form (voting instructions) or a waiver of the right to receive Meeting Materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary, except that an Intermediary is not required to act on a revocation of a proxy authorization form (voting instructions) or of a waiver of the right to receive Meeting Materials and to vote which is not received by the Intermediary at least seven days prior to the Meeting.

EXERCISE OF DISCRETION OF PROXIES

The persons named in the accompanying form of proxy for use at the Meeting will vote the shares in respect of which they are appointed in accordance with the directions of the Shareholders appointing them. IN THE ABSENCE OF SUCH DIRECTIONS, SUCH SHARES SHALL BE VOTED "FOR" on all of the matters listed in the notice of meeting, and as more particularly described in this Circular.

The enclosed form of proxy confers discretionary authority upon the person named with respect to any amendment, variation or other matter to come before the Meeting, other than the matters referred to in the notice of meeting. HOWEVER, IF ANY SUCH AMENDMENTS, VARIATIONS OR OTHER MATTERS WHICH ARE NOT NOW KNOWN TO THE MANAGEMENT SHOULD PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE PROXIES WILL BE VOTED IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSON OR PERSONS VOTING SUCH PROXIES.

VOTING SECURITIES AND PRINCIPAL HOLDERS

The authorized capital of the Corporation consists of an unlimited number of common shares (the "Common Shares") of which **66,883,515** Common Shares are issued and outstanding as fully paid and non-assessable as at September 19, 2025, the Record Date for the Meeting. Each holder of Common Shares of record will be entitled to one vote for each Common Share held at the Meeting.

To the knowledge of the directors and executive officers of the Corporation, based on the most recent publicly available information, as of the date hereof, the only persons that beneficially own, directly or indirectly, or control or

direct voting securities of the Corporation carrying more than 10% of the voting rights attached to the voting securities of the Corporation are as follows:

Name	Number of Shares	Percentage of Total Issued
Lassonde Industries Inc. ⁽¹⁾	32,846,506	49.11%
CDS & Co. ⁽²⁾	22,860,449	34.18%

Notes:

- (1) Lassonde Industries Inc. (“**Lassonde**”) also owns (directly or indirectly) 80,000 share options (at exercise prices of \$1.40 and \$2.00 as set out below), 773,283 DSUs as of August 11, 2025, and a \$500,000 principal amount of convertible debenture (which rolled over in November 2023 and 2024 adding 10% accrued interest of \$50,000 each time), the principal of which would be convertible into 2,083,333 common shares at the current convertible debenture price of \$0.24 for the principal and the interest would convert to 750,000 common shares if one were to use a \$0.20 price per share for the approximate math out to November 2025. In addition, Mr. Pierre-Paul Lassonde, a control shareholder of Lassonde Industries Inc., through 3346625 Canada inc. (“**Lassonde Holding**”), owns 2,117,824 shares and a \$2.85 million principal amount convertible debenture (which rolled over in each of November 2023 and 2024 adding 10% accrued interest of \$285,000 each time), the principal of which would be convertible into 11,875,000 common shares and interest into 4,275,000 common shares using the same approximate math as above. Upon conversion of all such convertible securities and using these assumptions, combined Lassonde and Mr. Lassonde would hold an aggregate of 55,800,946 Common Shares of the 88,837,955 possible Common Shares, after taking effect to the foregoing (approximately 63% on a fully diluted basis). For further discussion and an overview of the proposed amendments to the debentures described above, see the subsection titled “Approval of Amendments to the 2024 Replacement Debentures and the Issuance of the 2025 Replacement Debentures” below.
- (2) The Corporation is not aware of the beneficial ownership of the Common Shares held by this financial intermediary, whose holdings may also reflect some or all of the shares beneficially owned by other individuals and entities shown in this table.

EXECUTIVE COMPENSATION

Named Executive Officers

Pursuant to applicable securities regulations, the Corporation must disclose the compensation paid to its Named Executive Officers (“**NEOs**”) for the two most recently completed financial years. NEOs include the Corporation’s Chief Executive Officer, the Corporation’s Chief Financial Officer and the most highly compensated executive officer, provided that disclosure is not required for those executive officers, other than the Chief Executive Officer and Chief Financial Officer, whose total compensation did not exceed \$150,000. The Corporation’s current NEOs are Andrew Howard as President and Chief Executive Officer and Basman Alias as Chief Financial Officer.

Compensation Discussion and Analysis

The compensation of management is set by the board of directors of the Corporation (the “**Board**”) pursuant to a compensation program. For the year ended March 31, 2025, the Corporation did not have a formal pre-determined compensation plan. Rather, the Corporation informally assessed the performance of its NEOs and considered a variety of factors generally, both objective and subjective, when determining compensation levels, including the existing contractual relationships with the NEOs. For the financial year ended March 31, 2025, the compensation program had the following objectives: (1) to provide a compensation program that is fair and competitive in order to attract and retain well-qualified and experienced executives within the Corporation; (2) to focus the efforts of executives on business performance; and (3) to recognize individual performance. Following completion of the Corporation’s Qualifying Transaction the Corporation adopted a compensation committee (the “**Compensation Committee**”) and charter. The Compensation Committee currently consists of John De Sousa, Claude Gilbert (Chair) and Ron McEachern.

Compensation for the NEOs is composed primarily of three components: base salary, performance bonuses and s-based compensation:

Base Salary

Base Salary form an essential component of the Corporation’s compensation strategy as they are key to the Corporation remaining competitive, are fixed and therefore not subject to uncertainty, and can be used as the base to determine other elements of compensation and benefits.

In determining the base salaries of executive officers, the Board considers the following: (a) the recommendations of the Compensation Committee; (b) the particular responsibilities related to the position; (c) the experience, expertise and level of the executive officer; (d) the executive officer's length of service to the Corporation; and (e) the executive officer's overall performance based on informal feedback.

There is no mandatory framework that determines which of the above-referenced factors may be more or less important and the emphasis placed on any of these factors is at the discretion of the Board and may vary among the executive officers. In respect of the base salary paid to the President and Chief Executive Officer, the Board and the Compensation Committee also broadly considered the performance of the President and Chief Executive Officer against the Corporation's performance in the previous year. The Corporation does not engage in benchmarking and did not focus on any particular performance metric.

Bonus Payments

The purpose of the Corporation's bonus program is to provide the NEOs with the opportunity to receive a cash incentive that is broadly related to the progress of the Corporation and individual performance. The Corporation does not utilize a set of formal objective measures to determine discretionary bonus entitlements; rather, bonus payments to NEOs are determined in a discretionary manner on a case-by-case basis. In addition, no specific weights are assigned to any criteria individually, rather, the performance of the Corporation is broadly considered as a whole when determining the level of bonuses (if any) to be paid. In addition, the Corporation does not focus on any particular performance metric in awarding bonuses.

Long-Term Incentives

The Board believes that granting stock options to officers, directors, consultants and employees encourages retention and more closely aligns the interests of key personnel with the interests of Shareholders while at the same time not drawing on the limited cash resources of the Corporation. The Corporation grants options to its management, directors and consultants on a case-by-case basis in keeping with the Corporation's compensation objectives.

The Corporation does not utilize a set of formal objective measures to determine long-term incentive entitlements, rather, long-term incentive grants, such as stock options, to NEOs are determined in a discretionary manner on a case-by-case basis, but having consideration to the number of options previously granted. There are no other specific quantitative or qualitative measures associated with option grants and no specific weights are assigned to any criteria individually, rather, the performance of the Corporation is broadly considered when determining the number of stock-based compensation (if any) to be granted and the Corporation does not focus on any particular performance metric.

The Corporation has no pension plan in place, and there are no provisions in the Corporation's employment agreements for any additional compensation to be paid to any officers, directors, or employees on a change in control of the Corporation, other than those outlined below under "Termination and Change of Control Benefits".

Risks of Compensation Policies and Practices

The Compensation Committee and the Board work in tandem to oversee any potential risks in the Corporation's compensation policies and practices. There are no formal practices in place to identify and mitigate excessive risks other than through informal discussion at meetings of the Compensation Committee and the Board. The Board and the Compensation Committee have considered the risks of the current compensation program as set out herein and have determined that at this stage in the development of the Corporation the risks are not material.

Purchase of Financial Instruments

The Corporation currently does not have in place any formal policies to prevent a director or NEO from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held directly or indirectly by such director or NEO, but the Corporation is considering adopting such a policy in the current financial year.

Summary compensation table

The following table sets forth compensation earned by the NEOs during the financial years ended March 31, 2025, and March 31, 2024.

Name and Principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)		Pension value	All other compensation (\$) ⁽²⁾	Total annual compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Andrew Howard, President and CEO ⁽³⁾	2025	220,000	N/A	59,098	N/A	N/A	N/A	119,087	398,185
	2024	220,000	N/A	36,416	N/A	N/A	N/A	17,775	274,191
Basman Alias, CFO ⁽⁴⁾	2025	Nil	N/A	N/A	N/A	N/A	N/A	N/A	Nil
Ryan Conte, CFO ⁽⁵⁾	2025	200,000	N/A	24,165	N/A	N/A	N/A	112,805	336,970
	2024	200,000	N/A	20,155	N/A	N/A	N/A	12,745	232,900
Tim McChesney, Senior Vice-President, Marketing and Strategy ⁽⁶⁾	2025	92,983	N/A	1,386	N/A	N/A	N/A	Nil	94,369
	2024	145,000	N/A	3,850	N/A	N/A	N/A	12,000	160,850
Murray Souter, Former President and CEO ⁽⁷⁾	2025	Nil	N/A	Nil	N/A	N/A	N/A	Nil	Nil
	2024	Nil	N/A	15,331	N/A	N/A	N/A	Nil	15,331

Notes:

- (1) These amounts are for options vested during the fiscal year. Determined using the Black-Scholes pricing model at the date of grant because Management feels it is the best model to ascertain a fair, realistic value for options.
- (2) The "Other Compensation" historically is the car and cell phone allowances of the executives. However, in fiscal 2024/25, each of Messrs. Howard and Conte received a \$100,000 retention bonus for (a) agreeing to waive the change of control one-year of salary buyouts in their respective employment agreements (that was triggered by the change of control to Lassonde in spring 2024) and to stay on for a period of at least 6 months thereafter and (b) meeting certain performance objectives and goals during such six month period.
- (3) Mr. Howard was appointed as President and Chief Executive Officer effective August 1, 2022. Mr. Howard, who is also a director of the Corporation, does not receive any additional compensation for his role as a director.
- (4) Mr. Alias was appointed Chief Financial Officer on August 26, 2025 and therefore received no compensation from the Corporation during fiscal 2024/25.
- (5) Until August 26, 2025, Mr. Conte had been Chief Financial Officer, since March 8, 2021.
- (6) Until October 7, 2024, Mr. McChesney had been Senior Vice-President, Marketing and Strategy, since January 29, 2018.
- (7) Until August 1, 2022, Mr. Souter had been President and Chief Executive Officer, since September 24, 2013. Mr. Souter had also been a director of the Corporation, for which he did not receive any additional compensation for his role as a director.

Termination And Change of Control Benefits

Andrew Howard, Chief Executive Office of the Corporation is entitled to receive twelve (12) months of his base salary plus car allowance and health benefits (excluding any long term disability amounts and company provided life insurance) plus any accrued amounts to such date owing to them under the Corporation's bonus or stock option plan, such as an owing bonus or vested stock options (in accordance with the stock option plan of the Corporation) in the event of (a) being terminated without cause or (b) if there is a change of control of the Corporation and the executive triggers their rights of severance pay within six (6) months of such change of control date.

Incentive Plan Awards

Outstanding Option-Based Awards

On December 5, 2024, Mr. Howard was issued 1,250,000 share options of the Corporation with a strike price of \$0.22, with such options vesting over 4 years in equal tranches and expiring after 5 years of issuance.

The Option-based awards costs listed below represent the expense to the Corporation during fiscal 2024-25 for the currently outstanding share options of such NEO party.

Incentive Plan Awards—Value Vested or Earned During the Financial Year

Name	Option-based awards - Value vested during the year (\$) ⁽¹⁾	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation- Value vested during the year (\$)
Andrew Howard, President and CEO	59,098	N/A	N/A
Ryan Conte, CFO ⁽²⁾	24,165	N/A	N/A
Tim McChesney, Senior Vice-President of Marketing and Strategy ⁽³⁾	1,732	N/A	N/A

Note:

- (1) Determined using the Black-Scholes pricing model at the date of grant because Management feels it is the best model to ascertain a fair, realistic value for options.
- (2) Mr. Conte ceased his full-time employment with the Corporation as of August 26, 2025.
- (3) Mr. McChesney ceased his full-time employment with the Corporation as of October 7, 2024.

Stock Option Plan

The Corporation currently maintains a stock option plan (the “**Stock Option Plan**”) and pursuant thereto grants options to purchase Common Shares. Certain amendments to the Stock Option Plan were adopted by the Board on August 17, 2021. These changes, being entirely administrative in nature, were to remove references to the Corporation’s predecessor, a Capital Pool Company pursuant to the policies of the TSX Venture Exchange (the “**Exchange**”) and removed references applicable only to Capital Pool Companies. The amendments did not require shareholder approval. Lastly, the total number of shares available and existing options were all reduced by a factor of 10, as a result of the 10:1 share consolidation of the Corporation effected as of November 10, 2021, and correspondingly the exercise prices of the existing options issued were all increased by a factor of 10. The Stock Option Plan is available for review on the Corporation’s SEDAR+ profile.

The purpose of the Stock Option Plan is to encourage share ownership by directors, senior officers and employees, together with consultants, who are primarily responsible for the management and growth of the business. The number of Common Shares, the exercise price per Common Share, the vesting period and any other terms and conditions of options granted pursuant to the Stock Option Plan, from time to time, are determined by the Board at the time of the grant, subject to the defined parameters of the Stock Option Plan.

Currently the maximum number of Common Shares which may be reserved and set aside for issue under the Stock Option Plan is equal to up to 10% of the issued and outstanding Common Shares as at the date of any such grant of options, provided that the Board may, subject to Shareholder and regulatory approvals, increase such number.

The Stock Option Plan is administered by the Board, which has the authority thereunder to delegate its administration and operation to the Compensation Committee of the Board. Participation is limited to directors, officers, employees and consultants providing services to the Corporation.

The exercise price of any option cannot be less than the Market Price of the Common Shares at the time the option is granted. “Market Price” is a defined term under the policies of the Exchange but generally means the last closing price of the Common Shares immediately prior to the date of the granting of an option. The exercise period cannot exceed five years. Options will terminate on the date of expiration specified, ninety days after termination of employment, or one year after the death of the grantee.

The number of Common Shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding Common Shares. Options representing not more than 10% of the issued and outstanding Common Shares may be granted to Insiders (as such term is defined under the policies of the Exchange) within any twelve-month period. Options that have vested may be exercised up to 90 days following cessation of the optionee’s position with the Corporation, provided that if the cessation of office, directorship or technical consulting arrangement was by reason of death then the option may be exercised within a maximum period of one year after such death (all subject to the expiry date of such option). The Stock Option Plan also provides for adjustments to outstanding options in the event of any consolidation, subdivision, conversion or exchange of the Corporation’s shares.

As of March 31, 2025, options to acquire up to 6,430,000 Common Shares of the Corporation had been granted and are outstanding pursuant to the Stock Option Plan. Based on the issued and outstanding capital of the Corporation as of March 31, 2025 and subject to any total cap change pursuant to the DSU Plan set out below, an additional 154,832 options were available to be granted pursuant to the Stock Option Plan as of March 31, 2025. This number is derived by deducting the 6,430,000 options outstanding as of March 31, 2025 from 6,584,832 (10% of the total common shares of 65,848,328 as of March 31, 2025).

Note that the Corporation is seeking to pass certain proposed amendments to the Stock Option Plan. For further discussion and an overview of the proposed amendments to the Corporation’s current Stock Option Plan, see the subsection titled “Approval of Amended Stock Option Plan” below.

Deferred Share Unit Plan

The Corporation currently maintains a deferred share unit plan (the “**DSU Plan**”) and pursuant thereto grants deferred share units (each, a “**DSU**”). The DSU Plan has been established to assist the Corporation in the recruitment and retention of qualified persons and to encourage share ownership by those who are primarily responsible for the management and growth of the business.

The Board uses DSUs issued under the DSU Plan, as well as options issued under the Stock Option Plan, as part of the Corporation’s overall compensation plan. Since the value of DSUs increase or decrease with the price of the Common Shares, DSUs reflect a philosophy of aligning the interests of management and directors with those of the Shareholders by tying compensation to share price performance.

The grant of DSUs pursuant to the DSU Plan is determined by the Board at the time of the grant, subject to the defined parameters of the DSU Plan. The DSU Plan is administered by the Board, which has the authority thereunder to delegate certain administrative and operational matters to the Compensation Committee from time to time.

The maximum number of Common Shares currently reserved for issuance under the DSU Plan is 3,600,000, which is approximately 6% of the current issued and outstanding Common Shares. The DSU Plan provides that the maximum number of DSUs issuable to Insiders (as that term is defined by the Exchange) pursuant to the DSU Plan, will not exceed 10% of the total number of outstanding Common Shares. The maximum number of DSUs issued to any one eligible participant under the DSU Plan together with any Common Shares issued to such participant pursuant to any other security-based compensation arrangement of the Corporation within any one-year period, will not exceed 5% of the total number of outstanding Common Shares.

The total number of the DSU pool and outstanding DSUs were all reduced by a factor of 10, as a result of the 10:1 share consolidation of the Corporation effected as of November 10, 2021, and correspondingly the value of the individual DSUs that were already issued were increased by a factor of 10. Also, the Corporation has consistently

reported its DSUs in the period following the compensation period. For example, first quarter (April 1 to June 30) DSUs awarded in July will be reported and recorded in the second quarter. Accordingly, the public records of the Corporation as to DSUs are one quarter behind. As a result, any DSU amounts listed herein to be as of March 31, 2025 do not contain the further quarter (January 1, 2025 to March 31, 2025) DSUs that were issued in April 2025.

In Fiscal 2023/24 and going forward the directors made the decision to take full payment of director compensation in DSUs instead of the previous practice of 50% cash, 50% DSUs, in an effort to save the Corporation cash payments. In addition, a bonus plan for employees was introduced in Fiscal 2024/25 that pays bonuses predominantly in DSUs, again in an effort to save the Corporation cash payments.

As of March 31, 2025, a total of 1,482,162 DSUs had been granted and were outstanding pursuant to the DSU Plan. An additional 2,177,838 DSUs are available to be granted pursuant to the DSU Plan as of March 31, 2025. This number is derived by deducting the 1,482,162 DSUs outstanding as of March 31, 2025 from 3,600,000.

Note that the Corporation is seeking to pass certain proposed amendments to the DSU Plan. For further discussion and an overview of the proposed amendments to the Corporation's current DSU Plan, see the subsection titled "Approval of Amended DSU Plan" below.

Warrants

There are no warrants outstanding for the Corporation.

The Corporation had issued 150,000 warrants to Bank of Montreal as of December 31, 2021 with an exercise price of \$1.80 per Common Share and which expired on December 31, 2024.

The Corporation had also issued 60,294,512 warrants as of October 6, 2021, with an exercise price of \$0.22 per share and an expiry date of October 6, 2024. These warrants were then consolidated on a 10:1 basis as of November 10, 2021, and pursuant to a Supplemental Warrant Indenture to warrant holders dated April 19, 2022, whereby the total number of warrants was reduced to 6,029,451 on such consolidation and the exercise price was raised to \$2.20 per Common Share. All 5,119,465 warrants that remained as of March 31, 2024 expired on October 6, 2024.

DIRECTOR COMPENSATION

Director compensation table

The following table describes all compensation provided to the directors of the Corporation, who are not also NEOs, for the most recently completed financial year ended March 31, 2025.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
David Beutel ⁽²⁾	0	24,000	1,039	N/A	N/A	Nil	25,039
Guy Blanchette	0	61,500	1,386	N/A	N/A	Nil	62,886 ⁽³⁾
John De Sousa	0	23,125	693	N/A	N/A	Nil	23,818
Claude Gilbert	0	See Note 3	See Note 3	N/A	N/A	Nil	See Note 3
Keith Harris	0	29,000	693	N/A	N/A	Nil	29,693
Ron McEachern	0	39,500	Nil	N/A	N/A	Nil	39,500
Vince Timpano ⁽⁴⁾	0	See Note 3	See Note 3	N/A	N/A	Nil	See Note 3

Notes:

- (1) Determined using the Black-Scholes pricing model at the date of grant because Management feels it is the best model to ascertain a fair, realistic value for options. No new share options were issued by the Corporation to any of the above parties in fiscal 2024-25.

The Option-based awards costs represent the expense to the Corporation during fiscal 2024-25 for the currently outstanding share options of such party.

- (2) David Beutel ceased to be a director of the Corporation as of September 26, 2024, after the last AGM of the Corporation.
- (3) Each of Messrs. Blanchette, Gilbert and Timpano is a nominee of Lassonde and payment of board compensation is payable 100% by way of DSUs issued to Lassonde. The total costs outlined for Mr. Blanchette reflect the total Lassonde compensation across all 3 directors.
- (4) Mr. Timpano joined as a director of the Corporation at the September 26, 2024 AGM.

Incentive Plan Awards

Outstanding Option-Based Awards

The following table sets forth the option-based awards outstanding for the financial year ended March 31, 2025 granted to directors of the Corporation who are not also NEOs.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market of payout value of share-based awards that have not vested (\$)	Total number of share-based awards not paid out or distributed ⁽⁴⁾
David Beutel(\$) ⁽²⁾	30,000	1.4	September 2, 2025	Nil	N/A	N/A	Nil
Keith Harris	20,000	1.4	September 2, 2025	Nil	N/A	N/A	350,330
John De Sousa	20,000	1.4	September 2, 2025	Nil	N/A	N/A	286,524
Ron McEachern	Nil	N/A	N/A	Nil	N/A	N/A	255,150
Lassonde Industries Inc. ⁽³⁾	40,000	1.4	September 2, 2025	Nil	N/A	N/A	590,158

Notes:

- (1) Based on the closing price of the Common Shares on the Exchange on March 31, 2025 being \$0.195.
- (2) Mr. Beutel ceased to be a director of the Corporation as of September 26, 2024 and his 409,477 DSUs were converted into common shares shortly thereafter.
- (3) Each of Messrs. Blanchette, Gilbert and Timpano is a nominee of Lassonde and the share options were issued in the name of Lassonde and payment of board compensation for each of Messrs. Blanchette, Gilbert and Timpano is made payable 100% by way of DSUs issued to Lassonde.
- (4) These amounts are the cumulative number of DSUs to March 31, 2025 that have been issued over time to the directors for that portion of their directors compensation that is payable in DSUs and the DSUs would then be converted into common shares upon the departure of the director at the current market price.

In the most recently completed fiscal year, each director received a base fee of \$15,000. For fiscal 2024-25, the directors elected to have all of their directors fees paid to them by the Corporation in the form of DSUs. The Chairman of the Board, Audit Committee, and Compensation Committee each receive an incremental fee of \$25,000, \$2,000, and \$500, respectively. Each director also earns a fee of \$1,000 for each meeting attended. In addition to these attendance related fees, the directors are typically compensated through the granting of stock options to encourage retention and more closely align the interests of the directors with the interests of shareholders while at the same time not drawing on the limited cash resources of the Corporation. As with the grant of options to the NEOs, the Corporation does not utilize a set of formal objective measures to determine option entitlements of directors, rather, long-term incentive grants, such as stock options, to NEOs are determined in a discretionary manner on a case-by-case basis, but having consideration to the number of options previously granted. There are no other specific quantitative or qualitative measures associated with option grants and no specific weights are assigned to any criteria individually, rather, the performance of the Corporation is broadly considered as a whole when determining the number of stock-based compensation (if any) to be granted and the Corporation does not focus on any particular performance metric.

Incentive Plan Awards—Value Vested or Earned During the Year

This information is outlined in the Director Compensation table above.

MATTERS TO BE ACTED UPON AT THE MEETING

Votes Required

Resolutions to be considered at the Meeting must be approved by the affirmative vote of not less than a majority of the votes cast in respect of that proposal in person or by proxy at the Meeting, with the exception of the resolutions approving the amendments to the DSU Plan and amendments to the 2024 Replacement Debentures (as such term is defined below) held by Mr. Pierre-Paul Lassonde (through Lassonde Holding) and Lassonde and the issuance of the 2025 Replacement Debentures (as such term is defined below) to Mr. Lassonde and Lassonde, which require the approval by the affirmative vote of a majority of the votes cast by the disinterested Shareholders present in person or represented by proxy at the Meeting.

ELECTION OF DIRECTORS

The articles of the Corporation provide that the Board shall consist of a minimum of one and a maximum of ten directors, the number of which may be fixed from time to time by a resolution of the Board. The Corporation currently has seven directors and the number of directors of the Corporation proposed to be elected at the Meeting is also seven. The term of office of the current seven directors will end at the conclusion of the Meeting. Unless a director's office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (Ontario) (the “**OBCA**”), each director elected at the Meeting will hold office until the conclusion of the next annual meeting of the Corporation or, if no director is then elected, until a successor is elected.

The following table sets out the names of management's nominees for election as directors, each nominee's principal occupation, business or employment, the period of time during which each has been a director of the Corporation, the number of Common Shares beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the date hereof.

Name and Residence	Principal Occupation For Last Five Years	Period during which served as a director	Shares Held or Beneficially Owned
Guy Blanchette, St. Bruno, PQ ⁽¹⁾	Strategic Advisor to the CEO, Lassonde Industries Inc.	September 28, 2022 to present	Nil ⁽⁴⁾
John De Sousa, Oakville, ON ^{(2) (3)}	Owner/operator at DeSousa Vineyards/De Sousa Investment Group	February 2011 to present	555,702 ⁽⁶⁾
Claude Gilbert, Brossard, PQ ^{(2) (3)}	Corporate Director and Management Consultant	September 28, 2022 to present	Nil ⁽⁶⁾
Keith Harris, Collingwood, ON ^{(1) (3)}	Private Investor	June 30, 2011 to present	114,830 ⁽⁷⁾
Andrew Howard, Thornbury, ON	President and Chief Executive Officer, Diamond Estates Wines & Spirits Inc.	August 1, 2022 to present	360,834 ⁽⁸⁾
Ron McEachern, Toronto, ON ^{(1) (2)}	Private Investor	September 28, 2022 to present	499,179 ⁽⁹⁾
Vince Timpano, Montreal, PQ	President and COO of Lassonde Industries Inc.	September 26, 2024 to present	Nil ⁽¹⁰⁾

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Compensation Committee.
- (3) Member of the Compliance Committee
- (4) Mr. Blanchette is a nominee of Lassonde and Lassonde's holdings are listed in footnote 1 on page 6 of this Information Circular.

- (5) Mr. Harris also held 350,330 DSUs as of March 31, 2025.
- (6) Mr. De Sousa also held 286,524 DSUs as of March 31, 2025.
- (7) Mr. Gilbert is a nominee of Lassonde, and Lassonde's holdings are listed in footnote 1 on page 6 of this Information Circular.
- (8) Mr. Howard's share ownership is broken out as to 108,207 shares of the Corporation he owns personally, 169,514 owned by his spouse, and 83,113 shares owned through a wholly owned entity Red Tractor Wine Consultants Inc. He also holds options entitling him to purchase 1,600,000 common shares.
- (9) Mr. McEachern's share ownership is broken out as to 10,650 shares of the Corporation he owns personally and 488,529 shares owned through a wholly owned entity One St. Thomas Holdings Inc.
- (10) Mr. Timpano is an officer of Lassonde and Lassonde's holdings are listed in footnote 1 on page 6 of this Information Circular.

Guy Blanchette – Director

Mr. Guy Blanchette FCPA FCA is a seasoned executive who currently acts as Strategic Advisor to the Chief Executive Officer of Lassonde Industries. Until March 2021 and for the last 14 years, he was Executive Vice-President and Chief Financial Officer of Lassonde Industries. He is a Fellow of the Order of the Chartered Professional Accountants of Quebec (FCPA) and was Chairman of the Board of the CPA Foundation of Quebec.

Prior to joining Lassonde, Mr. Blanchette was Vice-President and Treasurer of CAE. He also worked for Alstom Canada, Inc. as Chief Financial Officer; SNC Industrial Technologies Inc. as Vice-President, Finance and Strategic Planning, before being Vice-President, Treasurer of SNC-Lavalin and the founding General Manager of SNC-Lavalin Equity.

Mr. Blanchette holds a Bachelor of Business Administration with a major in Accounting from Université du Québec à Trois-Rivières. He graduated in 1982.

John De Sousa – Director

Mr. De Sousa has a long history in the Ontario wine industry. Though he started as an investor and property owner with a background and education in jewellery arts – goldsmithing – ultimately his business was sold to a larger chain in 1993. Mr. De Sousa also founded De Sousa Wine Cellars in 1988 and opened a full winery operation and retail store (De Sousa Wines Toronto) in downtown Toronto. Mr. De Sousa founded De Sousa Investments in 1998 with real estate holdings in downtown Toronto, Oakville, Niagara Peninsula and the United States. In 2008, De Sousa Wine Cellars and De Sousa Wines Toronto were both sold to Diamond Estates, while Mr. De Sousa retained his personal vineyards and became a shareholder of Diamond Estates. Mr. De Sousa currently operates De Sousa Vineyards, a 40-acre vineyard in Niagara supplying quality fruit to Niagara wineries, along with real estate holdings, De Sousa Investment Group.

Claude Gilbert – Director

Mr. Claude Gilbert, FCPA, FCA, FCIRP (ret.), ICD.D, is a corporate director and a management consultant. He performs interim management engagements and provides governance, strategy, financial, and M&A advisory services to enterprises facing challenges or sudden change. He currently serves as Chair of General Partner Finalta Capital Fund Inc. and as a director of not-for-profit organizations. He namely provided financial advisory services to the Corporation at the onset of the pandemic in 2020.

He is a retired partner of PricewaterhouseCoopers where he provided, over a period of 17 years, transaction advisory services to enterprises requiring financing, M&A or restructuring assistance, and worked with all types of stakeholders in several high-profile transactions. Prior to joining PwC, Mr. Gilbert was a partner at Ernst & Young where he acquired experience in the fields of insolvency and audit over 15 years. He also occupied, for five years, senior executive and financial positions with Groupe Coopérants and Giasson Real Estate Group.

Mr. Gilbert obtained a Bachelor of Business Administration from Université Laval in 1975. He became a Chartered Accountant in 1978 (Fellow in 2009), a Canadian Insolvency and Restructuring Professional in 1984 (Chair in 2005-2007 and Fellow in 2008), and a Graduate of the Directors Education Program of the Institute of Corporate Directors in 2011.

Keith Harris – *Director*

Mr. Harris is a Chartered Accountant with over 20 years' experience in the investment banking business. He is a corporate director and consultant. Previously, he was President, Chief Executive Officer and Chief Financial Officer of Stifel Nicolaus Canada Inc., the Canadian broker-dealer subsidiary of Stifel Financial Corp., a financial holding company listed on the New York Stock Exchange. Mr. Harris was previously a director and the audit committee chair of Maudore Minerals Ltd. (Exchange: MAO). In 2002, he was a co-founder and Chief Financial Officer of a Canadian investment bank boutique, Westwind Partners Inc., which was sold to Thomas Weisel Partners Group ("TWPG") in 2008. TWPG was bought by Stifel in 2010.

Mr. Harris received a B. Comm. from the University of Toronto in 1975 and received his Chartered Accountant designation in 1977 with Ernst & Young.

Andrew Howard – *Director, Chief Executive Officer, and President*

Mr. Howard was promoted to Chief Executive Officer and President of the Corporation on August 1, 2022, from this previous position as Chief Operating Officer – Estate Wines. Prior to joining the Corporation, Mr. Howard was the President of Equity Wine Group Inc. ("EWG"), a Canadian wine company that was acquired by the Corporation on October 6, 2021. Mr. Howard has extensive experience in both the Canadian wine industry — having been with EWG at its inception and leading its growth into a top VQA wine producer — and the beverage alcohol distribution business, as EWG had acquired, operated and sold a beverage alcohol sales agency. Prior to founding EWG, Andrew had an extensive and relevant background having also been a senior executive with Arterra, Labatt and Pepsi. Mr. Howard holds a B. Comm from Queens University.

Ron McEachern – *Director*

Mr. McEachern has over 45 years of experience building consumer brands. His experience includes senior marketing roles with Procter & Gamble Canada and over 20 years of general management assignments including President of PepsiCo Beverages Canada, President of Pepsi-Cola Western Europe, and President of PepsiCo Asia. He was also an Adjunct Professor at the Hong Kong University of Science and Technology for 10 years, teaching MBA and Executive MBA courses on building consumer brands in China and executive leadership. Today, Mr. McEachern is an investor in a wide range of start-up organizations.

Mr. McEachern has been a director for a wide range of public and private companies located in Canada, Ireland, England, China, the Philippines, and Thailand. Currently, he is Chairman of the Board of the Women's College Hospital Foundation Board.

Mr. McEachern holds a BA from Queens University, an MBA from the Schulich School of Business (York University), and an ICD.D designation from the Institute of Corporate Directors and the University of Toronto's Rotman School of Management.

Vince Timpano – *Director*

Mr. Timpano is a seasoned executive who is currently President and Chief Operating Officer of Lassonde Industries Inc. (since October 1, 2021). He joined Lassonde in September 2020 as President and Chief Executive Officer of the Corporation's US subsidiary, Lassonde Pappas and Company Inc.

Mr. Timpano has extensive commercial and operational experience as a corporate officer. Over the past 20 years, he has served in various executive roles, including President, Global Coalitions at Aimia Inc., President of Coca-Cola Canada and President and Chief Executive Officer of The Minute Maid Company Canada. He has also served on numerous boards, including as Chair, with United Way Toronto. He currently serves on the board of advisors with the Napoleon Group of Companies.

Mr. Timpano is a graduate of the Institute of Corporate Directors, Rotman School of Management of the University of Toronto and received an MBA from the Ivey Business School of the University of Western Ontario.

Corporate Cease Trade Orders or Bankruptcies

Each of the directors of the Corporation was subject to the cease trading order imposed on the Corporation from August 5 to August 27, 2025 for the failure by the Corporation to file its financial statements by the July 31, 2025 deadline owing to audit delays.

To the knowledge of the Corporation, other than as set forth above, no proposed director is, as at the date of this Circular, or has been, within 10 years before the date of the information circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (i) was subject to a cease trade order, other similar order, or an order that denied the relevant company access to any exemption under securities legislation, and which was in effect for a period of more than 30 consecutive days, that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (ii) is, as at the date of this Circular, or has been within 10 years before the date of the information circular, a director or executive officer of any company (including the Corporation) 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
- (iii) has, within the 10 years before the date of this 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.

Management of the Corporation recommends that Shareholders vote in favour of the recommended directors. Shareholders can vote for all of these directors, vote for some of them and withhold for others, or withhold for all of them. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of each of the proposed nominees set forth above as directors of the Corporation.

APPOINTMENT AND REMUNERATION OF AUDITORS

At the Meeting, Shareholders will be requested by management of the Corporation to approve a resolution appointing MNP LLP (“MNP”) as auditors of the Corporation until the next annual meeting of Shareholders and to authorize the Board to fix their remuneration.

Management of the Corporation recommends that Shareholders vote in favor of appointing MNP as auditors of the Corporation and to authorize the directors to fix their remuneration. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the approval of the resolution to appoint MNP and to authorize the directors to fix their remuneration.

APPROVAL OF AMENDED DSU PLAN

During fiscal year 2022/23, the Board elected to receive 100% of its annual compensation by way of DSUs, instead of receiving compensation by way of 50% cash and 50% DSUs, in order to preserve cash for the Corporation. The Board maintained this approach in fiscal 2023/24 and fiscal 2024/25 and expects to do so for the foreseeable future. As a result, the annual volume of DSUs issued is growing more rapidly than in prior years, and the Corporation closed fiscal 2024-25 with 1,482,162 DSUs outstanding.

In fiscal 2024/25, the Corporation also implemented a bonus program for employees under which most awards are satisfied in DSUs rather than cash, further preserving the Corporation's liquidity. For the upcoming fiscal year, bonuses of up to \$300,000 may be paid, which could translate into the issuance of approximately 1,500,000 additional DSUs, assuming an issue price of \$0.20 per share.

The maximum number of Common Shares reserved for issuance pursuant to the DSU Plan is currently 3,600,000, which is approximately 5.4% of the current issued and outstanding Common Shares. The fixed cap no constrains the Corporation's ability to meet its compensation objectives. Accordingly, management and the Board consider it prudent and in the best interests of the Corporation and its stakeholders to amend the DSU Plan (the "**Amended DSU Plan**") by changing the aggregate share reserve from a "fixed up to 10%" plan to a "fixed up to 20%" plan as described in Exchange Policy 4.4 - *Security Based Compensation* ("**Policy 4.4**"). As such, it is proposed under the Amended DSU Plan, that the total number of Common Shares that may be issued pursuant to all of the Corporation's security-based compensation arrangements, inclusive of the DSU Plan, will be a fixed maximum equal to 20% of the Corporation's issued and outstanding Common Shares on the effective date of the Amended DSU Plan. The maximum number of shares which may be issuable under all of the Corporations' security-based compensation arrangements, inclusive of the DSU Plan, will be 13,376,703 Common Shares or such additional amount as may be approved from time to time by the shareholders of the Corporation and the Exchange.

The Amended DSU Plan is required to be approved by Shareholders and the Exchange. In addition to expanding the share reserve, the Corporation proposes the following amendments (capitalized terms have the meanings given in the Amended DSU Plan), many of which are required to ensure compliance with the most recent Policy 4.4:

- **Automatic grants:** DSUs reflecting each director's quarterly retainer will be automatically credited on the last day of each fiscal quarter.
- **Redemption flexibility:** Participants may submit up to two separate redemption notices after they cease providing services to the Corporation.
- **Standardized notice:** A prescribed form of redemption notice will be appended to the Amended DSU Plan to streamline participant communications.
- **Defined terms:** Certain definitions will be updated to align with Exchange Policy 1.1 – Interpretation and Policy 4.4.
- **Eligibility confirmation:** Both the Corporation and each proposed Eligible Person will be responsible for establishing and evidencing that the individual is a *bona fide* employee, consultant or management company employee for the purposes of Policy 4.4 prior to any grant or award of DSUs.
- **Vesting:** No DSU may vest earlier than one year after the date it is credited to a Participant's account, except upon the Participant's death.
- **Expiry:** All DSUs must be redeemed or will expire no later than twelve months after the Participant ceases to be an Eligible Person.
- **Adjustments:** Any adjustment to outstanding DSUs, other than those arising solely from a consolidation or security split will require prior Exchange acceptance.
- **Plan termination:** Upon termination or suspension of the Amended DSU Plan, no further DSUs, including dividend-equivalent units, may be granted or credited after the termination date.

The Amended DSU Plan also incorporates various non-substantive changes intended solely to improve internal consistency and clarity. For reference, a blackline copy of the Amended DSU Plan showing the current proposed amendments is appended to this Circular as Appendix A.

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION OF THE CORPORATION PASSED BY A MAJORITY OF DISINTERESTED SHAREHOLDERS, THAT:

- (1) The proposed Amended DSU Plan of the Corporation be and is hereby approved;

- (2) The maximum number of Common Shares which may be issuable under all of the Corporations' security-based compensation arrangements shall be 13,376,703 Common Shares or such additional amount as may be approved from time to time by the shareholders of the Corporation and the Exchange;
- (3) The number of Common Shares issuable under the Amended and Restated Stock Option Plan, combined with the number of Common Shares issuable under all security-based compensation arrangements, shall not exceed 20% of the outstanding Common Shares as at the effective date of the Amended and Restated Stock Option Plan;
- (4) The Board be authorized and directed to make any changes to the Amended DSU Plan if required by the Exchange; and
- (5) Any director or officer of the Corporation is hereby authorized to execute (whether under the corporate seal of the Corporation or otherwise) and deliver all such documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable in connection with such approval, the execution of any such document of the doing of any such other act or thing by any director or officer of the Corporation being conclusive evidence of such determination."

Management of the Corporation recommends that Shareholders vote in favor of the resolution to approve the Amended DSU Plan. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the approval of the Amended DSU Plan.

APPROVAL OF AMENDED STOCK OPTION PLAN

The Corporation's current Stock Option Plan provides that the Board may from time to time, in its discretion and in accordance with Exchange requirements, grant to directors, officers, employees and consultants of the Corporation options to purchase Common Shares. The Stock Option Plan currently provides that the number of Common Shares reserved for issuance will not exceed 10% of the Corporation's issued and outstanding Common Shares at the date of being granted. The Corporation is close to the current 10% share option cap; only an additional 154,832 options were available to be granted pursuant to the Stock Option Plan as of March 31, 2025. As such, management and the Board believe that it is prudent and in the best interests of the Corporation to amend the Stock Option Plan (the "**Amended Stock Option Plan**") by changing it from a "rolling up to 10%" plan to a "fixed up to 20%" plan as described in Policy 4.4. It is therefore proposed under the Amended Stock Option Plan, that the total number of Common Shares that may be issued pursuant to all of the Corporation's security-based compensation arrangements, inclusive of the DSU Plan, as described above, will be a fixed maximum equal to 20% of the Corporation's issued and outstanding Common Shares on the effective date of the Amended Stock Option Plan. The maximum number of shares which may be issuable under all of the Corporations' security-based compensation arrangements, inclusive of the DSU Plan, will be 13,376,703 Common Shares or such additional amount as may be approved from time to time by the shareholders of the Corporation and the Exchange.

The Amended Stock Option Plan is required to be approved by Shareholders and the Exchange. In addition to expanding the share reserve, the Corporation proposes the following amendments (capitalized terms have the meanings given in the Amended Stock Option Plan), as required to ensure compliance with the most recent Policy 4.4:

- **Mandatory vesting schedule:** Options issued to persons providing Investor Relations Activities will be subject to a mandatory 12-month vesting schedule, with no more than 1/4 vesting every three months, in compliance with Policy 4.4.
- **Adjustments:** Any adjustment to outstanding options, other than those arising solely from a consolidation or security split will require prior Exchange acceptance.

The Amended Stock Option Plan also incorporates various non-substantive changes intended solely to improve internal consistency and clarity. For reference, a blackline copy of the Amended Stock Option Plan showing the current proposed amendments is appended to this Circular as Appendix B.

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION OF THE CORPORATION, THAT

1. The proposed Amended Stock Option Plan of the Corporation be and is hereby approved;
2. The maximum number of shares which may be issuable under all of the Corporations’ security-based compensation arrangements shall be 13,376,703 shares, or such additional amount as may be approved from time to time by the shareholders of the Corporation and the Exchange;
3. The number of Common Shares issuable under the Amended and Restated Stock Option Plan, combined with the number of Common Shares issuable under all security-based compensation arrangements, shall not exceed 20% of the outstanding Common Shares as at the effective date of the Amended and Restated Stock Option Plan;
4. The Board be authorized and directed to make any changes to the Amended Stock Option Plan if required by the Exchange; and
5. Any director or officer of the Corporation is hereby authorized to execute (whether under the corporate seal of the Corporation or otherwise) and deliver all such documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable in connection with such approval, the execution of any such document of the doing of any such other act or thing by any director or officer of the Corporation being conclusive evidence of such determination”

Management of the Corporation recommends that Shareholders vote in favor of the resolution to approve the Amended Stock Option Plan. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the approval of the Amended Stock Option Plan.

APPROVAL OF AMENDMENTS TO THE 2024 REPLACEMENT DEBENTURES AND THE ISSUANCE OF THE 2025 REPLACEMENT DEBENTURES

On November 9, 2022, the Corporation closed an offering of 10.0% unsecured convertible debentures due November 2023 (the “**2022 Debentures**”). Lassonde Holding purchased and was issued a 2022 Debenture in the aggregate principal amount of \$2,850,000 and Lassonde purchased and was issued a 2022 Debenture in the aggregate principal amount of \$500,000. The 2022 Debentures were convertible into Common Shares.

On January 17, 2024, the Corporation issued replacement debentures (the “**2023 Replacement Debentures**”) effective November 9, 2023 and maturing on November 9, 2024 to Lassonde and Lassonde Holding, the whole in accordance with the terms of the 2022 Debentures. The material terms of the 2023 Replacement Debentures, including their principal amounts, were the same as the 2022 Debentures, other than (i) the conversion price, which was \$0.30 (equal to the market price of the Common Shares on the Exchange on January 17, 2024), and (ii) the maturity date, which was November 9, 2024. The interests payable on the 2022 Debentures was not rolled into the principal amount of the 2023 Replacement Debentures and remained outstanding, payable and convertible pursuant to the terms of the 2023 Replacement Debentures, and interests continued to accrue on the 2023 Replacement Debentures in accordance with their terms.

On November 11, 2024, the Corporation issued new debentures (the “**2024 Replacement Debentures**”) maturing on November 9, 2025 to Lassonde and Lassonde Holding, the whole in accordance with the terms of the 2023 Debentures. The material terms of the 2024 Replacement Debentures, including their principal amounts, are the same as the 2023 Debentures, other than (i) the conversion price, which is now \$0.24 (equal to the market price of the Common Shares on the Exchange on November 8, 2024), and (ii) the maturity date, being November 9, 2025. The interests payable on the 2022 Debentures and the 2023 Debentures were not rolled into the principal amount of the 2024 Replacement Debentures and remain outstanding, payable and convertible pursuant to the terms of the 2024 Replacement

Debentures, and interests have continued to accrue on the 2024 Replacement Debentures in accordance with their terms.

The parties intended that the obligations under the 2022 Debentures, the 2023 Replacement Debentures and the 2024 Replacement Debentures may not remain outstanding for more than 36 months from the date of issuance of the 2022 Debentures (the “**Sunset Date**”).

Notwithstanding the foregoing, the Corporation, Mr. Lassonde and Lassonde have now agreed that, subject to approval by Shareholders and the Exchange, it would be in the best interest of the Corporation and the Shareholders to amend the terms of the 2024 Replacement Debentures to (i) extend the Sunset Date by 12 months, namely to November 9, 2026 (the “**Maturity Date**”) and (ii) to grant Mr. Lassonde and Lassonde the option to roll all of the obligations under the 2024 Replacement Debentures into new one-year convertible debentures within 60 days of November 9, 2025, during which time the terms of the 2024 Replacement Debentures will remain outstanding (the “**2025 Replacement Debentures**”). The material terms of the 2025 Replacement Debentures, including their principal amounts, would be the same as the 2024 Replacement Debentures, other than (i) the conversion price, which would be equal to the market price as determined pursuant to the 2024 Replacement Debentures, and (ii) the Maturity Date.

The amendments to the 2024 Replacement Debentures and the issuance of 2025 Replacement Debentures described above may be considered related-party transactions under the meaning of Policy 5.9 of the Exchange and Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). As such, while the Corporation is relying on the exemption from the formal valuation provided in Section 5.5(b) of MI 61-101, the amendments to the 2024 Replacement Debentures and the issuance of 2025 Replacement Debentures will need to be approved by a simple majority of the disinterested Shareholders voting at the Meeting, with the votes attached to the Common Shares beneficially held by Mr. Lassonde, Lassonde and their related parties excluded from the vote.

The Corporation intends to apply to the Exchange for conditional approval of the amendments to the 2024 Replacement Debentures and the issuance of the 2025 Replacement Debentures, as required under Exchange policies. The Corporation intends to treat other holders of the 2024 Replacement Debentures similarly to those held by Mr. Lassonde and Lassonde. There can be no guarantees that the amendments to the 2024 Replacement Debentures and the issuance of the 2025 Replacement Debentures will be completed as described herein, or at all.

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION OF THE CORPORATION PASSED BY A MAJORITY OF DISINTERESTED SHAREHOLDERS, THAT

1. The proposed amendments to the 2024 Replacement Debentures to (i) extend the Sunset Date by 12 months, namely to November 9, 2026 and (ii) to grant Mr. Lassonde and Lassonde the option to roll all of the obligations under the 2024 Replacement Debentures into new one-year convertible debentures within 60 days of November 9, 2025, during which time the terms of the 2024 Replacement Debentures will remain outstanding, be and they are hereby approved;
2. The issuance of the 2025 Replacement Debentures, the material terms of which will be the same as the 2024 Replacement Debentures other than (i) the conversion price, which would be equal to the market price as determined pursuant to the 2024 Replacement Debentures, and (ii) the Maturity Date, be and is hereby approved; and
3. Any director or officer of the Corporation is hereby authorized to execute (whether under the corporate seal of the Corporation or otherwise) and deliver all such documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable in connection with such approval, the execution of any such document of the doing of any such other act or thing by any director or officer of the Corporation being conclusive evidence of such determination.”

Management of the Corporation recommends that Shareholders vote in favor of the resolution to approve the amendments to the 2024 Replacement Debentures and the issuance of the 2025 Replacement Debentures. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the

approval of the amendments to the 2024 Replacement Debentures and the issuance of the 2025 Replacement Debentures.

OTHER BUSINESS

Management of the Corporation is not aware of any matter to come before the Meeting other than the matters referred to in the notice of meeting.

CORPORATE GOVERNANCE PRACTICES

The Board has reviewed the Corporation's current corporate governance practices with reference to the applicable provisions of National Instrument 58-101 and has compiled the following analysis:

CORPORATE GOVERNANCE GUIDELINE	THE CORPORATION'S PRACTICE
1. Board of Directors	
(a) Disclose the identity of directors who are independent.	Six of the Corporation's seven directors (Guy Blanchette, John De Sousa, Claude Gilbert, Keith Harris, Ron McEachern and Vince Timpano (proposed)) are considered independent. Note that each of Guy Blanchette, Claude Gilbert and Vince Timpano (proposed) are nominees of Lassonde Industries Inc., whose holdings are disclosed in footnote 1 of page 6 of this Information Circular.
(b) Disclose the identity of directors who are not independent and describe the basis for that determination.	Andrew Howard is not considered to be an independent director by reason of his office as Chief Executive Officer.
2. Board of Directors	
If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	None
3. Orientation and Continuing Education	
Describe what steps, if any, the Board takes to orient new Board members and describe any measures the Board takes to provide continuing education for directors.	Orientation includes regular Board meetings and monthly updates between the meetings concerning the Corporation's business. Because of the Corporation's relatively early stage of development as a public company it does not currently provide continuing education to Board members and instead relies on the Directors to pursue their own professional development as each are experienced directors and most belong to professional associations.
4. Ethical Business Conduct	
Describe what steps, if any, the Board takes to encourage and promote a culture of ethical business conduct.	The Board believes that management and the Board effectively monitor the ethical conduct of the Corporation and ensure that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and the Exchange.
5. Nomination of Directors	
Disclose what steps, if any, are taken to identify new candidates for board nomination, including:	
(a) who identifies new candidates, and	The Board's size and cohesion allow it to effectively perform the duties and functions of a nominating committee. Given the Corporation's present stage of development, the proposed Board
(b) the process of identifying new candidates.	

CORPORATE GOVERNANCE GUIDELINE	THE CORPORATION'S PRACTICE
	composition has been determined to be appropriate. A nomination committee will be created at the appropriate time.
6. Compensation	
Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including:	
(a) who determines the compensation; and (b) the process of determining compensation.	The Corporation's Compensation Committee is currently comprised of John De Sousa, Claude Gilbert (Chair) and Ron McEachern and examines executive compensation on an annual basis, making recommendations on setting such compensation to the Board. All members of the Compensation Committee are independent members of the Board. On June 25, 2024, the Compensation Committee presented an updated Compensation Committee Charter, a copy of which is attached as Appendix C.
7. Other Board Committees	
If the Board has standing committees other than the audit, compensation and nominating committees, describe their function.	In July 2025 the Board established the Compliance Committee, currently comprised of Claude Gilbert (Chair), Keith Harris and Ron McEachern, all being independent members of the Board. The role of the Compliance Committee is to ensure detailed summaries of the regulatory environment and internal processes of the Corporation are recorded and aligned.
8. Assessments	
Disclose what steps, if any, that the Board takes to satisfy itself that the Board, its committees and its individual directors are performing effectively.	The Board has not adopted formal procedures for assessing its own effectiveness, or that of the Audit Committee, or the individual directors. However, the Corporation believes that its corporate governance practices are appropriate and effective. The Corporation's method of corporate governance allows for the Corporation to operate efficiently, with checks and balances that control and monitor management and corporate functions without excessive administrative burden.

AUDIT COMMITTEE

The Corporation is required to have an Audit Committee comprised of not less than three directors, a majority of whom are not officers or employees of the Corporation or of an affiliate of the Corporation. The Corporation's Audit Committee currently consists of Keith Harris (as Chair), Guy Blanchette and Ron McEachern.

Audit Committee Charter

The Board has adopted a charter for its Audit Committee, the text of which is set forth in Appendix C attached hereto.

Independence

Multilateral Instrument 52-110 *Audit Committees*, ("MI 52-110") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the issuer, which could, in the view of the issuer's board of directors, reasonably interfere with the exercise of the member's independent judgment.

Each of Guy Blanchette, Keith Harris and Ron McEachern are considered an independent director pursuant to Canadian securities laws.

Financial Literacy

MI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

All existing members of the Audit Committee are financially literate as such term is defined in MI 52-110.

Guy Blanchette is a Fellow of the Order of the Chartered Professional Accountants of Quebec (FCPA) and was Chairman of the Board of the CPA Foundation of Quebec and holds a Bachelor of Business Administration with a major in Accounting from Université du Québec à Trois-Rivières. He was the Chief Financial Officer of Lassonde Industries Inc. from 2007 to 2021 and has over 40 years of financial and accounting experience.

Keith Harris is a Chartered Accountant with over 25 years of experience in the investment banking business. He has served as the Chief Financial Officer and on audit committees of a number of public companies.

Ron McEachern holds an MBA from the Schulich School of Business (York University), and an ICD.D designation from the Institute of Corporate Directors and the University of Toronto's Rotman School of Management. He has served in the management and as investor of a wide range of companies.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed financial year, the Audit Committee has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on:

- (a) the exemption in section 2.4 (*De Minimis Non-audit Services*) of MI 52-110; or
- (b) an exemption from MI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

Audit Fees

The following table sets forth the fees paid by the Corporation and its subsidiaries to its auditors for services billed during the financial years ended March 31, 2025 and March 31, 2024:

	2025	2024
Audit fees (\$)	\$360,000 ⁽¹⁾	\$280,956
Tax fees (\$)	\$25,000	Nil
All other fees (\$)	Nil	Nil
Total	\$385,000	\$280,956

Notes:

- (1) This amount is approximate as the final audit costs were not available at the time of writing this Information Circular.

The Corporation is a “venture issuer” as defined in MI 52-110 and is relying on the exemption in section 6.1 of MI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

Report of the Audit Committee

In the performance of its oversight function, the Audit Committee reviewed and discussed the Corporation’s audited consolidated financial statements as of and for the financial year ended March 31, 2025, with management and the auditors. The audited financial statements were represented to have been prepared in accordance with Canadian generally accepted accounting principles.

The Audit Committee is satisfied that it appropriately fulfilled its mandate to the best of its ability during and for the financial year ended March 31, 2025. The financial statements and Management’s Discussion and Analysis for the financial year ended March 31, 2025 are included with the materials made available with this Circular.

INTEREST OF CERTAIN PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein or as previously disclosed, the Corporation is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer, nominee for election as a director or any shareholder holding more than 10% of the voting rights attached to the common shares of the Corporation or an associate or affiliate of any of the foregoing in any transaction in the preceding financial year or any proposed or ongoing transaction of the Corporation which has or will materially affect the Corporation.

There are potential conflicts of interest to which the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. In particular, certain directors and officers of the Corporation are involved in managerial and/or director positions with other companies whose operations may, from time to time, be in direct competition with those of the Corporation or with entities which may, from time to time, provide financing to, or make equity investments in, competitors of the Corporation. Conflicts, if any, will be subject to the procedures and remedies available under the OBCA. The OBCA provides that, in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the OBCA.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, promoter, member of management, nominee for election as director of the Corporation, or any of their associates or affiliates, is or has been indebted to the Corporation.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR+ at www.sedarplus.com. The Corporation's annual Management Discussion & Analysis and a copy of this Circular is available to anyone, upon request, from the Corporation at 1067 Niagara Stone Road, Niagara-on-the-Lake, Ontario L0S 1J0 and are accessible through its website. Shareholders may request a paper copy of these materials by calling the Corporation at (905) 641-1042. Instructions on how to access the materials online or to request a paper copy may also be found in the notice of meeting mailed separately. All financial information in respect of the Corporation is provided in the comparative financial statements and management discussion & analysis for its recently completed financial year.

APPROVAL OF THE BOARD

This Circular and the mailing of same to Shareholders have been approved by the Board.

DATED the 25th day of September, 2025.

BY ORDER OF THE BOARD

(signed) "Andrew Howard"

Andrew Howard
President and Chief Executive Officer

APPENDIX A
DSU PLAN AND PROPOSED CHANGES

DIAMOND ESTATES WINES & SPIRITS INC.
AMENDED DEFERRED SHARE UNIT PLAN

ARTICLE 1
INTRODUCTION

1.1 Purpose

The purpose of this Amended Deferred Share Unit Plan is to provide Directors, ~~Executive~~ Officers, Employees, and Consultants ~~(as such terms are defined herein) of Diamond Estates Wines & Spirits Inc. (the “of the~~ Company~~”)~~ with the opportunity to acquire ~~Deferred Share Units~~ DSUs of the Company in order to allow them to participate in the long-term success of the Company and to promote a greater alignment of their interests with the interests of the Company’s shareholders.

ARTICLE 2
INTERPRETATION

2.1 Definitions

For purposes of the Plan:

- (a) “**Account**” means the account set up on behalf of each Participant by the Company in accordance with Section 3.6;
- (b) “**Annual DSU Remuneration**” means, in the case of a Director, the amount of annual compensation payable over the calendar year to such Director in respect of his or her duties as a Director of the Company (including the portion of his or her annual retainer and meeting fees payable for attending Board or standing committee meetings and serving as Chair of the Board or of a Board standing committee, but excluding reimbursement of expenses) which shall be paid in the form of DSUs, as decided by the Board from time to time;
- (c) ~~(b)~~ “**Award Date**” means ~~any~~ a date on which a grant of DSUs is made to a Participant;
- (d) ~~(e)~~ “**Award Market Value**” means the volume weighted average trading price of the Shares on the TSXV ~~on~~ for the five (5) trading days immediately preceding ~~the~~ an Award Date, which such value shall not be less than the applicable Discounted Market Price as determined in connection with the TSXV Policies;
- (e) ~~(d)~~ “**Board**” means the ~~B~~ board of ~~D~~ directors of the Company as may be constituted from time to time;
- (f) ~~(e)~~ “**Cash Payment**” is defined in Section 4.~~7~~ 10(b) of the Plan;

- (g) ~~(f)~~ “**Committee**” means the Compensation Committee of the Board or such other committee of the Board as may be appointed by the Board to administer the Plan, provided, however, that if no Compensation Committee is in existence at any particular time and the Board has not appointed another committee of the Board to administer the Plan, all references in the Plan to “Committee” shall at such time be in reference to the Board;
- (h) ~~(g)~~ “**Company**” means Diamond Estates Wines & Spirits Inc. and its successors and assigns;
- (i) ~~(h)~~ “**Consultant**” has the meaning given to it in ~~NI 45-106~~[Policy 4.4](#);
- ~~(i) “Deferred Share Unit” or “DSU” means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Company in accordance with Article 4;~~
- (j) “**Director**” has the meaning given to it in ~~NI 45-106~~[Policy 4.4](#);
- (k) ~~“Distribution Date” is defined in Section~~ **Discounted Market Price** has the meaning given to it in [Policy 4.1.71](#);
- ~~(l) “Distribution Value” means, with respect to each Deferred Share Unit credited to a Participant’s account, the volume weighted average trading price of the Shares on the TSXV for the five (5) trading days immediately preceding the Distribution Date;~~
- ~~(l)~~ ~~(m)~~ “**Dividend Equivalents**” means a bookkeeping entry whereby each ~~Deferred Share Unit~~[DSU](#) is credited with the equivalent amount of the dividend paid on a Share in accordance with Section 4.~~3~~[5](#);
- ~~(m)~~ ~~(n)~~ “**Dividend Market Value**” means the volume weighted average trading price of the Shares on the TSXV for the five (5) trading days immediately following the dividend record date for the payment of any dividend made on the Shares, provided that such value shall not be less than the applicable Discounted Market Price as determined in connection with the TSXV Policies;
- ~~(n)~~ “DSU” means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Company in accordance with Article 4;
- (o) “**DSU Agreement**” has the definition provided in ~~s~~[Section 3.6](#);
- (p) “**Eligible Person**” means an individual who is, at the relevant time, an Employee, ~~Executive Officer, Director, or Consultant of the Company or of a Related Entity or a Permitted Assign~~[its subsidiaries](#);
- (q) “**Employee**” means an employee of the Company;
- (r) ~~“Executive Officer~~ **Expiration Date** has the ~~meaning given to it in NI 45-106~~[definition provided in Section 4.4](#);

- (s) [“Fiscal Quarter” means any fiscal quarter of the Company;](#)
- (t) ~~(s)~~ [“Insider” means: \(i\) a dDirector or senior officer of the Company; \(ii\) a director or senior officer of a company that is inan Insider or subsidiary of the eCompany; \(iii\) a pPerson that beneficially owns or controls, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding Shares; and \(v\(iv\) the Company itself if it holds any of its own securities;](#)
- ~~(t) “NI 45-106” means National Instrument 45-106 – Prospectus Exempt Distributions or any successor instrument adopted from time to time by the Canadian Securities Administrators;~~
- (u) [“Officer” has the meaning given to it in Policy 4.4;](#)
- (v) ~~(u)~~ [“Participant” means an Eligible Person to whom has elected to participate in the Plan in accordance with the terms hereinan award of DSUs has been made;](#)
- (w) ~~(v)~~ [“Payment Shares” is defined in Section 4.810;](#)
- (x) ~~(w)~~ [“Performance Period” means the period of time for performance by the Participant, under this Plan, which period shall be determined by the Board, in its sole discretion, from time to time;](#)
- ~~(x) “Permitted Assign” has the meaning given to it in NI 45-106;~~
- (y) **“Person”** means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, fund, organization or other group of organized persons, government, government regulatory authority, governmental department, agency, commission, board, tribunal, dispute settlement panel or body, bureau, court, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;
- (z) **“Plan”** means this Deferred Share Unit Plan as amended, restated, supplemented or otherwise modified from time to time;
- (aa) [“Policy 1.1” means Policy 1.1 – Interpretation, as adopted by the TSXV and as amended from time to time;](#)
- (bb) [“Policy 4.4” means Policy 4.4 – Security Based Compensation, as adopted by the TSXV and as amended from time to time;](#)
- (cc) [“Quarterly DSU Remuneration” means the portion of the Annual DSU Remuneration to be credited to a Director in DSUs at the end of each Fiscal Quarter in accordance with Section 4.2;](#)
- (dd) [“Redemption Date” is defined in Section 4.9;](#)

- (ee) **“Redemption Notice”** is defined in Section 4.9;
- (ff) **“Redemption Value”** means, with respect to a DSU credited to a Participant’s Account, the volume weighted average trading price of the Shares on the TSXV for the five (5) trading days immediately preceding a Redemption Date, which such value shall not be less than the applicable Discounted Market Price as determined in connection with the TSXV Policies;
- (gg) ~~(aa)~~ **“Related Entity”** means a Person that controls or is controlled by the Company or that is controlled by the same Person that controls the Company;
- (hh) ~~(bb)~~ **“Separation Date”** means the date on which the Participant ceases to provide any services as a director of, and is not at that time an employee or officer of, to the Company or a Related Entity; in all capacities, including as a Director, Officer, Employee, or Consultant. For the avoidance of doubt, the Participant must cease to serve in all such roles, and the continuation of service in any one or more of these capacities shall mean that the Separation Date has not occurred;
- (ii) ~~(ee)~~ **“Share”** means a common share of the Company or, in the event of an adjustment contemplated by Section 4.10~~2~~, such other number or type of securities as the Board may determine;
- (jj) ~~(dd)~~ **“Share Compensation Arrangement”** means any share, option, share option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to Directors, ~~Executive~~ Officers, Employees or Consultants of the Company;
- (kk) ~~(ee)~~ **“Source Deductions”** is defined in Section ~~4.8~~ 4.10;
- (ll) ~~(ff)~~ **“TSXV”** means the TSX Venture Exchange; and
- (mm) ~~(gg)~~ **“TSXV Policies”** means the TSXV Corporate Finance Policies, as they may be amended from time to time.

2.2

Certain Rules of Interpretation

- (a) Whenever the Board or, where applicable, the Committee or any sub-delegate of the Committee is to exercise discretion in the administration of the terms and conditions of this Plan, the term “discretion” means the sole and absolute discretion of the Board or the Committee or the sub-delegate of the Committee, as the case may be.
- (b) As used herein, the terms “Article” and “Section” mean and refer to the specified Article or Section of this Plan.
- (c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.

- (d) Unless otherwise specified, all references to money amounts are to Canadian currency.

ARTICLE 3

ADMINISTRATION OF THE PLAN

3.1 Administration of the Plan

- (a) The Plan shall be administered by the Board and the Board shall have the sole and complete authority, in its discretion, to:
- (i) grant DSUs to Eligible Persons;
 - (ii) determine the number of DSUs to be granted to Eligible Persons;
 - (iii) interpret the Plan and prescribe, modify and rescind rules and regulations relating to the Plan;
 - (iv) exercise rights reserved to the Company under the Plan;
 - (v) prescribe forms for notices to be prescribed by the Company under the Plan; and
 - (vi) make all other determinations and take all other actions as it considers necessary or advisable for the implementation and administration of the Plan.
- (b) The Board's determinations and actions under this Plan are final, conclusive and binding on the Company, the Participants and all other Persons.
- (c) To the extent permitted by applicable law, the Board may, from time to time, delegate to any specified officer of the Company, or to the Committee, all or any of the powers of the Board with respect to this Plan. In such event, the specified officer or the Committee will exercise the powers delegated to it by the Board in the manner and on the terms authorized by the Board. Any decision made or action taken by the specified officer or the Committee arising out of or in connection with the administration or interpretation of this Plan in this context is final, binding and conclusive on the Company, the Participants and all other Persons.

3.2 Determination of Value if Shares Not Publicly Traded

If the Shares are not publicly traded on the TSXV, or another recognized stock exchange, at the relevant time such that the ~~Distribution~~Redemption Value and/or the Award Market Value and/or the Dividend Market Value cannot be determined in accordance with the definitions of those terms, such values shall be determined by the Board acting in good faith, or in the absence of the Board, by the Committee acting in good faith.

3.3 Eligibility

Any individual who at the relevant time is an Eligible Person is eligible to participate in the Plan. Eligibility to participate does not confer upon any individual a right to receive an award of ~~Deferred Share Units~~ DSUs pursuant to the Plan. Responsibility for establishing and evidencing an individual's status as a bona fide Eligible Person for purposes of Plan participation shall rest jointly with the individual and the Company.

3.4 Total Shares Subject to DSUs

The number of Shares issuable under the Plan, combined with the number of Shares issuable under all Share Compensation Arrangements, shall not exceed 20% of the outstanding Shares as at the effective date of the Plan. The maximum number of Shares that may be issued pursuant to the Plan, combined with the number of Shares issuable under all other Share Compensation Arrangements, shall not exceed 13,376,703 Shares, or such additional amount as may be approved from time to time by the shareholders of the Company and the TSXV. To the extent DSUs are cancelled, the Shares subject to such DSUs shall be added back to the number of Shares reserved for issuance under the Plan and such Shares will again become available for DSU grants under the Plan.

~~The maximum number of Shares that may be issued pursuant to the Plan shall be two million (2,000,000) and no Deferred Share Unit may be granted if such grant would have the effect of causing the total number of Shares potentially issuable in respect of Deferred Share Units to exceed the above number of Shares reserved for issuance under the Plan.~~

~~To the extent Deferred Share Units are cancelled, the Shares subject to such Deferred Share Units shall be added back to the number of Shares reserved for issuance under the Plan and such Shares will again become available for Deferred Share Unit grants under the Plan.~~

3.5 Exemption from Plan Participation

Notwithstanding any other provision of the Plan, if a Participant is resident in a jurisdiction in which an award of ~~Deferred Share Units~~ DSUs under the Plan might be considered to be income which is subject to taxation at the time of such award, the Participant may elect not to participate in the Plan by providing a written notice to the Chief Financial Officer of the Company.

3.6 DSU Agreement and Account

- (a) Upon the grant of DSUs, the Company will deliver to the Participant a DSU agreement ("DSU Agreement") executed by the Company and dated as of the Award Date, substantially in the form attached hereto as Schedule A, as may be amended from time to time by the Board, containing the terms of the DSUs ~~and executed by the Company,~~ and upon delivery to the Company of the DSU Agreement executed by the Participant, such Participant will be a participant in the Plan and have the right to receive Payment Shares or a Cash Payment on the terms set out in the DSU Agreement and in the Plan. Subject to any specific variations approved by the Board, all terms and conditions set out therein will be deemed to be incorporated into and form part of each DSU Agreement made hereunder.

- (b) An account (“**Account**”) shall be maintained by the Company for each Participant and will show the DSUs credited to a Participant from time to time.

ARTICLE 4

~~DEFERRED SHARE UNITS~~DSUS

4.1 Number of ~~Deferred Share Units~~DSUs

~~Deferred Share Units shall be credited to Accounts maintained for each Participant on the books of the Company, as of the~~ The Board may, in the context of approving executive compensation, award DSUs to Eligible Persons. In doing so, the Board shall determine the value in dollars or units of the award and the applicable Award Date. The number of ~~Deferred Share Units~~DSUs to be credited as of the Award Date in respect of awards approved in dollars shall be determined by dividing: (a) the amount ~~to be paid~~of the award approved in dollars, by, (b) the Award Market Value, with fractions rounded down to the nearest ~~Deferred Share Unit~~DSU. The number of ~~Deferred Share Units on the Award Date~~DSUs to be credited as of the Award Date in respect of ~~a discretionary grant under Section 4.4~~awards approved in units shall be the number of ~~Deferred Share Units as determined by the Board as of the Award Date~~DSUs so approved.

4.2 Quarterly DSU Remuneration

Subject to the limitation set out in Section 3.4, DSUs shall be credited to Directors on the last day of each Fiscal Quarter, which day shall be deemed an Award Date. The number of DSUs to be credited on such Award Date shall be determined by dividing: (a) the dollar value of the Quarterly DSU Remuneration, by (b) the Award Market Value, with fractions rounded down to the nearest DSU.

4.3 Vesting

~~Deferred Share Units will be fully vested upon being credited to a Participant’s Account.~~

DSUs credited to a Participant’s Account shall not vest prior to the date that is one (1) year after being credited. Notwithstanding the foregoing, in the event of a Participant’s death before the vesting of all or any portion of the outstanding DSUs credited to the Participant’s Account, the Board may, in its sole discretion, accelerate the vesting of all or any portion of such outstanding DSUs so that they become fully vested.

4.4 Expiration

DSUs credited to a Participant’s Account shall expire within one (1) year from the date on which the Participant ceases to be an Eligible Person (the “Expiration Date”).

4.5 ~~4.3~~ Credits for Dividends

A Participant’s Account shall be credited with Dividend Equivalents in the form of additional ~~Deferred Share Units~~DSUs as of each dividend payment date in respect of which normal cash dividends are paid on the Shares. ~~Such~~The number of DSUs to be credited with respect to Dividend Equivalents shall be ~~computed~~determined by dividing: (a) the amount obtained by multiplying the

amount of the dividend declared and paid per Share by the number of ~~Deferred Share Units~~ DSUs recorded in the Participant's Account on the record date for the payment of such dividend, by (b) the Dividend Market Value, with fractions ~~computed to three decimal places~~ rounded down to the nearest DSU. The foregoing does not obligate the Company to declare or pay dividends on Shares and nothing in this Plan shall be interpreted as creating such an obligation.

4.6 **4.4 Maximum Securities**

- (a) Notwithstanding Sections 4.1, 4.2, 4.5 and 4.7 herein, unless disinterested shareholder approval is obtained (or unless otherwise permitted by the TSXV):
 - (i) The maximum number of Shares which may be reserved for issuance to Insiders under the Plan, together with any other Share Compensation Arrangement, may not exceed 10% of the issued and outstanding Shares;
 - (ii) The maximum number of DSUs that may be granted to Insiders under the Plan, together with any other Share Compensation Arrangement, within a 12-month period, may not exceed 10% of the issued and outstanding Shares as calculated on the Award Date; and
 - (iii) The maximum number of DSUs that may be granted to any one Eligible Person under the Plan, together with any other Share Compensation Arrangement, within a 12-month period, may not exceed 5% of the issued and outstanding Shares calculated on the Award Date.
- (b) For so long as the Company is subject to the requirements of the TSXV, unless disinterested shareholder approval is obtained (or unless permitted otherwise by the TSXV Policies): ~~(i) the maximum number of DSUs that may be granted to a Consultant under the Plan, together with any other Share Compensation Arrangement, within a 12-month period, may not result in a number of DSUs exceeding 2% of the number of Shares outstanding at the Award Date; and (ii) the issuance to all persons conducting investor relations activities, within a 12-month period, of a number of Shares exceeding an aggregate of 2% of the Shares outstanding on the Award Date is not permitted.~~
- (c) All persons conducting investor relations activities are not permitted to receive, to be granted or awarded DSUs under this Plan.

4.7 **4.5 Discretionary Grants**

In addition to the payment of ~~Deferred Share Units~~ DSUs as contemplated by Sections 4.1, 4.2 and 4.35, and subject to Section 4.6, the Board may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, grant additional ~~Deferred Share Units~~ DSUs to any Participant. A discretionary grant of ~~Deferred Share Units~~ DSUs for a Performance Period to a Participant shall be evidenced by notice in writing from the Company to the Participant.

4.8 ~~4.6~~ Reporting of Deferred Share Units DSUs

Statements of the ~~Deferred Share Unit~~ DSU Accounts will be provided to Participants on an annual basis.

4.9 ~~4.7~~ Distribution Redemption Date

- (a) Subject to Sections 4.11 and 4.14, a Participant shall have the right to receive Payment Shares in respect of DSUs recorded in the Participant's Account on and after the Participant's Separation Date by filing with *the Chief Financial Officer of the Company*, or any other officer of the Company designated by the Board, up to two (2) notices of redemption of DSUs substantially in the form attached hereto as Schedule B, as may be amended from time to time by the Board (each, a "Redemption Notice"), specifying a redemption date, which shall be at least five (5) business days following the date on which the Redemption Notice is received by the Chief Financial Officer of the Company, or any other officer of the Company designated by the Board, but no later than the day immediately preceding the Expiration Date (each, a "Redemption Date").

~~A Participant shall have the right to receive Payment Shares in respect of Deferred Share Units recorded in the Participant's Account on one of the following dates (the "Distribution Date"):~~

- ~~(a) the Separation Date; or~~
- (b) ~~such later date as the Participant may elect by written notice delivered to *the Chief Financial Officer of the Company*~~ In the event a Participant fails to submit a Redemption Notice covering all the DSUs credited to such Participant's Account on or before the day immediately preceding the Expiration Date, then the Redemption Date for all DSUs remaining credited to the Participant's Account shall be deemed to be the day immediately prior to the ~~Se~~Expiration Date, ~~provided that in no event shall a Participant be permitted to elect a date which is later than December 1 of the calendar year following the calendar year in which the Separation Date occurs.~~

4.10 Settlement of DSUs

~~The Company may elect, in its sole and absolute discretion, to provide a cash payment to the Participant in lieu of Shares in an amount equal to the Distribution Value of the Deferred Share Units (a "Cash Payment"), less any Source Deductions (as such term is defined below).~~

4.8 Distribution of Deferred Share Units in Payment Shares

- (a) The Company shall, within 10 business days after ~~the Distribution~~ a Redemption Date, issue to the Participant a number of treasury Shares (the "Payment Shares") equal to the number of ~~Deferred Share Units~~ DSUs in the Participant's Account that became payable on the ~~Distribution~~ Redemption Date.

- (b) Notwithstanding any other provision of this Plan, the Company may elect, in its sole and absolute discretion, to provide a cash payment to the Participant in lieu of Payment Shares in an amount equal to the Redemption Value of the DSUs that became payable on the Redemption Date (a “Cash Payment”), less any Source Deductions.
- (c) ~~(b)~~ As a condition to the issue of ~~treasury~~ Payment Shares or any Cash Payment to a Participant in settlement of any ~~Deferred Share Units~~ DSUs: (i) the Company ~~shall~~ may require such Participant to pay or cause to be paid to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local law relating to the withholding of tax or other required deductions in connection with the ~~exercise~~ settlement of such ~~Deferred Share Units~~ DSUs (the “Source Deductions”); or (ii) in the event a Participant does not pay or cause to be paid the amount specified in (i) and is receiving Shares, the Company shall be permitted to: (I) engage a broker or other agent on behalf of the Participant, at the risk and expense of the Participant, to sell a portion of the underlying Shares issued on the ~~exercise~~ settlement of such ~~Deferred Share Units~~ DSUs through the facilities of the TSXV, and to apply the proceeds received to the sale of such underlying Shares as necessary so as to ensure that the Company ~~is~~ is in compliance with the applicable Source Deductions relating to the ~~exercise~~ settlement of the ~~Deferred Share Units~~ DSUs; or (II) reduce the number of Shares to be issued to a Participant in respect of redeemed ~~Deferred Share Units~~ DSUs in an amount that is equal in value to the cash amount of the Source Deductions and pay the Source Deductions in cash as necessary. In addition, the Company shall be entitled to withhold ~~from~~ for such purposes any amount payable to a Participant, including ~~the exercise of Deferred Share Units, for a cash payment~~ with respect to the settlement of DSUs.

4.11

4.9 Death of Participant Prior to ~~Distribution~~ Redemption

Upon the death of a Participant prior to the ~~distribution~~ redemption of the ~~Deferred Share Units~~ DSUs credited to the Account of such Participant under the Plan, a Cash Payment shall be made to the estate of such Participant on or about the thirtieth (30th) day after the Company is notified of the death of the Participant or on a later date elected by the Participant’s estate in the form prescribed for such purposes by the Company and delivered to the Company’s Chief Financial Officer no later than twenty (20) days after the Company is notified of the death of the Participant, provided that such elected date is no later than the ~~last business day of the calendar year following the calendar year in which the Participant dies so that payment can be made on or before such last business day~~ day immediately preceding the Expiration Date. Such ~~e~~ Cash ~~p~~ Payment shall be equivalent to the amount which would have been paid to the Participant pursuant to and subject to Section 4.810, calculated on the basis that the day on which the Participant dies, or the date elected by the estate, as applicable, is the ~~Distribution~~ Redemption Date. Upon payment in full of the value of all of the ~~Deferred Share Units~~ DSUs that become payable under this Section 4.911, less any Source Deductions, the ~~Deferred Share Units~~ DSUs shall be of no further force or effect and no further payments will be made from the Plan in relation to the Participant.

4.12

~~4.10~~ Adjustments to ~~Deferred Share Units~~ DSUs

In the event of any subdivision, consolidation, stock dividend, security split, capital reorganization, reclassification, exchange, or other change with respect to the Shares, or a consolidation, amalgamation, merger, spin-off, sale, lease or exchange of all or substantially all of the property of the Company or other distribution of the Company's assets to shareholders (other than the payment of dividends in respect of the Shares as contemplated by Section 4.35), the Account of each Participant and the ~~Deferred Share Units~~ DSUs outstanding under the Plan shall be adjusted in such manner, if any, as the Board may in its discretion deem appropriate to preserve, proportionally, the interests of Participants under the Plan. Any adjustment made under this Section 4.12, other than an adjustment arising exclusively from a consolidation or security split shall be subject to the prior acceptance of the TSXV and shall not become effective until such acceptance has been obtained.

4.13

~~4.11~~ U.S. Taxpayers

Eligible Persons who are resident in the United States, or who are otherwise obligated to pay taxes in the United States, should obtain independent tax advice prior to the receipt of DSUs pursuant to the Plan. The Company shall not be liable for, or obligated to pay in whole or in part, any taxes levied against an Eligible Person or other negative tax consequences to an Eligible Person in respect of the grant of DSUs.

4.14

~~4.12~~ Termination of Employment

Unless otherwise determined by the Board, in its sole discretion, or specified in the applicable DSU Agreement, on the termination for cause of any Participant, all or a portion of such Participant's DSUs may be forfeited and surrendered without any entitlement accruing to such Participant. If the Participant has an employment agreement or consulting agreement or other services agreement with the Company, the term "cause" shall include any meaning given to that term in such agreement or, if such term is not defined in such agreement or if such agreement does not exist, it shall mean any ground which would justify the termination of services of the Participant without notice or payment in lieu thereof pursuant to applicable laws.

ARTICLE 5

GENERAL

5.1

Amendment, Suspension, or Termination of Plan

- (a) The Board may from time to time amend or suspend the Plan in whole or in part and may at any time terminate the Plan without prior notice. Subject to the rules and policies of the TSXV, applicable law and Sections 5.1(b) and ~~subject also to Section 5.1(c)~~ below, the Board may, without notice or shareholder approval, at any time or from time to time, amend, suspend or terminate the Plan for any purpose which, in the good faith opinion of the Board may be expedient or desirable.
- (b) Notwithstanding Section 5.1(a) but subject to Section 5.1(e), the Board shall not materially adversely alter or impair any rights of a Participant or materially increase

any obligations of a Participant with respect to DSUs previously awarded under the Plan without the consent of the Participant.

- (c) Notwithstanding Section 5.1(a), none of the following amendments shall be made to this Plan without approval by shareholders or disinterested shareholders (as applicable) by ordinary resolution:
 - (i) amendments to the Plan which would increase the number of securities issuable under the Plan, otherwise than in accordance with the terms of this Plan which permit the Board to make equitable adjustments in the event of transactions affecting the Company or its capital;
 - (ii) amendments to the Plan which would increase the number of securities issuable to Insiders, otherwise than in accordance with the terms of this Plan;
 - (iii) amendments permitting awards other than DSUs to be made under this Plan;
 - (iv) an amendment that would permit DSUs to be granted to ~~p~~Persons other than Eligible Persons on a discretionary basis;
 - (v) an amendment to permit DSUs to be transferred other than for estate settlement purposes; and
 - (vi) amendments deleting or reducing the range of amendments which require shareholders' approval under this Section 5.1(c).
- (d) If the Board terminates or suspends the Plan, previously credited DSUs may, at the Board's election, be distributed to Participants or may remain outstanding and in effect in accordance with the terms of the Plan. If DSUs remain outstanding after Plan termination or suspension, such DSUs shall not be entitled to Dividend Equivalents ~~unless at the time of termination or suspension the Board determines that the entitlement to Dividend Equivalents after termination or during suspension, as applicable, should be continued. Subject to the foregoing sentence, if~~. If the Board terminates or suspends the Plan, no new ~~Deferred Share Units~~DSUs will be credited to the Account of a Participant.
- (e) The Board shall not require the consent of any affected Participant in connection with a termination of the Plan in which Payment Shares are issued to the Participant in respect of all such ~~Deferred Share Units~~DSUs.
- (f) The Plan will terminate on the date upon which no further DSUs remain outstanding.

5.2 Compliance with Laws

The administration of the Plan shall be subject to and made in conformity with all applicable laws and any applicable regulations of a duly constituted regulatory authority. Should the Board, in its

sole discretion, determine that it is not feasible or desirable to honour an election in favour of ~~Deferred Share Units~~ DSUs due to such laws or regulations, its obligation shall be satisfied by means of an equivalent cash payment (equivalence being determined on a before-tax basis). If the Board determines that the listing, registration or qualification of the Shares subject to this Plan upon any securities exchange or under any provincial, state, federal or other applicable law, or the consent or approval of any governmental body or securities exchange is necessary or desirable, as a condition of, or in connection with, the crediting of DSUs or the issue of Payment Shares hereunder, the Company shall be under no obligation to credit DSUs or issue Payment Shares hereunder unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Board.

5.3 Reorganization of the Company

The existence of any ~~Deferred Share Units~~ DSUs shall not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or to create or issue any bonds, debentures, shares or other securities of the Company or to amend or modify the rights and conditions attaching thereto or to effect the dissolution or liquidation of the Company, or any amalgamation, combination, merger or consolidation involving the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

5.4 Assignment

Rights and obligations under the Plan may be assigned by the Company to a successor in the business of the Company, any company resulting from any amalgamation, reorganization, combination, merger or arrangement of the Company, or any company acquiring all or substantially all of the assets or business of the Company.

5.5 DSUs Non-Transferable

Except as specifically provided herein, ~~Deferred Share Units~~ DSUs are non-transferable. Certificates representing ~~Deferred Share Units~~ DSUs will not be issued by the Company.

5.6 Participation is Voluntary; No Additional Rights

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan and any DSU Agreement. In particular, participation in the Plan does not constitute a condition of employment or service nor a commitment on the part of the Company to ensure the continued employment or service of such Participant. Nothing in this Plan shall be construed to provide the Participant with any rights whatsoever to participate or continue participation in this Plan or to compensation or damages in lieu of participation, whether upon termination of service as an Eligible Person or otherwise. The Company does not assume responsibility for the personal income or other tax consequences for the Participants and they are advised to consult with their own tax advisors.

5.7 No Shareholder Rights

Under no circumstances shall ~~Deferred Share Units~~DSUs be considered Shares or other securities of the Company, nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Shares or other securities of the Company, nor shall any Participant be considered the owner of Shares by virtue of the award of ~~Deferred Share Units~~DSUs.

5.8 Unfunded and Unsecured Plan

Unless otherwise determined by the Board, the Plan shall be unfunded and the Company will not secure its obligations under the Plan. To the extent any Participant or his or her estate holds any rights by virtue of a grant of ~~Deferred Share Units~~DSUs under the Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Company.

5.9 Market Fluctuations

No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Company makes no representations or warranties to Participants with respect to the Plan or the Shares whatsoever. In seeking the benefits of participation in the Plan, a Participant agrees to accept all risks associated with a decline in the market price of Shares.

5.10 Participant Information

Each Participant shall provide the Company with all information (including personal information) required by the Company in order to administer the Plan. Each Participant acknowledges that information required by the Company in order to administer the Plan may be disclosed to the Board and other third parties in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Company to make such disclosure on the Participant's behalf.

5.11 Indemnification

Every ~~d~~Director of the Company will at all times be indemnified and saved harmless by the Company from and against all costs, charges and expenses whatsoever including any income tax liability arising from any such indemnification, that such ~~d~~Director may sustain or incur by reason of any action, suit or proceeding, taken or threatened against the director, otherwise than by the Company, for or in respect of any act done or omitted by the ~~d~~Director in respect of this Plan, such costs, charges and expenses to include any amount paid to settle such action, suit or proceeding or in satisfaction of any judgment rendered therein.

5.12 Effective Date of the Plan

This Plan becomes effective on a date to be determined by the Board.

5.13 Governing Law

The Plan shall be governed by, and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein, without regard to principles of conflict of laws.

~~APPROVED~~ Amended by the Board ~~this 21st day of June,~~ on September 25, 201625.

SCHEDULE A

FORM OF ~~DSU~~DEFERRED SHARE UNIT AGREEMENT

DIAMOND ESTATES WINES & SPIRITS INC.

This ~~DSU~~Deferred Share Unit Agreement is entered into between Diamond Estates Wines & Spirits Inc. (the “**Company**”) and the Eligible Person named below, pursuant to the Company’s ~~Deferred Share Unit~~DSU Plan (the “**Plan**”), and confirms that on [INSERT GRANT DATE-●] (the “**Grant Date**”), [INSERT NAME OF ELIGIBLE PERSON-●] (the “**Eligible Person**”) was granted [INSERT NUMBER OF DSUs-●] ~~D~~deferred ~~S~~share ~~U~~units (“**DSUs**”), in accordance with the terms of the Plan;

The DSUs will vest upon being credited to the Eligible Person’s account set up by the Company in accordance with the Plan, and on the terms and subject to the conditions set out in the Plan.

[The performance period for this grant of DSUs commences on the Grant Date and ends at the close of business on [●] (the “Performance Period”).]

By signing this agreement, the Eligible Person:

- (a) acknowledges that he or she has read and understands the Plan, agrees with the terms and conditions thereof which shall be deemed to be incorporated into and form part of this DSU Agreement (subject to any specific variations contained in this DSU Agreement);
- (b) acknowledges that he or she is responsible for paying any applicable taxes and withholding taxes arising from the ~~exercises~~settlement of any DSU, as provided in Section 4.~~8~~10(c) of the Plan;
- (c) agrees that ~~ana~~ DSU does not carry any voting rights;
- (d) acknowledges that the value of the DSUs granted herein is in CAD\$ denomination, and such value is not guaranteed;
- (e) recognizes that the value of a DSU upon delivery is subject to stock market fluctuations; and
- (f) recognizes that, at the sole discretion of the Company, the Plan can be administered by a designee of the Company by virtue of ~~paragraph~~Section 3.1(c) of the Plan and any communication from or to the designee shall be deemed to be from or to the Company.

IN WITNESS WHEREOF the Company and the Eligible Person have executed this DSU Agreement as of the ● of ●, ●.

DIAMOND ESTATES WINES & SPIRITS INC.

Per:

Name:

Title:

Name of Eligible Person

Signature of Eligible Person

SCHEDULE B

FORM OF REDEMPTION NOTICE

To: *Diamond Estates Wines & Spirits Inc. (the "Company")*

Re: Redemption under the DSU Plan (the "Plan")

Participant: _____

Date: _____

I, the undersigned, hereby advise the Company that I wish to redeem either a portion or all of the deferred share units ("DSUs") credited to my Account under the Plan on the date set out below next to the DSUs to be redeemed set out hereinafter:

<u>DSUs to be Redeemed</u> <u><i>(either a portion (expressed in percentage or in number of DSUs) or all)</i></u>	<u>Redemption Date</u> <u><i>(such date shall be at least five (5) business days following the date on which the Redemption Notice is received)</i></u>

All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Plan. The DSUs referred to herein are governed by, and subject to, the terms and conditions of the Plan, of which I have received a copy.

I hereby confirm that on the date hereof, I am not aware of any material non-public information relating to the Company.

Name of Participant

Signature of Participant

APPENDIX B
STOCK OPTION PLAN AND PROPOSED CHANGES

~~STOCK OPTION PLAN~~
DIAMOND ESTATES WINES & SPIRITS INC.
AMENDED STOCK OPTION PLAN

1. Purpose

The purpose of this Amended sStock ~~o~~Option pPlan (the “**Plan**”) is to add incentive and to provide consideration for effective services of *bona fide* Officers, Directors, Employees, Management Company Employees and Consultants of Diamond Estates Wines & Spirits Inc. (the “**Corporation**”). Stock options granted under the Plan are not in lieu of salary or any other compensation for services. In the event of the continuance of the Corporation, the Plan will bind the Corporation’s successor.

2. Administration

The Plan shall be administered by the ~~B~~board of ~~D~~directors of the Corporation (the “~~Directors~~Board”).

3. Definitions

In this Plan, capitalized terms used herein that are not otherwise defined shall have the meaning ascribed thereto in the Corporate Finance Manual of the TSX Venture Exchange (the “**Exchange**”), and in particular, in ~~olicies~~Policy 1.1; ~~– Interpretation~~ and Policy 4.4 – Security Based Compensation, as adopted by the Exchange and as amended from time to time, of such Corporate Finance Manual.

4. Granting Options

The Directors may, from time to time, designate *bona fide* Officers, Directors, Employees, Management Company Employees and Consultants (collectively, “**Optionees**”) of the Corporation (or, in each case, their wholly owned personal holding companies), to whom options to purchase shares of the Corporation may be granted, and the number of shares to be optioned to each, provided that the total number of shares to be optioned shall not exceed the number provided in paragraph 5 hereof and that the total number of shares to be optioned under the Plan, together with any other Security Based Compensation Plans, to (i) any one Optionee in any 12 month period shall not exceed 5 per cent of the issued and outstanding shares of the Corporation; (ii) any one Consultant in any 12 month period shall not exceed 2 per cent of the issued and outstanding shares of the Corporation; and (iii) all Employees in the aggregate conducting Investor Relations Activities in any 12 month period shall not exceed 2 per cent of the issued and outstanding shares of the Corporation, in each case subject to adjustment of such number pursuant to the provisions of paragraph ~~8~~9 hereof. All options granted shall be subject to the terms of this Plan and a copy of the Plan shall be given, upon request, to each Optionee.

5. Shares Subject to Plan

The number of shares issuable under the Plan, combined with the number of shares issuable under all Security Based Compensation Plans of the Corporation, shall not exceed 20% of the issued and outstanding shares as at the effective date of the Plan. The maximum *number of shares that may be* issued pursuant to the Plan, combined with the number of shares issuable under all other Security Based Compensation Plans, shall not exceed 13,376,703 shares, or such additional amount as may be approved from time to time by the shareholders of the Corporation and the Exchange.

~~Aggregate *number of shares that may be* issuable pursuant to options granted under the Plan will not exceed 13% of the number of issued shares of the Corporation at the time of granting the options under the Plan.~~ Shares in respect of which options have not been exercised and are no longer subject to being purchased pursuant to the terms of any options shall be available for further options under the Plan. Upon the granting of options hereunder, the Corporation shall execute in favour of the grantee, a stock option agreement (the “**Stock Option Agreement(s)**”) setting forth the particulars of the option grant.

The options granted under the Plan, together with any other Security Based Compensation Plans, shall not result at any time in: (i) the number of shares reserved for issuance pursuant to options granted to Insiders exceeding 10% of the issued and outstanding shares; (ii) the grant to Insiders within a 12 month period, of a number of options exceeding 10% of the outstanding shares; or (iii) the grant to any one (1) Optionee within a 12 month period, of a number of options exceeding 5% of the issued and outstanding shares.

6. Option Price

The option price on shares that are the subject of any option shall be fixed by the Directors when such option is granted, provided that such price shall not be less than the Discounted Market Price of the shares of the Corporation, or such other price as may be determined under applicable rules and regulations of all regulatory authorities to which the Corporation is subject, including the Exchange rules and policies.

In the event that the Corporation proposes to reduce the Exercise Price of the ~~Options~~ options granted to an Optionee who is an Insider of the Corporation at the time of the proposed amendment, said amendment shall not be effected until disinterested shareholder approval has been obtained in respect of said exercise price reduction.

Notwithstanding the foregoing, if the Optionee’s position with the Corporation is terminated for cause, or if the Optionee violates the terms of their Stock Option Agreement(s) or any agreement he/she may have with the Corporation, all options granted to the Optionee pursuant to the Plan shall become null and void immediately without penalty to the Corporation.

7. Terms Restricting Exercise of Options

- a. ~~the~~The period during which any option may be exercised” shall be determined by the Directors when the option is granted (the “Exercise Period”), provided that the term shall be no more than ten (10) years from the date of the granting of the option and all options shall be subject to earlier termination as provided in subparagraph (b) hereof; In the event that the Corporation proposes to extend the Exercise Period of the options granted to an Optionee who is an Insider of the Corporation, at the time of the proposed amendment, said amendment shall not be effected until disinterested shareholder approval has been obtained in respect of said extension to the Exercise Period;
- b. ~~u~~Upon the death of the Optionee, the ~~Θ~~Θoption shall terminate on the date determined by the Directors, which date shall not be later than the earlier of the expiry date of the ~~Θ~~Θoption and one year from the date of death (the “**Termination Date**”);
- c. ~~if~~If the Optionee ceases to be a Director or Officer of, be in the employ of, or be providing ongoing management or consulting services to the Corporation, the ~~Θ~~Θoption shall terminate (the “**Termination Date**”) on the earlier of the expiry date of the ~~Θ~~Θoption and the expiry of a period not in excess of 90 days prescribed by the Directors at the time of the grant, following the date that the Optionee ceases to be a Director, Officer or Employee of the Corporation, or ceases to provide ongoing management or consulting services to the Corporation, as the case may be;
- d. If the Optionee ceases to be employed to provide Investor Relations Activities on behalf of the Corporation, the ~~Θ~~Θoption shall terminate on the earlier of the expiry date of the ~~Θ~~Θoption and the expiry of the period (the “**Termination Date**”) not in excess of 30 days prescribed by the Directors at the time of the grant, following the date that the Optionee ceases to be employed to provide Investor Relations Activities;
- e. ~~e~~Except as provided in subparagraph (b) hereof, the option shall not be transferable nor assignable by the Optionee otherwise than by Will or the law of intestacy and the said option may be exercised, during his or her lifetime, only by the Optionee;

provided that the number of shares of the Corporation that the Optionee (or his or her heirs or successors) shall be entitled to purchase until the applicable Termination Date shall be the number of Common Shares which the Optionee was entitled to purchase on the date of death or the date the Optionee ceased to be an Officer, Director or Employee of, or ceased providing ongoing management or consulting services to, the Corporation, as the case may be.

8. Option Vesting

Options issued to persons retained to provide Investor Relations Activities will be subject to a vesting schedule of at least 12 months such that:

- a. no more than 1/4 of the options vest no sooner than three months after the Options were granted;

- b. no more than another 1/4 of the options vest no sooner than six months after the options were granted;
- c. no more than another 1/4 of the options vest no sooner than nine months after the options were granted; and
- d. the remainder of the options vest no sooner than 12 months after the options were granted.

Options issued to Optionees other than persons retained to provide Investor Relations Activities may, at the discretion of the Board or Committee, be subject to vesting conditions, such vesting conditions to be provided for in the Stock Option Agreement to be entered into between the Corporation and the Optionee.

9. ~~8.~~ Regulatory Restrictions

The exercise by the Optionee of his rights hereunder and the consequent obligation of the Corporation to issue and deliver its shares pursuant to such exercise is subject to the approval of the Plan by: (a) the stock exchange(s) on which the Corporation's shares are listed; (b) the Directors; and (c) the shareholders of the Corporation.

10. ~~9.~~ Share Capital Re-adjustments

Appropriate adjustments in the number of shares optioned, in the aggregate number of shares reserved for issue pursuant to options and in the option price per share, as regards options granted or to be granted, will be made by the Directors to give effect to adjustments in the number of shares of the Corporation resulting subsequent to the approval of the Plan as provided in paragraph ~~8~~9 hereof from subdivisions, consolidations, stock dividend, security split, or reclassification of the shares of the Corporation, the payment of stock dividends and any merger, amalgamation or reorganization to which the Corporation is a party. Without limiting the generality of the foregoing, the Corporation will make adjustments to any options granted hereunder as follows:

- a. If a dividend in shares of the Corporation is paid on the common shares of the Corporation, there shall be added to the common shares subject to any option the number of shares which would have been issuable to the Optionee had he then been the holder of record of the number of common shares then remaining under the option. In such event, the option price per share shall be reduced proportionately.
- b. If the common shares of the Corporation shall be subdivided into a greater number of shares or consolidated into a lesser number of shares or changed into the same or a different number of shares with par value, the number of shares which may thereafter be acquired under any option shall be the number of shares which would have been received by the Optionee on such subdivision, consolidation, or change had the Optionee then been the holder of record of the number of common shares then remaining under the option. In such event, the option price per share shall be decreased or increased proportionately.

- c. If there is any capital reorganization or reclassification of the share capital of the Corporation, or any consolidation or merger or amalgamation of the Corporation with any other corporation or corporations, adequate provisions shall be made by the Corporation so that there shall be substituted under any option the shares or securities which would have been issuable or payable to the Optionee had he then been the holder of record of the number of common shares then remaining under the option.
- d. If the Corporation at any time during the term of any option offers for sale to holders of its share capital common shares of its share capital or of other classes of shares or of other securities of the Corporation or in connection with any transaction shall acquire or shall cause to be issued rights to acquire shares or other securities of another corporation to or for the benefit of holders of share capital of the Corporation, the Corporation will give notice to the Optionee of rights which are thus to be acquired or issued to or for the benefit of the holders of record of shares of the Corporation in sufficient time to permit the Optionee to exercise the option to the fullest extent possible, if the Optionee should wish to do so, and to permit the Optionee to participate in such rights as a holder of record of share capital of the Corporation.
- e. Any shares or securities added to or substituted for the shares under any option shall be subject to adjustment in the same manner and to the same extent as the common shares originally covered by such option.
- f. No fractional shares shall be issued upon the exercise of any option. If, as a result of any adjustment under this paragraph 9, the Optionee would become entitled to a fractional share, he shall have the right to acquire only the adjusted number of full shares and no payment or other adjustment will be made with respect to the fractional shares so disregarded.
- g. Any adjustment made under this paragraph 9, other than an adjustment arising exclusively from a consolidation or security split of the shares of the Corporation shall be subject to the prior acceptance of the Exchange and shall not become effective until such acceptance has been obtained.

11. ~~10.~~ Exercise

- a. Subject to the provisions of the Plan, an option may be exercised in whole or in part by the payment to the Corporation in cash or certified cheque of the full purchase price at the option price per share stipulated in paragraph 5 herein, subject to any adjustment thereto in accordance with paragraph ~~8~~9 herein, for the shares purchased and the Corporation shall thereupon deliver a share certificate or certificates of the Corporation for such shares.
- b. An option shall be in whole or in part exercised by written notice or notices delivered to the Corporation's registered office and any option shall be deemed for all purposes to be exercised to the extent stated in such notice upon delivery of the notice and payment for

the number of shares specified in such notice, notwithstanding any delay in the issuance and delivery of certificates for the shares so subscribed.

12. ~~11.~~ Amendment of Plan

- a. The Directors may amend or change this Plan and any options granted hereunder from time to time subject to receipt of consents or approvals of all applicable authorities and exchanges, except that the Directors shall not adversely affect the rights of any Optionee to whom an option has therefore been granted without his consent and any reduction in option price for options outstanding, other than any reduction made in accordance with paragraph ~~8~~9 herein, shall comply, as of the date of revision or amendment, with the option price provisions of paragraph 5 hereof.
- b. The Directors may discontinue the Plan at any time except that such discontinuance may not alter or impair any option previously granted under the Plan to an Optionee.

13. ~~12.~~ General

Options granted pursuant to the Plan shall specify in the Grantee's Stock Option Plan Agreement(s) that:

- a. that the ~~Stock~~ Option ~~Agreement~~ does not impose upon the Optionee any obligation to take up and pay for any of the optioned shares;
- b. the address of each of the Optionee and the Corporation to which notices pursuant to the option and the Plan may be delivered;
- c. that all options granted are subject to the express terms of the Plan; and
- d. the periods governing the exercise of the option.

~~DATED and APPROVED~~ Amended by the Board of Directors of Diamond Estates Wines & Spirits Inc. ~~as of August 17, 2021 and approved at the Annual General Meeting of Shareholders held on September 28~~ on September 25, 20215.

~~"J. Murray Souter"~~ Andrew Howard

~~J. Murray Souter~~

Andrew Howard

Director, President, and Chief Executive Officer

APPENDIX C
DIAMOND ESTATES WINES & SPIRITS INC.

AUDIT COMMITTEE CHARTER

Adopted by Resolution of the Board of Directors

Primary Objective

The primary objective of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities to: (i) review financial reports and financial information provided to any regulatory authority or provided for release to the public and the Corporation's shareholders; (ii) review the Corporation's disclosure control systems; (iii) review the Corporation's internal control systems with respect to finance, accounting and legal compliance; and (iv) review the Corporation's accounting and financial reporting processes.

Composition

The Committee shall be composed of not less than three (3) directors, the majority of whom shall be independent and 'unrelated', as determined by the Board of Directors in accordance with applicable legislation and any requirements of such exchanges on which the securities of the Corporation are traded. The Committee's composition shall be in compliance with the stated requirements of Multilateral Instrument 52-110 "Audit Committees" and any amendments thereto.

All members of the Committee shall be financially literate and have a working familiarity with basic accounting and finance practices.

All members of the Committee shall be appointed by the Board of Directors at such time as shall be determined and shall serve until their successors are duly appointed. Any member may be removed or replaced by direction of the Board of Directors and shall in any event cease to be a member of the Committee forthwith upon such member ceasing to be a director of the Corporation. Committee members shall be entitled to such remuneration for serving on the Committee as may from time to time be determined by the Board.

Meetings

The members of the Committee so appointed shall elect from among their number a Chairman of the Committee. Such Chairman will appoint a secretary with responsibility for maintaining minutes of all meetings. The Secretary shall not be required to be a member of the Committee or a director of the Corporation and can be changed at any time upon notice from the Chairman.

The Committee shall meet as many times as it, in its discretion, deems necessary to discharge its responsibilities but in no event shall the Committee meet less than four (4) times per year. The time at which, and the place where, Committee meetings are held, the calling of the meetings and the procedure in respect of such meetings shall be determined by the Committee, unless provisions to the contrary are contained in the Corporation's by-laws or other constating documents or the Board of Directors shall determine otherwise. No business may be transacted unless a quorum of the Committee is present, the majority of the members of the Committee comprising such quorum. If the number of members of the Committee is an even number, one half of the number of members plus one shall constitute a quorum.

The Committee may invite or require the attendance at any meeting of such officers and employees of the Corporation, internal and external legal counsel or such other persons as the Committee deems necessary in order for the Committee to discharge its duties and responsibilities. The external independent auditors of the Corporation should be requested and, if deemed necessary, required to attend meetings of the Committee and to make presentations to the Committee as is deemed appropriate.

The Committee shall meet not less than once annually with the Corporation's independent auditors and without the presence of management. The Committee shall also meet with the independent auditors and management at least quarterly to review the Corporation's financial statements, including Management's Discussion and Analysis of Financial Condition and Results of Operations, and any press releases related thereto.

Notwithstanding the foregoing, and subject to the Corporation's constating documents, governing legislation and applicable regulatory and exchange rules, the Chairman of the Committee may exercise the powers of the Committee between meetings if required. In the event the Chairman does so exercise such powers, the Chairman shall immediately report in writing to the members of the Committee the actions or decisions taken in the name of the Committee and the same shall be recorded in the minutes of the Committee.

Duties and Responsibilities

- periodically review and, as required, recommend to the Corporation's Governance Committee any revisions or updates to this Mandate for the Governance Committee to forward to the Board of Directors for approval and implementation
- review interim quarterly financial statements and the audited annual financial statement, including related Management's Discussion and Analysis of Financial Condition and Results of Operations, together with any press releases related thereto and make a recommendation to the Board of Directors for approval and implementation
- discuss and review with management all financial information and earnings guidance which may be provided to the public in advance of the provision of such communication
- satisfy itself, on behalf of the Board of Directors, that all quarterly and annual financial results, and attendant Management's Discussion and Analysis of Financial Condition and Results of Operations, present fairly the financial condition of the Corporation, and are in accordance with generally accepted accounting principles
- act as an independent and objective party to monitor the Corporation's financial reporting process and the system of internal controls, including, as required, inspection of all books and records of the Corporation and its subsidiaries, discussion of such accounts and records and the financial position of the Corporation with senior management and the auditors of the Corporation and its subsidiaries and the commissioning of such reports or supplemental information as may be required in relation to the above
- recommend to the Board of Directors the appointment, retention, termination and compensation of the Corporation's independent auditors
- evaluate and oversee the work of the Corporation's independent auditors, including receipt and review of all reports and recommendations
- review the independent auditor's reports of all critical accounting policies and practices to be used, alternative treatments of financial information within generally accepted accounting principles, ramifications and use of alternative disclosures and treatments and other communications between the independent auditors and the Corporation's management
- satisfy itself on behalf of the Board of Directors as to the 'independence from management' of the external auditors, within the meaning given to such term in the rules and pronouncements of the applicable regulatory authorities and professional governing bodies
- ensure the independent auditor's rotation of the audit partner satisfies all regulatory requirements
- annually review and evaluate the performance of the Corporation's independent auditors and the audit partner, including opinions of management, and make such recommendations to the Board of Directors as appropriate

- review the annual audit plan and such advice as may be provided with respect to management and internal controls
- monitor the Corporation's internal accounting controls, information gathering systems and management reporting of internal control systems
- review with management and the independent auditors the relevance and appropriateness of the Corporation's accounting policies, recommended changes and approval thereof
- satisfy itself that the Corporation has implemented appropriate systems of internal control over financial reporting and the safeguarding of the Corporation's assets; review "risk management" procedures, including the identification of significant risks and the establishment of appropriate procedures to manage such risks; monitor corporate performance in light of acceptable risks
- review and approve the Corporation's communication and disclosure policies and controls and monitor compliance therewith
- review and approve the Corporation's investment and treasury policies and monitor compliance therewith
- review the annual proposed budget prepared by the Corporation's executive and make a recommendation to the Board of Directors for approval and implementation
- perform such other activities consistent with the Corporation's constituting documents, governing law and regulatory and exchange requirements as may be requested by the Board of Directors.

APPENDIX C
DIAMOND ESTATES WINES & SPIRITS INC.

COMPENSATION COMMITTEE CHARTER

Adopted by Resolution of the Board of Directors on June 25, 2024

There shall be a committee of the Board of Directors (the “Board”) to be known as the compensation committee (the “Committee”).

COMPOSITION

1. The Committee shall be composed of no fewer than three directors (at least 2 must be independent directors).
2. Members of the Committee will be appointed and removed by the Board at its sole discretion.
3. The Chair of the Committee shall be designated by the Board.
4. As soon as a member ceased to be independent, the member shall advise the Chair of the Committee and the Chair of the Board.

GOVERNANCE

In order to fulfill its role, the Committee shall be organized and governed in the following manner:

1. A majority of the members of the Committee shall represent a quorum;
2. If a quorum is present, action may be taken by the Committee upon the affirmative vote of a majority of the members present;
3. The Committee shall meet at least two times during each calendar year, and additionally as circumstances require;
4. The chairman or any two members may call a meeting of the Committee upon due notice to all members;
5. Unless waived in writing by all members, a notice of every meeting, including its agenda, shall be sent at least 24 hours in advance to every Committee member and to the Chairman of the Board;
6. Meetings of the Committee may take place in person, online or by phone;
7. The Chair of the Board may attend any meeting of the Committee;
8. The Committee may invite any person to attend its meetings to participate in discussions and review the Committee’s business;
9. Any independent member may ask for an in-camera session of the independent members before, during or after any meeting;
10. Action may be taken by the Committee without a meeting if all of the members of the Committee indicate their approval thereof in writing; and
11. The Committee shall have the authority to delegate to sub-committees of the Committee any of the responsibilities of the full Committee; and
12. The Committee shall have access to all relevant documents of the Company in the exercise of its purpose and responsibilities.

STATEMENT OF PURPOSE AND RESPONSIBILITIES

The Committee has direct responsibility to perform the following duties:

1. Annually review and recommend to the board for approval, corporate goals and objectives relevant to the compensation plans of the Chief Executive Officer, Chief Financial Officer, and all other senior employees of the Company with a base salary above \$100,000, and then approve compensation of these senior employees based on management’s evaluation against the goals and objectives and any other relevant factors;
2. Review and recommend to the Board for approval, management’s proposed variable compensation payment that is awarded to all employees with a base salary above \$100,000, as well as any other bonus payment, if any;

3. Review and recommend to the Board for approval, management's proposed compensation and employment terms and agreements of potential candidates for all senior positions within the Company with a base salary above \$100,000;
4. Review and recommend to the Board for approval, management's proposed agreements relative to employment termination of all employees with a base salary above \$100,000;
5. Periodically review the total compensation structure (both short-term and long-term) of the Company to determine whether the Company is properly incentivizing and rewarding its personnel;
6. Make recommendations to the Board regarding the adoption of new, and changes to existing, employee incentive compensation plans, including equity-based plans, and overseeing the Company's existing incentive compensation plans, including the issuance of awards pursuant to those plans;
7. Recommend to the Board compensation for all directors;
8. Prepare the compensation committee report as required;
9. Periodically review and assess the adequacy of this Charter and recommend any changes to the Board for approval;
10. Report its actions and any recommendations to the Board on a periodic basis; and
11. Review such other matters as the Board or the Committee shall deem appropriate.

POWERS OF THE COMPENSATION COMMITTEE

In order to fulfill its role, the Committee shall have the power to:

1. Recommend to the Board to adopt, amend or terminate compensation plans or Contracts if not presented to Compensation Committee for recommendation and not approved by the Board.
2. Retain a compensation consulting firm (or other expert) to assist in the assessment of the CEO and other executive officer compensation and to approve the consulting firm's or other expert's fee and retention terms. The Committee shall have sole authority to retain and terminate such consulting firm or expert, including sole authority to approve such consulting firm's or expert's fees and other retention terms; and
3. Retain legal, accounting or other experts that it determines to be necessary to carry out its duties and to determine compensation for such advisors.
4. Funding for such retained services shall be provided by the Company.

APPENDIX D
DIAMOND ESTATES WINES & SPIRITS INC.

COMPLIANCE COMMITTEE CHARTER

Adopted on July 29, 2025

I. General Focus

The Compliance Committee assists the board of directors of the Corporation (the “Board”) with overseeing the Corporation’s activities in the areas of compliance with laws and regulations applicable to its business.

The Committee shall have the authority to undertake the specific duties and responsibilities described below and the authority to undertake such other duties as are assigned by law, the Corporation’s certificate of incorporation or bylaws, or by the Board.

The Committee shall have the power to delegate its authority and duties to subcommittees or individual members of the Committee, as it deems appropriate in accordance with applicable laws and regulations.

The Committee shall have the power to retain counsel, accountants, auditors or other advisors as and on such terms as the Committee deems appropriate to discharge its duties and responsibilities. However, the Committee shall not engage the Corporation’s independent auditors to perform any services without approval of the Audit Committee. The Committee shall receive appropriate funding, as determined by the Committee, from the Corporation to pay any such counsel, accountants, auditors or other advisors.

II. Membership

The Committee shall consist of as many members as the Board shall determine, but in any event not fewer than three (3) members and such members must be independent directors. The members of the Committee shall be appointed annually by the Board, immediately following the annual general meeting of shareholders. However, all meeting minutes will be distributed to each committee members as well as the Chairman of the Board and CFO of the Corporation. Quarterly summary reports will be prepared for the Committee by the Corporate Secretary or their delegate in conjunction with members of management of the Corporation. The Chair of the Committee shall be appointed by the Board on an annual basis.

III. Meetings and Procedures

- A. The Chair of the Committee, in consultation with the Committee members, shall determine the schedule and frequency of the Committee meetings, which shall be no less than four (4) meetings annually. At all meetings of the Committee, the presence of a majority of the members of the Committee shall be necessary and sufficient to constitute a quorum for the transaction of business. Except when otherwise required by statute, the vote of a majority of the members of the Committee present and acting at a meeting at which a quorum is present shall be the act of the Committee. In the absence of a quorum, a majority of the members of the Committee present may adjourn the meeting from time to time, until a quorum shall be present. The Committee may also act by unanimous written consent of all the members. The Committee shall maintain written minutes or other records of its meetings and activities. Such minutes shall be distributed to each member of the committee and also filed with the Corporation’s records.
- B. The Chair of the Committee shall develop and set the Committee’s agenda in consultation with management. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent practical, be communicated to the members of the Committee in advance of each meeting.
- C. In discharging its responsibilities, the Committee shall have sole authority to, as it deems appropriate, select, retain and/or replace outside advisors to provide independent advice to the Committee.

- D. The Chair of the Committee shall report to the Board following meetings of the Committee, and as otherwise requested by the Chairman of the Board. Reports may be written or oral depending on the preference of the Board of Directors.

IV. Responsibilities

The Committee shall oversee the Corporation's activities in the area of corporate compliance ("Corporate Compliance Program") that may impact the Corporation's business operations or public image, in light of applicable government and industry standards, as well as legal and business trends and public policy issues.

The Committee shall assess management's implementation of the Corporate Compliance Program elements, including:

- (i) The adequacy and effectiveness of policies and programs to ensure the Corporation's compliance with laws and regulations applicable to its business and any and all associated risks, including, without limitation, in the areas of billing compliance, environmental health and safety, equal opportunity employment practices, fraud and abuse and any possible financial irregularities.
- (ii) Review the significant reports to management or summaries thereof regarding the Corporation's compliance policies, practices, procedures and programs and management's responses thereto. Review any report of any matter involving criminal conduct or potential criminal conduct.
- (iii) The monitoring of significant external and internal investigations of the Corporation's business as they relate to possible violations of law by the Corporation or its directors, officers, employees or agents.
- (iv) The monitoring of the Corporation's implementation of actions in response to legislative, regulatory and legal developments affecting the business of the Corporation.
- (v) Report to the Audit Committee regarding legal matters (including the status of pending litigation) and compliance with legal, regulatory and contractual requirements that may have a material effect on the Corporation's business, financial statements or compliance policies, including any material reports or inquiries from regulatory or governmental agencies.
- (vi) The Corporation's Code of Conduct and written compliance policies and procedures that guide the Corporation and the conduct of its staff in day-to-day operations, and relevant education and training for the Board and all affected staff and the Corporation's agents;
- (vii) Appropriate mechanisms for staff to seek guidance and to report concerns;
- (viii) The Corporation's systems and processes that are designed to:
 - Periodically assess the Corporation's compliance obligations and associated risks;
 - Investigate alleged misconduct; and
 - Promote and enforce standards through incentive and disciplinary action;
- (ix) Necessary modifications to the Corporate Compliance Program; and
- (x) Efforts made to promote an ethical culture.

V. Reporting Structure

The Compliance Committee will report to the Board of Directors any items that suggest or uncovered non-compliance that could affect the Compliance Program or the Corporation. Any data suggesting significant non-compliance involving any of the business operations shall be reported to the Board immediately.

The Committee also shall oversee the Corporation's activities in the area of corporate responsibility that may have an impact on the Corporation's business operations or public image, in light of political and social trends and public policy issues.

VI. Evaluation

The Committee shall conduct an annual evaluation of its effectiveness. The Committee shall review and reassess its Charter on a periodic basis and submit any recommended changes to the Board for its consideration. The Committee shall perform such other functions and have such other powers as may be necessary or convenient for efficient discharge of its duties.

