



DELPHX CAPITAL MARKETS INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

TO BE HELD SEPTEMBER 13, 2022

AND

MANAGEMENT INFORMATION CIRCULAR

August 16, 2022

DELPHX CAPITAL MARKETS INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON SEPTEMBER 13, 2022

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of the shareholders of DelphX Capital Markets Inc. (the “**Corporation**”) will be held by way of teleconference on Tuesday, September 13, 2022 at 11:00 a.m. (Eastern time) for the following purposes:

1. to receive the consolidated financial statements of the Corporation for the fiscal year ended December 31, 2021 together with the auditor’s report thereon;
2. to set the number of directors of the Corporation at four (4);
3. to elect directors of the Corporation for the ensuing year;
4. to re-appoint Davidson and Company LLP, Chartered Professional Accountants, as auditors of the Corporation for the ensuing year, and to authorize the directors of the Corporation to fix their remuneration;
5. to consider and, if deemed advisable, to pass an ordinary resolution, with or without amendment, to approve and confirm the renewal of the Stock Option Plan of the Corporation, as more particularly described in the accompanying Information Circular (the “**Information Circular**”); and
6. to transact such further and other business as may properly come before the Meeting or any adjournment thereof.

The Corporation’s accompanying Information Circular provides additional information relating to each of the matters to be addressed at the Meeting and is deemed to form part of this Notice of Meeting.

Due to the continued public health impact of the coronavirus outbreak (COVID-19) and in consideration of the health and safety of the shareholders of the Corporation, employees and the broader community, the Meeting will be held in a virtual only format, by way of a teleconference, instead of in person. Shareholders will have the opportunity to join the Meeting via teleconference by calling 647 558 0588 (Canada) or 888 788 0099 (United States), Conference ID 494 749 4227#. Shareholders will not be able to vote at the Meeting via the teleconference call.

Shareholders are encouraged to read, complete, sign, date and return the enclosed form of proxy prior to the Meeting in accordance with the instructions set out in the proxy and in the Information Circular. In order to be valid for use at the Meeting, proxies must be received by Computershare Investor Services Inc., at its office at 8th floor, 100 University Avenue, Toronto, Ontario, Canada, M5J 2Y1 by 11:00 a.m. (Eastern time) on September 9, 2022 or, in the event of a postponement or adjournment of the Meeting, at least forty-eight (48) hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting. The time limit for deposit of proxies may be waived or extended by and at the discretion of the Chair of the Meeting, without notice.

The Board of Directors (the “**Board**”) has fixed August 8, 2022 as the record date (the “**Record Date**”) for the determination of Shareholders entitled to receive notice of and vote at the Meeting. Any persons who

were not holders of Shares on and who acquired Shares after the Record Date will not be entitled to receive notice of or vote those Shares at the Meeting.

DATED this 16th day of August, 2022.

**BY ORDER OF THE BOARD OF DIRECTORS OF
DELPHX CAPITAL MARKETS INC.**

“Patrick Wood”

Patrick Wood
President and Chief Executive Officer

DELPHX CAPITAL MARKETS INC.

MANAGEMENT INFORMATION CIRCULAR

This management information circular (the “**Information Circular**”) is furnished in connection with the solicitation of proxies by or on behalf of the management of DelphX Capital Markets Inc. (the “**Corporation**”) for use at the annual and special meeting (the “**Meeting**”) of the shareholders of the Corporation (the “**Shareholders**”) to be held by way of teleconference on Tuesday, September 13, 2022 at 11:00 a.m. (Eastern time), and at all postponements or adjournments thereof, for the purposes set forth in the accompanying Notice of Meeting. All dollar amounts in this Information Circular are expressed in Canadian dollars, unless otherwise indicated. Unless otherwise stated, the information contained in this Information Circular is given as at August 16, 2022.

THE CORPORATION

DelphX Capital Markets Inc. was incorporated under the laws of the province of British Columbia on October 21, 2016 and continued under the laws of the province of Ontario on December 24, 2018. The head and registered office of the Corporation is located at 15 Prince Arthur Ave., Toronto, Ontario, M5R 1B2.

The Corporation is a reporting issuer in the provinces of British Columbia, Alberta and Ontario, and the common shares of the Corporation (the “**Shares**”) are listed for trading on the TSX Venture Exchange, under the trading symbol “DELX” and the OTCQB Venture Market under the trading symbol DPXCF.

PROXY SOLICITATION AND VOTING

Solicitation of Proxies

The purpose of a proxy is to designate persons who will vote the proxy on a Shareholder’s behalf in accordance with the instructions given by the Shareholder in the proxy. The solicitation of proxies for the Meeting will be made primarily by mail, but proxies may also be solicited personally, electronically or by telephone by the directors, officers, employees or consultants of the Corporation.

Arrangements will also be made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy solicitation material to the beneficial owners of Shares pursuant to the requirements of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

The Corporation will bear the cost in respect of the solicitation of proxies for the Meeting and will bear the legal, printing and other costs associated with the preparation of this Information Circular.

Appointment of Proxyholders and Revocation of Proxies

The persons named in the enclosed form of proxy are officers of the Corporation. **A Shareholder who wishes to appoint some other person (who need not be a Shareholder), to represent him or her at the Meeting may do so by crossing out the persons named in the proxy and inserting such person’s name in the blank space provided in the form of proxy or by completing another proper form of proxy.** Such Shareholder should notify the nominee of the appointment, obtain the nominee’s consent to act as proxyholder, and provide instructions on how the Shareholder’s Shares are to be voted.

To be valid, the proxy must be dated and executed by the Shareholder or his or her attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy) or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

Persons signing as officers, attorneys, executors, administrators, trustees, etc., should so indicate and provide satisfactory evidence of such authority.

The proxy must then be delivered to the Corporation's registrar and transfer agent, Computershare Investor Services Inc. ("**Computershare**"), Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, or by telephone or Internet, following the instructions on the form of proxy, at least 48 hours, excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment thereof. Proxies received after that time may be accepted by the Chairman of the Meeting in the Chairman's discretion, but the Chairman is under no obligation to accept late proxies.

If the Meeting is adjourned, proxies must be deposited at least 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the proxy is to be used or be deposited with the Chair prior to the commencement of the Meeting or any reconvened meeting.

Any registered Shareholder who has returned a proxy may revoke it at any time before it has been exercised. A Shareholder who has given a proxy may revoke the proxy: (a) by completing and signing a proxy bearing a later date and depositing it with the registrar and transfer agent noted above; (b) by depositing an instrument in writing executed by the Shareholder or by his or her attorney authorized in writing: (i) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof; or (ii) with the chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment thereof; or (c) in any other manner permitted by law. **Only registered Shareholders have the right to revoke a proxy. Non-registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective nominees to revoke the proxy on their behalf.**

Voting of Proxies

Each Shareholder may instruct their proxyholder how to vote their Shares by completing the blanks on the proxy. All Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting and, where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the Shares represented by the proxy will be voted in accordance with such specification.

The persons appointed under the form of proxy are conferred with discretionary authority with respect to amendments to or variations of matters identified in the form of proxy and Notice of Meeting and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matter or business. At the time of the printing of this Information Circular, the directors of the Corporation knew of no such amendments, variations or other matters.

INFORMATION FOR BENEFICIAL SHAREHOLDERS

Shares may be registered in the name of CDS & Co. ("CDS") (as nominee of The Canadian Depository for Securities Limited, which acts as a depository for many Canadian brokerage firms). Shares registered in the name of CDS can only be voted at the Meeting upon the instructions of the beneficial holder (the "**Beneficial Holder**") of those Shares. Therefore, Beneficial Holders should ensure that instructions in respect of the voting of their Shares are communicated to the appropriate party.

In Canada brokers and other intermediaries are required to seek voting instructions from Beneficial Holders in advance of shareholders' meetings. Every broker or other intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Holders in order

to ensure that their Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Holder by its broker is identical to that provided to registered shareholders, but its purpose is limited to instructing the registered shareholder how to vote on behalf of the Beneficial Holder. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Investor Communication Solutions, Canada (“**Broadridge**”). Broadridge normally prepares a “Voting Instruction Form” based on the Corporation’s form of proxy which it then distributes to Beneficial Holders. **The Voting Instruction Form must be returned to Broadridge by the Beneficial Holder in order for the Beneficial Holder’s voting instructions to be acted upon.** Broadridge will tabulate all instructions received by it and provide appropriate instructions in respect of the voting of the Shares. **A Beneficial Holder who receives a Voting Instruction Form cannot use that form to vote Shares directly at the Meeting. The Voting Instruction Form must be returned to Broadridge well in advance of the Meeting to have the Shares voted at the Meeting.**

HOW TO VOTE YOUR SHARES

Your vote is important. Please read the information below so that your Shares are properly voted.

You are a non-registered Shareholder if an intermediary such as a securities dealer, broker, bank, trust company or other nominee holds your Shares for you, or for someone else on your behalf, registered in the name of CDS. In accordance with applicable securities laws, the Corporation distributes copies of its Meeting materials to non-registered Shareholders directly or to intermediaries for onward distribution to non-registered Shareholders. As a non-registered Shareholder, you will most likely receive a Voting Instruction Form from Broadridge on behalf of an intermediary. It is also possible, however that, in some cases you may receive a form of proxy directly from the securities dealer, broker, bank, trust company or other nominee holding your Shares.

If you have received a Voting Instruction Form from Broadridge, please complete and submit your vote by phone, internet or mail in accordance with the instructions provided to you on the form prior to the deadline specified by Broadridge.

Revoking a Voting Instruction Form or Proxy

If you wish to revoke a Voting Instruction Form or a form of proxy as to any matter on which a vote has not already been cast pursuant to its authority and you received your Voting Instruction Form from Broadridge, and voted by phone or internet, you may vote again by phone or internet prior to the deadline specified by Broadridge. If you received your Voting Instruction Form from Broadridge and voted by mail, please contact your account service provider at your intermediary for instructions should you wish to revoke your Voting Instruction Form.

QUORUM

The quorum for the transaction of business at a meeting of shareholders is two persons present and holding or representing by proxy at least 5% in the aggregate of votes attached to all of the issued shares entitled to be voted at the meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

General

The Corporation is authorized to issue an unlimited number of common shares, without nominal or par value. As of the date of this Information Circular, 123,266,887 Shares are issued and outstanding.

All Shares are of the same class with equal rights and privileges. The Shares are not subject to future calls or assessments and entitle a holder to one vote for each Share held at all meetings of Shareholders.

The record date for the purposes of determining Shareholders entitled to receive notice of the Meeting is August 8, 2022.

Principal Shareholders

To the knowledge of the directors of the Corporation, as of August 16, 2022, the following persons beneficially own, directly or indirectly, or control or direct, voting securities of the Corporation carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Corporation:

- (i) 165174 Canada Inc., which owns, of record and beneficially, directly and indirectly 18,067,244 Shares, which represents 14.66% of the issued and outstanding Shares.
- (ii) Entre Global Services Inc., which owns, of record and beneficially, 22,164,443 Shares, which represents 17.98% of the issued and outstanding Shares.

This information, not being within the knowledge of the Corporation, is based on information provided to the Corporation and on public filings.

MATTERS TO BE ACTED UPON AT THE MEETING

To the knowledge of the Board, the only matters to be placed before the Meeting are those matters set forth in the accompanying Notice of Meeting relating to: (a) the receipt of the consolidated financial statements of the Corporation for the fiscal year ended December 31, 2021 together with the auditor's report thereon; (b) the election of directors of the Corporation for the ensuing year; (c) the re-appointment of Davidson and Company LLP, Chartered Professional Accountants, as auditors of the Corporation for the ensuing year, and the authorization of the directors of the Corporation to fix their remuneration; (d) the approval and confirmation of the Stock Option Plan of the Corporation; and (e) the transaction of such further and other business as may properly come before the Meeting or any adjournment thereof.

(a) Financial Statements

The audited financial statements of the Corporation, for the financial year ended December 31, 2021 (the "**Financial Statements**"), together with the auditor's report thereon will be placed before the Shareholders at the Meeting. No formal action will be taken at the Meeting to approve the Financial Statements. Shareholders may contact the Chief Financial Officer of the Corporation at simon.selkrig@delphx.com, to request copies of the Financial Statements. These documents and additional information concerning the Corporation are available on SEDAR at www.sedar.com.

(b) Setting the Number of Directors

At the Meeting, Shareholders will be asked to set the number of directors at four (4), as may be adjusted between Shareholders' meetings by way of resolution of the Board. **Unless otherwise specified, the persons designated by management of the Corporation in the enclosed form of proxy intend to vote FOR setting the number of directors at four (4).**

(c) Election of Directors

The Board currently consists of four (4) directors, all of whom are elected annually. The term of office for each of the present directors of the Corporation expires at the Meeting.

It is proposed that the individuals noted below be nominated for election as directors by the Shareholders at the Meeting. Each director elected will hold office until the next annual meeting of Shareholders of the Corporation or until his successor is duly elected or appointed pursuant to the Articles of the Corporation unless his office is earlier vacated in accordance with the provisions of the applicable provincial *Business Corporations Act* or the Corporation's Articles.

Unless otherwise specified, the persons designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the election of each of the nominees whose names are set forth below, each of whom has been a director since the date indicated below opposite the nominee's name. It is not contemplated that any of the proposed nominees will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, the persons designated by management of the Corporation in the enclosed form of proxy reserve the right to vote for another nominee at their discretion.

The names of the persons nominated for election as directors, the number of shares held, the offices held by each in the Corporation, the period during which each has served as director, and the principal occupation of each are set forth below. The following information relating to the nominees as directors is based on information received by the Corporation from the nominees.

Name, Municipality of Residence	Principal Occupation During Last Five Years	Director Since	Number of Shares Beneficially Owned or Controlled
Patrick Wood ⁽¹⁾ Ontario, Canada	President, Tormont Group, a US and Canada-based Advisory and Merchant Bank	June 1, 2020	3,254,056 ⁽²⁾
A. Gordon Jardin Ontario, Canada	Chief Actuary and Risk Officer of the Corporation	April 25, 2018	5,785,667
Steven J. Mannik ⁽¹⁾ Florida, USA	Corporate director. President and Chief Executive Officer of General Re Life Corporation from 2007 to 2016; Executive Vice President and General Manager, Manulife Reinsurance from 2001 to 2007	August 27, 2018	1,226,666
Salim Hasham New York, USA	Director and Global Head of Business Transformation Partnerships at Google	October 5, 2021	100,000

Notes:

- (1) Member of the audit committee.
- (2) Held as to 74,000 shares by Ashtanga Technologies Inc. and as to 1,186,946 shares by Tormont Group Inc., private companies controlled by Patrick Wood.

Patrick Wood

Patrick Wood is the President and CEO of the Corporation. He is a successful capital markets veteran with a career spanning over 25 years in Canada and the United States. His career has included fixed income asset management, structured product creation, and advisory roles at Canadian-owned broker-dealer Midland Walwyn, Vice President roles at both BMO Nesbitt Burns and CIBC World Markets, and Managing Director role at Loewen Ondaatje McCutcheon. More recently he founded Tormont Group a US and Canada-based Advisory and Merchant Bank. Since 2012 Tormont Group has provided capital and supported US and Canadian companies on IPOs, M&A, institutional investor development, and successful market penetration strategy.

A. Gordon Jardin

Gordon Jardin is a Fellow and past Board Member of the Society of Actuaries, a Fellow of the Canadian Institute of Actuaries and a Member of the American Academy of Actuaries. He has been Chief Executive Officer and Chief Operating Officer of reinsurance companies (Generali USA, PartnerRe Life/Winterthur Re), Vice President and General Manager, Reinsurance for Sun Life of Canada, and, more recently, the Chief Executive Officer of a residential mortgage acquisition and servicing company, Franklin Credit Management Corporation.

Steven J. Mannik

Steven Mannik is a Fellow of the Society of Actuaries and of the Canadian Institute of Actuaries. He served from 2007 to 2016 as the President and Chief Executive Officer of General Re Life Corporation, an affiliate of Berkshire Hathaway, where he headed the group's Decision Analytics (Big Data / Predictive Modelling) initiative. Prior to General Re Life Corporation, he was the Executive Vice President and General Manager of Manulife Reinsurance from 2001 to 2007, with responsibility for all aspects of Manulife's reinsurance business worldwide. Immediately prior to that he was Vice President of Business Development at Manulife from 1999 to 2001. In 2001, he was key to Manulife's acquisition of 1.5 million in-force policies from Daihyaku Mutual of Japan and the significant expansion of Manulife's Japanese operations. From 1988 to 1999, Mr. Mannik was a Principal of Towers Perrin, responsible for global client relationship manager and senior pension consulting. He is a graduate of the University of Waterloo where he earned a Bachelor of Mathematics.

Salim Hasham

Salim Hasham is a Director and Global Head of Business Transformation Partnerships at Google. His key role at Google is to build and deliver next generation platforms and services to address complex industry needs by coupling Google's engineering talent and the world's pre-eminent strategy firms. Prior to Google, he had nearly 20 years of financial services experience, including nine years as a Partner at McKinsey & Company and PricewaterhouseCoopers. Mr. Hasham is a leader in strategy, organizational design, operational improvement, technology transformation and risk management, as well as a recognized authority on innovative disruption and accelerated growth. As a recognized industry expert, he is frequently asked to provide perspective to organizations such as the UN, OECD, and industry/regulatory bodies, keynotes to client executives and white papers for governmental agencies.

Cease Trade Orders

To the knowledge of management of the Corporation, no proposed director of the Corporation is, as of the date of this Information Circular, or has been, within ten (10) years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Corporation) that was subject to

a cease trade order, an order similar to a cease trade order or an order that denied the company access to any exemptions under securities legislation, that was in effect for a period of more than thirty (30) consecutive days, that was issued: (i) while that person was acting in such capacity; or (ii) after that person ceased to act in such capacity but which resulted from an event that occurred while that person was acting in such capacity.

Bankruptcies

To the knowledge of management of the Corporation, no proposed director of the Corporation is, as of the date of this Information Circular, or has been, within ten (10) years before the date hereof, a director or executive officer of any company (including the Corporation) that, while such 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.

To the knowledge of management of the Corporation, no proposed director of the Corporation has, within the ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Penalties or Sanctions

To the knowledge of management of the Corporation, no proposed director of the Corporation has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

(d) Re-appointment of Auditors

It is proposed that Davidson and Company LLP, Chartered Professional Accountants, be re-appointed as auditors of the Corporation for the ensuing year, and that the directors of the Corporation be authorized to fix their remuneration. Davidson and Company LLP have been the auditors of the Corporation since June 4, 2020.

It is the intention of the management appointees, if named as proxy, to vote FOR the re-appointment of Davidson and Company LLP as auditors of the Corporation and the authorization of the directors to fix their remuneration.

(e) Confirmation of Stock Option Plan

The Corporation's incentive stock option plan (the "**Stock Option Plan**"), attached as Schedule "A" to this Information Circular, has been operated as a "rolling plan", which must be approved on an annual basis under the policies of the TSX Venture Exchange (the "**TSXV**"). Accordingly, Shareholders will be asked to consider and, if deemed advisable, to pass an ordinary resolution, with or without amendment, to approve and confirm the renewal of the Stock Option Plan of the Corporation.

The purpose of the Stock Option Plan is to attract and retain employees, consultants, officers and directors to the Corporation and to motivate them to advance the interests of the Corporation by affording them with

the opportunity to acquire an equity interest in the Corporation through options to purchase Shares. The Board may, in accordance with the Stock Option Plan, from time to time, in its discretion, and in accordance with the rules and regulations of the TSXV, grant to directors, officers, employees or consultants (“**Optionee**”) of the Corporation non-transferable options to purchase Shares for a period of up to five (5) years from the date of the grant. Each Option granted under the Stock Option Plan is non-assignable and non-transferable.

The aggregate number of Shares which may be subject to issuance pursuant to options granted under the Stock Option Plan, inclusive of all other stock options outstanding shall be not greater than 10% of the shares issued and outstanding on the date of the grant of such options. Unless authorized by shareholders of the Corporation, the Stock Option Plan, together with all of the Corporation’s other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, shall not result, at any time, in: (a) the number of Shares reserved for issuance pursuant to stock options exceeding 10% of the issued and outstanding Shares; (b) the issuance to insiders, as interpreted in accordance with Canadian securities laws (“**Insider**”), within a one-year period, of a number of Shares exceeding 10% of the issued and outstanding Shares; (c) the issuance to any one Insider, and such Insider’s associates, within a one-year period, of a number of Shares exceeding 5% of the issued and outstanding Shares; (d) the issuance to any one consultant, within a one-year period, of a number of Shares exceeding 2% of the issued and outstanding Shares; or (e) the issuance to all persons retained to provide investor relations activities of a number of Shares exceeding 2% of the issued and outstanding Shares in any one-year period.

If any Option granted under the Stock Option Plan expires or terminates for any reason without having been exercised in full, the unpurchased shares subject thereto will again be available for the purpose of the Stock Option Plan. If an Optionee ceases to be engaged as a director, officer, consultant or employee by the Corporation for any reason other than death, such director, officer, consultant or employee shall have such rights to exercise any option not exercised prior to such termination as determined by the Board, up to 90 days after the date of termination. In the case of an Optionee’s death, the Optionee’s legal representatives may, within the lesser of one year from the date of the Optionee’s death or the expiry date of the option, exercise that portion of an option granted to the Optionee under the Stock Option Plan, which remains outstanding.

The exercise price of the Shares covered by each Option will be determined by the Board or a committee authorized and directed thereby. The exercise price will not be less than the last closing price of the Shares on the TSXV before the date of the Board’s approval of the grant of the options.

The text of the ordinary resolution which management intends to place before the Meeting for the approval of the Stock Option Plan is as follows:

“BE IT RESOLVED, as an ordinary resolution, that:

1. The stock option plan (the “**Stock Option Plan**”) of the Corporation, substantially in the form attached as Schedule “A” to the information circular of the Corporation dated August 16, 2022 be and is hereby approved and confirmed as the stock option plan of the Corporation;
2. the form of Stock Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Corporation; and
3. any officer or director of the Corporation be and is hereby authorized and directed for and on behalf of the Corporation (whether under its corporate seal or otherwise) to execute, deliver and file all

such documents and to take all such other action(s) as may be deemed necessary or desirable for the implementation of this resolution and any matters contemplated thereby.”

The Board has concluded that the confirmation of the Stock Option Plan is in the best interests of the Corporation and its Shareholders. Accordingly, the Board unanimously recommends that the Shareholders approve and confirm the Stock Option Plan, by voting in favour of this resolution at the Meeting.

(f) Other matters

The Corporation knows of no other matters to be submitted to Shareholders at the Meeting. If any other matters properly come before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Shares they represent in accordance with their judgement on such matters.

STATEMENT OF EXECUTIVE COMPENSATION

Directors and Named Executive Officer Compensation

National Instrument 51-102 – *Continuous Disclosure Obligations* requires the disclosure of compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, to individuals who served in the most recently completed financial year as Chief Executive Officer and Chief Financial Officer, and each of the Corporation’s other three most highly paid executive officers whose compensation was more than \$150,000 (“**Named Executive Officers**”) and directors for the two most recently completed financial years.

The following table is a summary of compensation (excluding compensation securities) paid to the Corporation’s Named Executive Officers and directors for the Corporation’s financial years ended December 31, 2021 and 2020.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Patrick Wood, <i>President & Chief Executive Officer and Director</i> ⁽¹⁾	2021	\$170,500	nil	nil	nil	nil	\$170,500
	2020	\$40,125 ⁽²⁾	nil	nil	nil	nil	\$40,125
Patricia Zeigler, <i>Former President & Chief Executive Officer</i> ⁽³⁾	2020	\$15,000	nil	nil	nil	nil	\$15,000
Simon Selkrig <i>Chief Financial Officer</i> ⁽⁴⁾	2021	\$15,000	nil	nil	nil	nil	\$15,000

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Stephen Gledhill, <i>Chief Financial Officer and Corporate Secretary</i> ⁽⁵⁾	2021	\$90,000	nil	nil	nil	nil	\$90,000
	2020	\$90,000	nil	nil	nil	nil	\$90,000
A. Gordon Jardin <i>Director</i>	2021 2020	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil
Steven J. Mannik <i>Director</i>	2021 2020	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil
Salim Hasham <i>Director</i> ⁽⁶⁾	2021	nil	nil	nil	nil	nil	nil

Notes

- (1) Patrick Wood has served as Chief Executive Officer since June 1, 2020.
- (2) In 2020, of the \$40,125 paid, an aggregate of \$10,000, for June and July 2020, was paid by the issuance of an aggregate of 133,333 common shares at a deemed price of \$0.075 per share.
- (3) Patricia Zeigler served as Chief Executive Officer until May 31, 2020.
- (4) Simon Selkrig was appointed as Chief Financial Officer on November 1, 2021.
- (5) Stephen Gledhill served as Chief Financial Officer until October 31, 2021. Compensation provided through Keshill Consulting Associates Inc., a company controlled by Stephen Gledhill.
- (6) Salim Hasham was appointed to the board as a director on October 5, 2021.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and Named Executive Officer by the Corporation in the most recently completed financial year, for services provided, or to be provided, directly or indirectly, to the Corporation or any subsidiary thereof:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities and underlying securities	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of underlying security on date of grant (\$)	Closing price of underlying security at year end (\$)	Expiry date
Patrick Wood, <i>President & Chief Executive Officer and Director</i> ⁽¹⁾	Options	600,000	1-Mar-21	0.15	0.105	0.46	1-Mar-23
		375,000	9-Jun-21	0.35	0.325	0.46	9-Jun-23
		250,000	29-Jul-21	0.50	0.50	0.46	29-Jul-23
		1,000,000	22-Dec-21	0.50	0.46	0.46	22-Dec-23

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities and underlying securities	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of underlying security on date of grant (\$)	Closing price of underlying security at year end (\$)	Expiry date
Simon Selkrig <i>Chief Financial Officer</i> ⁽²⁾	Options	50,000	6-Dec-21	0.50	0.54	0.46	6-Dec-23
A. Gordon Jardin <i>Director</i>	Options	100,000 100,000 50,000	1-Mar-21 9-Jun-21 29-Jul-21	0.15 0.35 0.50	0.105 0.325 0.50	0.46 0.46 0.46	1-Mar-23 9-Jun-23 29-Jul-23
Steven Mannik, <i>Director</i>	Options	75,000 50,000 275,000	9-Jun-21 29-Jul-21 6-Dec-21	0.35 0.50 0.50	0.325 0.50 0.54	0.46 0.46 0.46	9-Jun-23 29-Jul-23 6-Dec-23
Salim Hasham <i>Director</i>	Options	150,000 50,000 200,000 200,000	9-Jun-21 29-Jul-21 10-Sep-21 6-Dec-21	0.35 0.50 0.55 0.50	0.325 0.50 0.55 0.54	0.46 0.46 0.46 0.46	9-Jun-23 29-Jul-23 10-Sep-23 6-Dec-23

Notes:

⁽¹⁾ Patrick Wood has served as Chief Executive Officer since June 1, 2020.

⁽²⁾ Simon Selkrig was appointed as Chief Financial Officer on November 1, 2021.

Exercise of Compensation Securities by Directors and Named Executive Officers

No director or Named Executive Officer exercised any compensation securities, being solely comprised of Options, during the most recently completed financial year.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth details of all equity compensation plans of the Corporation as of the end of the financial year ended December 31, 2021. The Corporation has adopted the Stock Option Plan as its equity compensation plan.

Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
10,006,000	\$0.24	1,790,654 options

The Stock Option Plan permits the reservation of a maximum of 10% of the issued and outstanding shares of the Corporation as of the date of grant of stock options under such plan. The principal terms of the Stock Option Plan are discussed under “*Confirmation of Stock Option Plan*” and a copy of the Stock Option plan is attached as Schedule “A” to this Information Circular.

The Stock Option Plan has been operated as a "rolling plan", which must be approved on an annual basis under the policies of the TSXV. The Stock Option Plan was most recently approved at the annual meeting of Shareholders held on June 30, 2021.

Employment, Consulting and Management Agreements

The Corporation has entered into the following agreements and arrangements under which compensation is provided to Named Executive Officers or directors:

Patrick Wood, President and Chief Executive Officer

Tormont Group Inc. entered into a consulting agreement dated December 20, 2021 with the Corporation for the provision of services by Patrick Wood as President and Chief Executive Officer of the Corporation. The agreement provides for a fee of US\$15,000 per month.

Simon Selkrig, Chief Financial Officer and Corporate Secretary

Simon Selkrig entered into a consulting agreement dated November 1, 2021 with the Corporation for the provision of services as Chief Financial Officer and Corporate Secretary of the Corporation. The agreement provides for a fee of \$7,500 per month.

Oversight and Description of Director and Named Executive Officer Compensation

The Corporation has not had any revenues from operations. As a result, the Corporation has to consider not only the Corporation's financial situation at the time of the determination of executive compensation, but also the Corporation's estimated financial situation in the mid- and long-term.

The Corporation's executive compensation program is informal at this time and is administered by the Corporation's Board. The Board informally discusses and approves the executive compensation that is competitive in order to attract, motivate and retain highly skilled and experienced executive officers, to provide fair and competitive compensation, to align the interest of management with those of shareholders and to reward corporate and individual performance.

The Corporation's executive compensation program has three principal components: base salary, incentive bonuses and incentive stock options.

When appropriate to do so, incentive bonuses in the form of cash payments, are designed to add a variable component of compensation, in addition to stock options, based on corporate and individual performances, and may or may not be awarded in any financial year.

The Corporation notes that it is in a development stage with respect to its business, has to operate with limited financial resources, and must control costs to ensure that funds are available to complete its business plans and otherwise fund its operations. The Board has to consider the current and anticipated financial position of the Corporation at the time of any compensation determination. The Board has attempted to keep the cash compensation paid to the Corporation's Named Executive Officers relatively modest, and will provide long-term incentives through the granting of stock options.

Pension Disclosure

The Corporation does not have any pension plans that provide for payments or benefits to the directors or Named Executive Officers at, following, or in connection with retirement, including any defined benefits

plan or any defined contribution plan. The Corporation does not have a deferred compensation plan with respect to any director or Named Executive Officer.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No director or executive officer of the Corporation is, at the date of this Information Circular, indebted to the Corporation or any of its subsidiaries or has indebtedness to another entity that is the subject of a guarantee, support agreement or understanding provided by the Corporation or any of its subsidiaries.

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

Other than as set forth herein, management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, or of any nominee for election as a director, or of any associate or affiliate of any such persons, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors. Certain directors and officers of the Corporation, and their affiliates, own or control, directly or indirectly, Shares. See "*Matters to be Acted on at the Meeting – Election of Directors*". All of the directors and officers may receive Options pursuant to the Stock Option Plan. See "*Matters to be Acted on at the Meeting – Approval of Stock Option Plan*".

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the best of the Corporation's knowledge, since the commencement of the Corporation's most recently completed financial year, no informed person of the Corporation (a director, officer or holder of 10% or more of the Shares) or nominee for election as a director or any associate or affiliate of an informed person or proposed nominee, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

CORPORATE GOVERNANCE

General

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101") requires the Corporation to disclose, on an annual basis, its approach to corporate governance with reference to the guidelines provided in National Policy 58-201 - *Corporate Governance Guidelines* (the "**Guidelines**").

The Board and the management of the Corporation ("**management**") recognize that effective governance practices are fundamental to the long-term success of the Corporation. Sound governance contributes to Shareholder value through increased confidence. The Board and management are, therefore, committed to maintaining a high standard of governance in substantial conformity with the Guidelines.

Board

Independence of the Board is essential to the Board fulfilling its role in overseeing the Corporation's business and affairs. The Board facilitates its exercise of independent supervision over the Corporation's management through frequent meetings of the Board. The Board is currently comprised of four (4) directors, two (2) of whom are independent and two (2) of whom are not independent. Steven Mannik and Salim Hasham are each independent members in that they do not have a direct or indirect material

relationship with the Corporation or one which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment.

Patrick Wood and A. Gordon Jardin are not considered independent members as they are officers of the Corporation. Each of the Directors listed above are being nominated as Directors for the ensuing year.

Orientation and Continuing Education

The Corporation does not currently have an orientation or continuing education program for new directors.

Ethical Business Conduct

The Board is of the view that the fiduciary duties placed on individual directors pursuant to corporate legislation and the common law, and the conflict of interest provisions under corporate legislation which restricts an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Nomination of Directors

The Board as a whole is responsible for nominating new members of the Board and assessing members of the Board on an ongoing basis. The Board considers succession planning (including appointment of senior management). The Board annually reviews the general and specific criteria to consider when directors are being appointed to the Board. The objective of this review is to recommend that appointments be made to provide the best mix of skills and experience to guide the long-term strategy and ongoing business operations of the Corporation. The review takes into account the desirability of maintaining a balance of skills, experience and background, with appropriate diversity, along with the key common characteristics required for effective participation.

Compensation

The Board of Directors, as a whole, reviews the compensation of the Named Executive Officers and the directors.

Other Board Committees

The Board has no standing committees other than the Audit Committee.

Assessments

The Board of Directors takes steps to satisfy itself that the Board of Directors, the Audit Committee and individual directors are performing effectively by providing each director with the opportunity to attend all meetings either in person or by teleconference at the cost of the Corporation.

AUDIT COMMITTEE

Audit Committee Charter

The Audit Committee's mandate is to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting and risk management. Attached as Schedule "B" to this Information Circular is the Charter of the Audit Committee.

Composition of the Audit Committee

Assuming all individuals that are nominated for the Board as provided herein are elected to the Board, the members of the Audit Committee of the Corporation will be comprised of two (2) directors, being Patrick Wood, and Steven Mannik, who acts as Chair. Each of the proposed members of the Audit Committee of the Corporation are "financially literate" and "independent" within the meaning of National Instrument 52-110 – *Audit Committees* ("NI 52-110").

Relevant Education and Experience

The following sets out the education and experience of each audit committee member relevant to the performance of his responsibilities as an audit committee member:

Patrick Wood

Patrick Wood is a successful capital markets veteran with a career spanning over 25 years in Canada and the United States. His career has included fixed income asset management, structured product creation, and advisory roles at Canadian-owned broker-dealer Midland Walwyn, Vice President roles at both BMO Nesbitt Burns and CIBC World Markets, and Managing Director role at Loewen Ondaatje McCutcheon. More recently he founded Tormont Group a US and Canada-based Advisory and Merchant Bank that since 2012 has provided capital and supported US and Canadian companies on IPOs, M&A, institutional investor development, and successful market penetration strategy.

Steven J. Mannik

Steven Mannik is a Fellow of the Society of Actuaries and the Canadian Institute of Actuaries and served as the President and Chief Executive Officer at General Re Life Corporation from 2007 to 2016. Prior to General Re Life Corporation, he was the Executive Vice President and General Manager of Manulife Reinsurance from 2001 to 2007, with responsibility for all aspects of Manulife's reinsurance business worldwide. Immediately prior to that he was Vice President of Business Development at Manulife from 1999 to 2001. From 1988 to 1999, Mr. Mannik was a Principal of Towers Perrin, responsible for global client relationship manager and senior pension consulting.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed fiscal year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services but will review the engagement of all such services.

External Auditor Service Fees

The aggregate fees billed by the Corporation's auditor in the last two fiscal years are as follows:

	Year ended December 31, 2020	Year ended December 31, 2021
Audit fees	\$60,000	\$42,836
Audit-related fees	Nil	Nil
Tax fees	\$6,000	\$16,923
All other fees	Nil	Nil

Exemption

As the Corporation is a venture issuer, it is relying on the exemption provided by section 6.1 of NI 52-110 with respect to the requirements of Part 5 (Reporting Obligations) of NI 52-110, which allows for the short form of disclosure of audit committee procedures set out in Form 52-110F2 and disclosed in this Information Circular.

GENERAL

All matters referred to herein for approval by the Shareholders require a majority of the votes cast by Shareholders at the Meeting. The contents and the sending of this Information Circular have been approved by the directors of the Corporation.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is filed under the Corporation's profile on SEDAR at www.sedar.com. Financial information relating to the Corporation is provided in the Corporation's annual audited consolidated financial statements for the fiscal year ended December 31, 2021, the report of the auditor thereon and the accompanying management's discussion and analysis ("**MD&A**"). Securityholders of the Corporation may request a copy of such financial statements and MD&A by contacting the Chief Financial Officer of the Corporation, at the Corporation's head office located at 15 Prince Arthur Ave., Toronto, Ontario, M5R 1B2, or simon.selkrig@delphx.com.

APPROVAL OF DIRECTORS

The contents and the sending of this Information Circular to the Shareholders have been approved by the directors of the Corporation.

Date: August 16, 2022

By order of the Directors,

“Patrick Wood”

Patrick Wood
President and Chief Executive Officer

SCHEDULE "A"

DELPHX CAPITAL MARKETS INC. STOCK OPTION PLAN

PART 1

INTERPRETATION

1.01 Definitions In this Plan the following words and phrases shall have the following meanings, namely:

- (a) "Award Date" means the date on which the Board grants and announces a particular Option;
- (b) "Board" means the board of directors of the Company and includes any committee of directors appointed by the directors as contemplated by to Section 3.01 hereof;
- (c) "Company" means DELPHX CAPITAL MARKETS INC.;
- (d) "Consultant" means an individual who provides consulting, technical, management or other services to the Company or any of its subsidiaries, and who is permitted by Exchange Policy and by Securities Laws to receive, either directly or through a company, shares or options of the Company in exchange for services;
- (e) "Director" means any director of the Company or of any of its subsidiaries;
- (f) "Employee" means any individual in the employment of the Company or any of its subsidiaries or of a company providing management or administrative services to the Company;
- (g) "Exchange" means the TSX Venture Exchange and any other stock exchange on which the Shares are listed for trading;
- (h) "Exchange Policy" means the policies, bylaws, rules and regulations of the Exchange governing the granting of options by the Company, as amended from time to time;
- (i) "Exercise Notice" means the notice respecting the exercise of an Option, in the form set out as Schedule "B" hereto, duly executed by the Option Holder;
- (j) "Exercise Price" means the price at which an Option may be exercised as determined in accordance with section 4.01;
- (k) "Insider" has the meaning ascribed thereto in the Securities Act;
- (l) "Joint Actor" means a person acting "jointly or in concert with" another person as that phrase is interpreted in section 1.9 of National Instrument 62-104 – *Take-Over Bids and Issuer Bids*;
- (m) "Option Certificate" means the certificate, substantially in the form set out as Schedule "A" hereto, evidencing an Option;

- (n) "Option Holder" means a current or former Director, Employee or Consultant who holds an unexercised and unexpired Option;
- (o) "Option Price" means the price at which options may be granted in accordance with Exchange Policy and Securities Laws;
- (p) "Officer" means any senior officer of the Company or of any of its subsidiaries as defined in the Securities Act;
- (q) "Outstanding Issue" is determined by Exchange Policy and by Securities Laws;
- (r) "Plan" means this stock option plan as from time to time amended;
- (s) "Securities Act" means the *Securities Act* (Ontario), R.S.O. 1990, c.S5 as amended from time to time;
- (t) "Securities Laws" means the act, policies, bylaws, rules and regulations of the securities commissions governing the granting of options by the Company, as amended from time to time;
- (u) "Shares" means common shares of the Company;
- (v) "Withholding Obligation" has the meaning set out in Section 11.01 hereof.

1.02 Gender Throughout this Plan, words importing the masculine gender shall be interpreted as including the female gender.

PART 2

PURPOSE OF PLAN

2.01 Purpose The purpose of this Plan is to attract and retain Employees, Consultants, Officers or Directors to the Company and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through options granted under this Plan to purchase Shares.

PART 3

GRANTING OF OPTIONS

3.01 Administration This Plan shall be administered by the Board or, if the Board so elects, by a committee (which may consist of only one person) appointed by the Board from its members.

3.02 Committee's Recommendations The Board may accept all or any part of recommendations of the committee or may refer all or any part thereof back to the committee for further consideration and recommendation.

3.03 Grant by Resolution The Board may, by resolution, designate eligible persons who are bona fide Employees, Consultants, Officers or Directors, or corporations employing or wholly-owned by such Employee, Consultant, Officer or Director, to whom options should be granted and specify the terms of such options which shall be in accordance with Exchange Policy and Securities Laws.

3.04 Terms of Option The resolution of the Board shall specify the number of Shares that should be placed under option to each such Employee, Consultant, Officer or Director, the Option Price to be paid for such Shares upon the exercise of each such option, and the period, including any applicable vesting periods required by Exchange Policy, or by the Board or Committee, during which such option may be exercised. Options granted under the Plan can be exercisable for a maximum of five years.

3.05 Option Certificate Every option granted under this Plan shall be evidenced by an Option Certificate, and all Option Certificates will be so legended as required by Exchange Policy and Securities Laws.

PART 4

CONDITIONS GOVERNING THE GRANTING AND EXERCISING OF OPTIONS

4.01 Exercise Price The exercise price of an option granted under this Plan shall not be less than the last closing price of the Shares on the Exchange before the date of the Board's approval of the grant of the options.

4.02 Expiry Date Each option shall, unless sooner terminated, expire on a date to be determined by the Board, which shall be not later than five years from the date of grant of the option.

4.03 Different Exercise Periods, Prices and Number The Board may, in its absolute discretion, upon granting an option under this Plan and subject to the provisions of Section 6.03 hereof, specify a particular time period or periods following the date of granting the option during which the optionee may exercise his option to purchase Shares and may designate the exercise price and the number of Shares in respect of which such optionee may exercise his option during each such time period.

4.04 Number of Shares The number of Shares reserved for issuance to any one person pursuant to options granted under this Plan shall not exceed 5% of the outstanding Shares at the time of granting of the options.

4.05 Termination of Employment If a Director, Officer, Consultant or Employee ceases to be so engaged by the Company for any reason other than death, such Director, Officer, Consultant or Employee shall have such rights to exercise any option not exercised prior to such termination as determined by the Board, up to 90 days after the date of termination.

4.06 Death of Optionee If a Director, Officer, Consultant or Employee dies prior to the expiry of his option, his legal representatives may, within the lesser of one year from the date of the optionee's death or the expiry date of the option, exercise that portion of an option granted to the Director, Officer, Consultant or Employee under this Plan, which remains outstanding.

4.07 Assignment No option granted under this Plan or any right thereunder or in respect thereof shall be transferable or assignable otherwise than by will or pursuant to the laws of succession except that, if permitted by the rules and policies of the Exchange, an optionee shall have the right to assign any option granted to him hereunder to a trust, RRSP, RESP or similar legal entity established by such optionee.

4.08 Notice Options shall be exercised only in accordance with the terms and conditions of the option certificates under which they are respectively granted and shall be exercisable only by notice in writing to the Company.

4.09 Payment Options may be exercised in whole or in part at any time prior to their lapse or termination. Shares purchased by an optionee on exercise of an option shall be paid for in cash or cash equivalent in full at the time of their purchase.

4.10 Options to Employees, Consultants or Management Company Employees In the case of options granted to Employees, Consultants or Management Company Employees, the optionee must be a bona-fide Employee, Consultant or Management Company Employee, as the case may be, of the Company or its subsidiary.

PART 5

RESERVE OF SHARES FOR OPTIONS

5.01 Sufficient Authorized Shares to be Reserved Whenever the Notice of Articles or Articles of the Company limit the number of authorized Shares, a sufficient number of Shares shall be reserved by the Board to satisfy the exercise of options granted under this Plan. Shares that were the subject of options that have lapsed or terminated shall thereupon no longer be in reserve and may once again be subject to an option granted under this Plan.

5.02 Maximum Number of Shares to be Reserved Under Plan The aggregate number of Shares which may be subject to issuance pursuant to options granted under this Plan, inclusive of all other stock options outstanding shall be not greater than 10% of the shares issued and outstanding on the date of the grant of such options.

5.03 Maximum Number of Shares Reserved Unless authorized by shareholders of the Company, this Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, shall not result, at any time, in:

- (a) the number of Shares reserved for issuance pursuant to stock options exceeding 10% of the Outstanding Issue;
- (b) the issuance to Insiders, within a one-year period, of a number of Shares exceeding 10% of the Outstanding Issue;
- (c) the issuance to any one Insider and such Insider's associates, within a one-year period, of a number of Shares exceeding 5% of the Outstanding Issue;
- (d) the issuance to any one Consultant, within a one-year period, of a number of Shares exceeding 2% of the Outstanding Issue; or
- (e) the issuance to all persons retained to provide investor relations activities of a number of Shares exceeding 2% of the Outstanding Issue in any one-year period.

PART 6
CHANGES IN OPTIONS

6.01 Share Consolidation or Subdivision In the event that the Shares are at any time subdivided or consolidated, the number of Shares reserved for option and the price payable for any Shares that are then subject to option shall be adjusted accordingly.

6.02 Stock Dividend In the event that the Shares are at any time changed as a result of the declaration of a stock dividend thereon, the number of Shares reserved for option and the price payable for any Shares that are then subject to option may be adjusted by the Board to such extent as they deem proper in their absolute discretion.

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

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

then the Option Shares received upon such exercise, or in the case of clause (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become vested pursuant to section 4.03 shall be reinstated. If any Option Shares are returned to the Company under this section 6.03, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

6.04 Acceleration of Expiry Date If at any time when an Option granted under the Plan remains unexercised with respect to any unissued Option Shares, an Offer is made by an offeror, the Directors may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, Vested, and declare that the expiry date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer.

6.05 Effect of a Change of Control If a Change of Control (as defined below) occurs, all Option Shares subject to each outstanding Option will become vested, whereupon such Option may be exercised in whole or in part by the Optionee. "Change of Control" means the acquisition by any person or by any person and a Joint Actor, whether directly or indirectly, of voting securities as defined in the Securities Act) of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board of Directors of the Company.

PART 7

SECURITIES LAWS AND EXCHANGE POLICIES

7.01 Exchange's Rules and Policies Apply This Plan and the granting and exercise of any options hereunder are also subject to such other terms and conditions as are set out from time to time in the Securities Laws and Exchange Policies and such rules and policies shall be deemed to be incorporated into and become a part of this Plan. In the event of an inconsistency between the provisions of such rules and policies and of this Plan, the provisions of such rules and policies shall govern. In the event that the Company's listing changes from one tier to another tier on a stock exchange or the Company's shares are listed on a new stock exchange, the granting of options shall be governed by the rules and policies of such new tier or new stock exchange and unless inconsistent with the terms of this Plan, the Company shall be able to grant options pursuant to the rules and policies of such new tier or new stock exchange without requiring shareholder approval.

PART 8

AMENDMENT OF PLAN

8.01 Board May Amend The Board may, by resolution, amend or terminate this Plan, but no such amendment or termination shall, except with the written consent of the optionees concerned, affect the terms and conditions of options previously granted under this Plan which have not then been exercised or terminated.

8.02 Exchange Approval Any amendment to this Plan or options granted pursuant to this Plan shall not become effective until such Exchange and shareholder approval as is required by Exchange Policy and Securities Laws has been received.

8.03 Amendment to Insider's Options Any amendment to Options held by Insiders of the Company at the time of the amendment, which results in a reduction in the exercise price of the options, is conditional upon the obtaining of disinterested shareholder approval to that amendment.

PART 9

EFFECT OF PLAN ON OTHER COMPENSATION OPTIONS

9.01 Other Options Not Affected This Plan is in addition to any other existing stock options granted prior to and outstanding as at the date of this Plan and shall not in any way affect the policies or decisions of the Board in relation to the remuneration of Directors, Officers, Consultants and Employees.

PART 10

OPTIONEE'S RIGHTS AS A SHAREHOLDER

10.01 No Rights Until Option Exercised An optionee shall be entitled to the rights pertaining to share ownership, such as to dividends, only with respect to Shares that have been fully paid for and issued to him upon exercise of an option.

PART 11**WITHHOLDING OBLIGATIONS**

11.01 In connection with the Company's obligations to withhold and remit taxes to the Canada Revenue Agency, and/or other applicable taxing authorities, on benefits realized by Directors, Officers and Employees who exercise Options of the Company ("Withholding Obligation"), the Company requires that, at the discretion of the Company, in reasonable consultation with a Director, Officer or Employee exercising an Option:

- (a) Any Director, Officer or Employee who is exercising an Option shall remit sufficient funds to the Company to fund the exercise price and the Withholding Obligation; or
- (b) The Company shall hold back sufficient Shares from the Director, Officer or Employee who is exercising the Option to fund the Withholding Obligation.

PART 12**EFFECTIVE DATE OF PLAN**

12.01 Effective Date This Plan shall become effective upon the later of the date of acceptance for filing of this Plan by the Exchange or the approval of this Plan by the shareholders of the Company, however, options may be granted under this Plan prior to the receipt of approval by shareholders and acceptance from the Exchange.

Schedule A

**DELPHX CAPITAL MARKETS INC.
STOCK OPTION PLAN
OPTION CERTIFICATE**

This certificate is issued pursuant to the provisions of the DelphX Capital Markets Inc. (the "Company") Stock Option Plan (the "Plan") and evidences that (*Name of Optionee*) _____ is the holder of an option (the "Option") to purchase up to _____ (*Number of Shares*) common shares (the "Shares") in the capital stock of the Company at a purchase price of \$_____ per Share. Subject to the provisions of the Plan:

- (a) the Award Date of this Option is _____ (*insert date of grant*); and
- (b) the Expiry Date of this Option is _____ (*insert date of expiry*).

Additional Vesting or Other Restrictions: (insert as applicable)

This Option may be exercised in accordance with its terms at any time and from time to time from and including the Award Date through to and including up to 5:00 p.m. (Toronto time) on the Expiry Date, by delivering to the Company an Exercise Notice, in the form provided in the Plan, together with this certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised **PLUS** the Withholding Obligation, as determined by the Company.

This certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail.

Signed this _____ day of _____, 20_____.

DELPHX CAPITAL MARKETS INC.

by its authorized signatory:

NAME: _____

TITLE: _____

Schedule B

EXERCISE NOTICE

TO: DELPHX CAPITAL MARKETS INC. (the "Company")

AND TO: THE BOARD OF DIRECTORS

The undersigned hereby irrevocably gives notice, pursuant to the Company's Stock Option Plan (the "Plan"), of the exercise of the Option to acquire and hereby subscribes for (cross out inapplicable item):

(a) all of the Shares; or

(b) _____ of the Shares, which are the subject of the Option Certificate attached hereto.

Calculation of total Exercise Price:

(i) number of Shares to be acquired on exercise: _____ Shares

(ii) multiplied by the Exercise Price per Share: \$ _____

TOTAL EXERCISE PRICE, enclosed herewith: \$ _____

The undersigned tenders herewith a certified cheque or bank draft in an amount equal to the total Exercise Price of the aforesaid Shares, as calculated above, **PLUS** the Withholding Obligation, as calculated by the Company, and directs the Company to issue the share certificate evidencing said Shares in the name of the undersigned to be mailed to the undersigned at the following address:

DATED the _____ day of _____, 20__.

Signature of Option Holder

Name of Option Holder (please print)

SCHEDULE “B”

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS (the “Board”) OF DELPHX CAPITAL MARKETS INC.

1.0 Purpose of the Committee

1.1 The Audit Committee represents the Board in discharging its responsibility relating to the accounting, reporting and financial practices of the Company and its subsidiaries, and has general responsibility for oversight of internal controls, accounting and auditing activities and legal compliance of the Company and its subsidiaries.

2.0 Members of the Committee

2.1 The Audit Committee shall consist of no less than three Directors a majority of whom shall be "independent" as defined under National Instrument 52-110 – *Audit Committees*, while the Company is in the developmental stage of its business. The members of the Committee shall be selected annually by the Board and shall serve at the pleasure of the Board.

2.2 Each Member of the Audit Committee must be "financially literate" as defined under National Instrument 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of the accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

3.0 Meeting Requirements

3.1 The Committee will, where possible, meet on a regular basis at least once every quarter, and will hold special meetings as it deems necessary or appropriate in its judgment. Meetings may be held in person or telephonically, and shall be at such times and places as the Committee determines. Without meeting, the Committee may act by unanimous written consent of all members which shall constitute a meeting for the purposes of this charter.

3.2 A majority of the members of the Committee shall constitute a quorum.

4.0 Duties and Responsibilities

The Audit Committee’s function is one of oversight only and shall not relieve the Company’s management of its responsibilities for preparing financial statements which accurately and fairly present the Company’s financial results and conditions or the responsibilities of the external auditors relating to the audit or review of financial statements. Specifically, the Audit Committee will:

- (a) have the authority with respect to the appointment, retention or discharge of the independent public accountants as auditors of the Company (the “auditors”) who perform the annual audit in accordance with applicable securities laws, and who shall be ultimately accountable to the Board through the Audit Committee;

- (b) review with the auditors the scope of the audit and the results of the annual audit examination by the auditors, including any reports of the auditors prepared in connection with the annual audit;
- (c) review information, including written statements from the auditors, concerning any relationships between the auditors and the Company or any other relationships that may adversely affect the independence of the auditors and assess the independence of the auditors;
- (d) review and discuss with management and the auditors the Company's audited financial statements and accompanying Management's Discussion and Analysis of Financial Condition ("MD&A"), including a discussion with the auditors of their judgments as to the quality of the Company's accounting principles and report on them to the Board;
- (e) review and discuss with management the Company's interim financial statements and interim MD&A and report on them to the Board;
- (f) pre-approve all auditing services and non-audit services provided to the Company by the auditors to the extent and in the manner required by applicable law or regulation. In no circumstances shall the auditors provide any non-audit services to the Company that are prohibited by applicable law or regulation;
- (g) evaluate the external auditor's performance for the preceding fiscal year, reviewing their fees and making recommendations to the Board;
- (h) periodically review the adequacy of the Company's internal controls and ensure that such internal controls are effective;
- (i) review changes in the accounting policies of the Company and accounting and financial reporting proposals that are provided by the auditors that may have a significant impact on the Company's financial reports, and report on them to the Board;
- (j) oversee and annually review the Company's Code of Business Conduct and Ethics;
- (k) approve material contracts where the Board of Directors determines that it has a conflict;
- (l) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding the audit or other accounting matters;
- (m) where unanimously considered necessary by the Audit Committee, engage independent counsel and/or other advisors at the Company's expense to advise on material issues affecting the Company which the Audit Committee considers are not appropriate for the full Board;
- (n) satisfy itself that management has put into place procedures that facilitate compliance with the provisions of applicable securities laws and regulation relating to insider trading, continuous disclosure and financial reporting;
- (o) review and monitor all related party transactions which may be entered into by the Company; and;

(p) periodically review the adequacy of its charter and recommend any changes thereto to the Board.

5.0 Miscellaneous

5.1 Nothing contained in this Charter is intended to extend applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.