



**Notice of Meeting and Management
Information Circular**

for the

**Annual General Meeting of
Shareholders**

June 28, 2024, 11:00 am PT

www.exro.com

NOTICE OF 2024 ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “**Meeting**”) of shareholders of Exro Technologies Inc. (“**Exro**” or the “**Company**”) will be held at 7853 East Ray Road, Mesa, Arizona 85212, USA on Friday, June 28, 2024, at 11:00 a.m. (Pacific Time) for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Company for the financial year ended December 31, 2023, and the report of the auditors thereon;
2. to set the number of directors at seven;
3. to elect the board of directors of the Company for the ensuing year;
4. to appoint the auditors for the ensuing year at a remuneration to be fixed by the directors; and
5. to transact such other business as may be properly transacted at the Meeting or any adjournment thereof.

Accompanying this Notice of Meeting (the “**Notice**”) are the Company’s management information circular (the “**Information Circular**”) and form of Proxy for the Meeting. The Information Circular provides additional information relating to the matters to be dealt with at the Meeting.

Only shareholders of record at the close of business on May 21, 2024, are entitled to receive notice of, and to vote at, the Meeting or any adjournment thereof.

Any registered shareholder unable to attend the Meeting in person is entitled to appoint a proxyholder to attend and vote in their stead. If you cannot be personally present, please refer to the notes accompanying the form of Proxy enclosed and then complete and deposit the form of Proxy with Odyssey Trust Company (“**Odyssey**”), Attention: Proxy Department, Trader’s Bank Building, 702 67 Yonge Street, Toronto, ON M5E 1J8, or by email at proxy@odysseytrust.com, within the time set out in the notes below.

The form of Proxy must be signed by the registered shareholder or their attorney authorized in writing, or, if the registered shareholder is a corporation, by an officer or director thereof as an authorized signatory. The completed form of Proxy must be deposited at the office of Odyssey at least 48 hours before the time of the Meeting (excluding Saturdays, Sundays, and holidays within the Province of British Columbia) adjournment thereof.

The enclosed form of Proxy is solicited by management, but you may amend it, if you so desire, by striking out the names of the management proxyholders shown and inserting in the space provided the name of the person you wish to represent you at the Meeting.

While registered shareholders are entitled to attend the Meeting in person, we recommend that all shareholders vote by proxy and accordingly ask that registered shareholders complete, date and sign the enclosed form of proxy, or another suitable form of proxy, and deliver it in accordance with the instructions set out in the attached form of proxy and the Information Circular.

If you hold your common shares of Exro in a brokerage account, you are a non-registered shareholder (a “**Beneficial Shareholder**”). Beneficial Shareholders who hold their common shares through a bank, broker, or other financial intermediary should carefully follow the instructions found on the form of Proxy or Voting Instruction Form (“**VIF**”) provided to them by their intermediary, to cast their vote.

Dated this 22nd day of May 2024.

BY ORDER OF THE BOARD OF DIRECTORS

“Rodney Copes”

Rodney Copes
Chair

EXRO TECHNOLOGIES INC.
12 – 21 Highfield Circle SW,
Calgary, Alberta, Canada, T2G 5N6
Tel: (604) 674-7746

INFORMATION CIRCULAR

AS AT AND DATED MAY 22, 2024

This information circular (“**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of EXRO TECHNOLOGIES INC. (“**Exro**” or the “**Company**”) for use at the annual general meeting of shareholders of the Company (the “**Meeting**”) to be held at 7853 East Ray Road, Mesa, Arizona 85212, USA on Friday, June 28, 2024, at 11:00 a.m. (Pacific Time) and any adjournment thereof, for the purposes set forth in the accompanying Notice of Annual General Meeting of Shareholders.

Notice of the Meeting was provided to the securities commissions in each jurisdiction where the Company is a reporting issuer under applicable securities laws.

In this Information Circular, references to “**we**” and “**our**” refer to Exro Technologies Inc., “**Common Shares**” means common shares in the capital of the Company, “**Registered Shareholders**” means shareholders who hold Common Shares in their own names, “**Beneficial Shareholders**” means shareholders who do not hold Common Shares in their own names, and “**intermediaries**” refers to brokers, investment firms, clearing houses, and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers, and regular employees of the Company. The Company will bear all costs of this solicitation. The Company has made arrangements for intermediaries to forward solicitation materials to the Beneficial Shareholders of the Common Shares held of record by those intermediaries and the Company may reimburse the intermediaries for reasonable fees and disbursements incurred by them in so doing.

Appointment of Proxyholders

A shareholder entitled to vote at the Meeting may, by means of a proxy, appoint a proxyholder or one or more alternate proxyholders, who need not be shareholders, to attend and act at the Meeting for the shareholder on the shareholder’s behalf.

The individuals named in the accompanying form of proxy (the “**Proxy**”) are directors, officers, and/or employees of the Company (the “**Management Designees**”). **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting other than either of the Management Designees. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by ensuring that their completed proxy is received by Odyssey no later than 11:00 a.m. (Pacific Time) on June 26, 2024, or no later than 48 hours (excluding Saturdays, Sundays, and holidays) before the time set for the Meeting if it is adjourned or postponed, by one of the following methods (the “**Odyssey Contact Methods**”):

By Fax: 1-800-517-4553

By Email: proxy@odysseytrust.com

By Internet: <https://vote.odysseytrust.com>

By Mail: Odyssey Trust Company Trader's Bank Building 702 67 Yonge Street Toronto, ON M5E 1J8

Revocation of Proxies

A Registered Shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a Registered Shareholder or its attorney authorized in writing may revoke a proxy by an instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited with the offices of Odyssey Trust Company, Attention: Proxy Department, Trader's Bank Building, 702 67 Yonge Street, Toronto, ON M5E 1J8, or by email at proxy@odysseytrust.com on or before June 27, 2024 (or the last Business Day before the Meeting if it is adjourned or postponed). Or, if you use your control number to log in to the Meeting, any vote you cast at the Meeting will revoke any proxy you previously submitted or with the chair of the Meeting on the day of the Meeting. Any revocation made or delivered at the Meeting or any adjournment thereof will be valid only with respect to matters not yet dealt with at the time such revocation is received by the chairperson or the scrutineer of the Meeting.

Exercise of Discretion

The Management Designees named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with the instructions of the shareholder on any ballot that may be called for. If the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. The Proxy will confer discretionary authority on the nominees named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the Management Designees will vote the Common Shares represented by the Proxy at their own discretion for the approval of such matter.

As of the date of this Information Circular, the management of the Company knows of no amendment, variation or other matter that may come before the Meeting, but if any amendment, variation, or other matter properly comes before the Meeting, each Management Designee intends to vote thereon in accordance with the Management Designee's best judgment.

Advice to Beneficial Shareholders

The information set forth in this section is of significant importance to many shareholders of the Company, as a substantial number of shareholders do not hold Common Shares in their own name. Beneficial Shareholders should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings unless the Beneficial Shareholders have waived the right to receive meeting material. Every intermediary has its mailing procedures and provides its return instructions to clients, which should be carefully followed by Beneficial Shareholders to ensure that their Common Shares are voted at the Meeting.

If you are a Beneficial Shareholder, the form of proxy supplied to you by your broker (or its agent) is similar to the Proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary how to vote on your behalf. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Communications Solutions Canada (“**Broadridge**”) in the United States and Canada. Broadridge mails a VIF instead of a proxy provided by the Company. The VIF will name the Management Designees to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile, or the information given to Broadridge by telephone or over the Internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, you cannot use it to vote Common Shares directly at the Meeting. It must be returned to Broadridge well in advance of the Meeting to have your Common Shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker (or the agent of your broker), you may attend the Meeting as a proxyholder for your broker and vote the Common Shares in that capacity. If you wish to attend the Meeting and indirectly vote your Common Shares as proxyholder for your broker or have a person designated by you to do so, you should enter your name, or the name of the person you wish to designate, in the blank space on the VIF provided to you and return it to your broker (or your broker’s agent) per the instructions provided by your broker (or your broker’s agent), well in advance of the Meeting.

Alternatively, you may request in writing that your broker send you a legal proxy that would enable you, or a person designed by you, to attend the Meeting and vote your Common Shares.

If any shareholder receives more than one proxy or VIF, it is because that shareholder’s Common Shares are registered in more than one form. In such cases, shareholders should sign and submit all proxies or VIFs received by them per the instructions provided.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the Company’s last completed financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company’s board of directors (the “**Board**”) has fixed May 21, 2024, as the record date (the “**Record Date**”) for the determination of shareholders entitled to receive notice of and to vote at the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign, and deliver the Proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

As of the Record Date, the Company had outstanding 348,175,019 fully paid and non-assessable Common Shares without par value, each carrying the right to one vote. The Company has 160,589,446 non-voting preferred shares.

Except as disclosed below, to the knowledge of the Company’s directors and executive officers, no shareholders beneficially own, or control, or direct, directly or indirectly, Common Shares carrying 10% or more of the voting rights attaching to the outstanding Common Shares of the Company.

Warren Fairweather beneficially owns, or exercises control or direction over approximately 11.37% of the outstanding Exro Common Shares on an undiluted basis.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein relating to setting the number of directors, the election of directors, and the appointment of auditors.

FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company as at and for the years ended December 31, 2023, and 2022 (the “**Financial Statements**”), together with the auditor’s report thereon, will be presented to the shareholders at the Meeting.

The following documents have been filed with the securities commissions or similar regulatory authorities in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, Northwest Territories, Yukon, and Nunavut:

- a) audited consolidated financial statements as at and for the years ended December 31, 2023, and 2022;
- b) auditor’s report thereon; and
- c) management discussion and analysis for the three and twelve ended December 31, 2023.

Shareholders may obtain copies of these documents upon request without charge from the Company at 12 – 21 Highfield Circle SW, Calgary, Alberta, Canada, T2G 5N6. These documents are also available using the Internet on SEDAR+, which can be accessed at www.sedarplus.ca.

ELECTION OF DIRECTORS

The Board currently consists of six (6) directors. Management proposes to fix the number of directors of the Company for the ensuing year at seven (7) and to nominate the persons listed below for election as directors.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director’s office is earlier vacated in accordance with the provisions of the British Columbia *Business Corporations Act* or the Articles of the Company, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

Management does not contemplate that any of the nominees will be unable to serve as director. In the event that prior to the Meeting any vacancies occur in the slate of nominees herein listed, it is intended that discretionary authority shall be exercised by the person named in the Proxy as a nominee to vote the Common Shares represented by proxy for the election of any other person or persons as directors.

Majority Voting Policy

The election of directors is a matter of corporate law, which does not mandate majority voting in Canada. In accordance with applicable corporate law, the election of directors is conducted at each annual meeting of shareholders by means of an ordinary resolution, which is to say, a proposal adopted by a simple majority of votes cast by shareholders present at the meeting.

The Company has adopted a majority voting policy dated for reference June 29, 2021 (the “**Majority Voting Policy**”), whereby any director receiving more votes “withheld” than votes “for” their candidature at a meeting of shareholders shall promptly tender their resignation to the chair of the Board following the meeting. The Company’s Governance and Nominating Committee shall consider any such offers of resignation and recommend to the Board whether to accept such resignation. Any director who has tendered their resignation shall not participate in the deliberations of either the Governance and Nominating Committee or the Board. In its deliberations, the Governance and Nominating Committee may consider any stated reasons as to why shareholders “withheld” votes from the election of the relevant director, the length of service and the qualifications of the director, the director’s contributions to the Company, the effect such resignation may have on the Company’s ability to comply with any applicable governance rules and policies, the dynamics of the Board, and any other factors that the members of the Governance and Nominating Committee consider relevant.

The Board shall act on the Governance and Nominating Committee recommendation within 90 days following the applicable shareholders meeting, after considering the factors identified by the Governance and Nominating Committee and any other factors that the members of the Board consider relevant. The Board shall accept the resignation of the director except where exceptional circumstances would warrant the director continuing to serve on the Board. The Board must announce its decision through a press release. If the Board declines to accept the resignation, it must fully state the reasons for its decision in the press release. The resignation of a director will be effective when accepted by the Board.

Forms of proxy provided for use at any shareholders meeting where directors are to be elected should enable the shareholders to vote in favor of, or to withhold from voting in respect of, each nominee separately. The results of the vote must be filed on SEDAR+.

Subject to any applicable corporate law restrictions or requirements, if a resignation is accepted, the Board may leave the resulting vacancy unfilled until the next annual general meeting. Alternatively, it may fill the vacancy through the appointment of a new director whom the Board considers merits the confidence of the shareholders, or it may call a special meeting of shareholders at which there will be presented a management nominee or nominees to fill the vacant position or positions.

The Majority Voting Policy does not apply where an election involves a proxy battle (i.e., where proxy material is circulated and/or a solicitation of proxies is carried out) in support of one or more nominees who are not part of the director nominees supported by the Board or public communications are disseminated, against one or more nominees who are supported by the Board.

The Majority Voting Policy is available on Exro's website at <https://www.exro.com/investors/leadership-and-governance>.

Nominees for Election as Directors

The following table sets out the names of management's nominees; their positions and offices in the Company; principal occupations; the period of time that they have been directors of the Company; and the number of Common Shares of the Company which each directly or indirectly beneficially owns, controls, or directs.

Nominee Position with the Company and City, Province/State and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Director of the Company Since	Committee Membership	Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽²⁾⁽³⁾	Preferred Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽²⁾
Sue Ozdemir Gilbert, Arizona, USA Director & CEO	CEO of the Company, Former CEO of GE Industrial Motors, a Wolong company, from 2018 to 2019.	September 9, 2019	N/A	1,101,237	Nil
Rodney Copes Sanibel, Florida, USA Director and Chair Independent	Corporate Director; Executive Chair at Re:Car, LLC since 2022; Director of Volumetric Building Companies since 2021; Former COO of Rivian	May 18, 2022	Talent and Compensation Committee (Chair)	23,349	Nil

Nominee Position with the Company and City, Province/State and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Director of the Company Since	Committee Membership	Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽²⁾⁽³⁾	Preferred Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽²⁾
	from 2020 to 2021; Former Division President at Royal Enfield North America from 2014 to 2019.				
Aleksandra Miziolek Detroit, Michigan, USA Director Independent	Director of Solid Power Inc. since 2022; former Director of Tenneco from 2020 to 2022; Operator Advisor to Assembly Ventures since 2021; Advisor to OurOffice since 2021; Former SVP, Chief Transformation Officer and General Counsel of Cooper-Standard Holdings Inc. from 2014 to 2019.	June 30, 2023	Audit Committee Talent and Compensation Committee Governance and Nominating Committee (Chair)	Nil	Nil
Frank Simpkins Naples, Florida, USA Director Independent	Director, Power Solutions International, Inc. since 2017; Advisory Board member, Anovion Technologies, since 2022.	June 30, 2023	Audit Committee (Chair) Governance and Nominating Committee	Nil	Nil
John MacLeod Santa Monica, California, USA Director Independent	Director of SEA since 2022; CEO of Rivet360 since 2013; Director of Rivet360 since 2023.	April 5, 2024	Audit Committee	Nil	Nil
Anthony Fairweather Miami Beach, Florida, USA Director	CEO and Director of SEA Electric Inc. from 2012 until 2024	April 5, 2024	N/A	1,325,063	1,452,964

Nominee Position with the Company and City, Province/State and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Director of the Company Since	Committee Membership	Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽²⁾⁽³⁾	Preferred Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽²⁾
Nancy Lee Gioia Plymouth, Michigan, USA Director Independent	Director, Power Integrations (NASDAQ: POWI), Brady Corporation (NYSE: BRC); Former Director Exelon Corporation (NYSE: EXC), Meggitt PLC (LSE: MGGT), and Lucid Group, Inc. (NASDAQ: LCID); Former Director of Global Electrical Connectivity and User Experience for Ford Motor Company	N/A	N/A	Nil	Nil

Notes:

- (1) The information as to principal occupation, business, or employment is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years unless otherwise indicated.
- (2) The number of Common Shares beneficially owned, or controlled or directed, directly or indirectly by the above nominees for directors, is based on the information obtained from insider reports filed on SEDI by the nominees.
- (3) The Company's directors have RSU's which have vested, or are expected to vest as follows: Rod Copes, 23,349 awards vested on January 1, 2024, and 24,056 awards expected to vest on July 1, 2024; Aleksandra Miziolek, 16,500 awards vested on April 17, 2024, 16,500 expected to vest on October 17, 2024, and 17,000 expected to vest on April 17, 2025; Frank Simpkins, 16,500 awards vested on April 17, 2024, 16,500 expected to vest on October 17, 2024, and 17,000 expected to vest on April 17, 2025; John MacLeod, 646,206 awards vested as of April 5, 2024, 323,103 expected to vest on August 15, 2025, and 323,102 expected to vest on August 15, 2026; and Anthony Fairweather, 925,987 awards expected to vest on August 1, 2025, and 1,715,035 expected to vest on October 2, 2024.

CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES

Except as described herein, to the knowledge of the Company, no proposed director of the Company is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director, Chief Executive Officer, or Chief Financial Officer of any company (including the Company) that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, Chief Executive Officer, or Chief Financial Officer; or
- (b) was subject to 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.

No proposed director is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person now acting in that capacity, or within a year of that person ceasing to act in that capacity, become bankrupt, made a

proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

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

No proposed director of the Company has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a security regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) 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 that proposed director.

EXECUTIVE COMPENSATION

Please see Form 51-102F6 Statement of Executive Compensation attached to this Information Circular as Schedule “A”.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only compensation plan under which equity securities are authorized for issuance as of the fiscal year ended December 31, 2023, is the Company’s *Omnibus Long-Term Incentive Plan*, which was established on March 10, 2023, (the “LTIP”). The table below summarizes the LTIP and remaining stock options existing under the Company’s previous rolling stock option plan as of the fiscal year ended December 31, 2023.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants ⁽¹⁾ and rights	Weighted-average exercise price of outstanding options, warrants and rights ⁽²⁾	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ⁽³⁾
Equity compensation plans approved by securityholders	11,542,792	\$2.14	5,459,389
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
Total:	11,542,792	\$2.14	5,459,389

Notes:

- (1) The Company does not have any warrants outstanding under any equity compensation plans.
- (2) The weighted average exercise price is based on the Options outstanding and does not consider the share-based awards which are issuable.
- (3) This total represents the total available under the Stock Option Plan and the LTIP, based on the Company’s 170,021,819 issued and outstanding Common Shares as of December 31, 2023.

OMNIBUS LONG-TERM INCENTIVE PLAN

The Company implemented a rolling stock option plan (the “**Stock Option Plan**”) on June 7, 2021. On March 10, 2023, the Board approved the LTIP to replace the Stock Option Plan, and the LTIP was approved by Exro shareholders on June 30, 2023. All stock options granted by the Company from June 7, 2021, up to and including March 10, 2023, continue to be governed by the Stock Option Plan, but no further grants of stock options will be made under the Stock Option Plan. Details of the LTIP are included below.

Pursuant to the requirements of the TSX, the unallocated options under the LTIP must be re-approved by the shareholders at least every three years if the plan does not have a fixed maximum number of securities that can be issued under it. The LTIP provides that the maximum number of the common shares available for issuance under it cannot exceed 10% of the issued and outstanding shares at the time of grant.

The LTIP has been established as a vehicle by which equity-based incentives may be awarded to the directors, officers, employees and consultants of Exro; to advance the interests of Exro; to encourage stock ownership by Eligible Persons; to increase the proprietary interest of Eligible Persons in the success of the Company; to promote growth and profitability of the Company; to encourage Eligible Persons to take into account long-term corporate performance; to reward Eligible Persons for sustained contributions to the Company and/or significant performance achievements of the Company; and to enhance the Company’s ability to attract, retain and motivate Eligible Persons.

The LTIP is a “rolling up to 10%” plan as that term is used in TSX policy and would allow Exro to issue Options, restricted share units (“**RSUs**”), performance share units (“**PSUs**”), and deferred share units (“**DSUs**”) (collectively “**Awards**”) in accordance with the restrictions set out in the LTIP. The maximum number of Common Shares reserved and available for issuance under the LTIP will be a rolling aggregate limit of up to 10% of the total issued and outstanding Common Shares from time to time.

The 7,767,367 Options outstanding under the Stock Option Plan count towards the LTIP 10% total. As of the Record Date, the Company had outstanding 348,175,019 Common Shares, of which 10% is 34,817,501 Common Shares. Deducting the 7,767,367 Options outstanding under the Stock Option Plan from this total and further deducting the 21,920,458 Common Shares which are subject to grants made under the LTIP leaves a maximum of 5,129,676 Common Shares reserved and available for issuance under the LTIP, which represents 1.47% of the Company’s current issued and outstanding Common Shares. As the LTIP is a 10% rolling plan, as existing Options granted under the Stock Option Plan are exercised or canceled, the number of Common Shares available for issuance under the LTIP will be 10% of the number of Common Shares then issued and outstanding less the number of Common Shares then issuable pursuant to the exercise of the remaining Options granted under the Stock Option Plan and any Common Shares issuable pursuant to the exercise of Options, RSUs, PSUs, and DSUs granted under the LTIP.

The Exro Board intends to use Awards issued under the LTIP as part of the Exro’s overall executive compensating plan. Since the value of each type of Award increases or decreases with the price of the Common Shares, the issuance of Awards reflects a philosophy of aligning the interests of Award holders with those of the Shareholders by tying compensation to the share price performance. In addition, the various Awards may assist in the retention of qualified and experienced persons by rewarding those individuals who make a long-term commitment.

Particulars of the LTIP

A summary of the material terms of the LTIP is provided below.

Administration. The LTIP is administered within the sole discretion of the Exro Board, subject to the Exro Board’s power to delegate such administrative duties and powers, in whole or in part, to a committee of the Board and/or any member of the Board. In connection with its administrative role, the Board may designate Participants and determine the type, size, terms, and conditions of Awards. The Board may establish, amend, suspend, or waive any rules and regulations and appoint such agents as the Board shall deem appropriate for the proper administration of the Plan. The Board may waive or impose any condition, restriction, or requirement in respect of Awards. The Board may also make any other determination and take any other action deemed necessary or desirable for the administration of the Plan or to comply with any applicable law.

Subject to compliance with applicable law, the applicable rules of any stock exchange, and any required shareholder approvals, the Board may from time to time, in its absolute discretion make certain amendments to the LTIP and any

Awards, which may include but are not limited to amendments which may be made without shareholder approval to add provisions permitting for financial assistance to Award recipients in connection with the exercise of their Awards.

Eligibility Under the LTIP. Pursuant to the LTIP, officers, employees, and consultants of or to the Company or a Subsidiary, providing ongoing services to the Company and/or its Subsidiaries shall be eligible to receive Options, RSUs and PSUs, and non-employee directors of the Company shall be entitled to receive DSUs and Options. Participation in the Plan shall be entirely voluntary and shall be construed as acceptance of the terms and conditions of the Plan by the Participant and as to the Participant's agreement to be bound thereby. The Board shall, from time to time, in its sole discretion, designate the Eligible Persons who may receive RSUs and/or PSUs, and determine the relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and Restriction Period of such RSUs and/or PSUs.

Exro Shares Issuable Under the LTIP. The LTIP provides that the aggregate number of Shares issuable under the plan shall not exceed 10% of the issued and outstanding Shares. If any Award is canceled, forfeited, or terminated for any reason without having been exercised or settled in cash, Shares will again be available for issuance under the Plan. The total annual grant to any one non-employee director under all Share Compensation Arrangements shall not exceed an aggregate grant value of \$100,000 in Options and \$150,000 in equity.

Types of Awards. Awards of Options, RSUs, PSUs, and DSUs may be made under the LTIP. All of the awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement, and forfeiture provisions determined by the Board, in its sole discretion. Awards are subject to limitations set out in the LTIP, and by the TSX and will generally be evidenced by an Award Agreement. In addition, subject to the limitations provided in the LTIP and in accordance with applicable law and TSX requirements, the Board may accelerate or defer the vesting or payment of Awards, cancel or modify outstanding Awards, and waive any condition imposed with respect to Awards.

Options. An option to purchase Shares granted to an Eligible Person pursuant to the terms of the Plan (an "Option") may be granted from time to time in the discretion of the Board. The Board has the authority to determine the limitations, restrictions, and conditions, if any, applicable to the exercise of an Option. Options granted to any Participant must be approved by the Shareholders if the rules of any Stock Exchange require such approval. An Option may be exercised at a price (the "Exercise Price") established by the Board at the time that the Option is granted, which may not be less than the current Market Price of the Company's Common Shares at the time of grant (as such term is defined in the *TSX Company Manual*). All Options granted under the Plan will vest over a four-year period following the date of the grant, with twenty percent of the total number of Options forming part of any grant to vest on the date of grant and thereafter on each anniversary date after the date of the grant, subject to restrictions provided by the LTIP. Options may not be exercised until they have vested. Once an Option becomes vested, it shall be exercisable until the expiration or termination of the Option in accordance with the Award Agreement and the LTIP. Options may be exercised, in whole or in part, at any time or from time to time, by a Participant by notice given to the Company as required by the Board from time to time, subject to other provisions of the Plan. No Option will be exercisable later than the tenth anniversary of the date of its grant, except where the expiry date of any Option would occur in a Black-Out Period or within nine Business Days after the end of a Black-Out Period, in which case the Expiry Date will be automatically extended to the tenth business day following the last day of the Black-Out Period.

The Exercise Price of each Share must be paid in full in cash or by bank draft or certified cheque at the time of such exercise. However, subject to any conditions or limitations established by the Board, a grant of Options may specify that the Exercise Price will be payable, at the option of the Participant and with the agreement of the Board, in the form of: (i) a broker-assisted "cashless exercise" pursuant to which the Company or its designee (including third party administrators) may deliver a copy of irrevocable instructions to a broker engaged for such purposes to sell the Shares otherwise deliverable upon the exercise of the Options and to deliver promptly to the Company an amount equal to the Exercise Price and all applicable required withholding obligations against delivery of the Shares to settle the applicable trade; or (ii) an "option surrender" procedure effected by withholding the minimum number of Shares otherwise deliverable in respect of a surrender of an Option that are needed to pay for the Exercise Price and all applicable required withholding obligations, whereby the Participant elects to receive (a) a cash payment equal to the Market Price of the Shares as at the date of surrender less the aggregate Exercise Price and all applicable required withholding obligations, or (b) that number of Shares calculated using the following formula, provided that arrangements satisfactory to the Company have been made to pay any applicable withholding obligations:

$$X = (Y * (A-B)) / A$$

Where:

X = the number of Shares to be issued to the Participant upon exercising such Options; provided that if the foregoing calculation results in a negative number, then no Shares shall be issued

Y = the number of Shares underlying the Options to be surrendered

A = the Market Price of the Shares as of the date of the surrender

B = the Exercise Price of such Options.

Restricted Share Units. An RSU is a unit awarded to a Participant to receive a payment in the form of Shares, subject to the terms and conditions of the Plan. The Board shall determine or entitle the Participant to elect whether each RSU should be received as one Share from treasury, the Cash Equivalent of one share, or a combination of cash and Shares. Vesting terms will be determined by the Board at the date of grant. All vested RSUs shall be settled as soon as practicable following the Share Unit Vesting Determination Date, but in all cases (unless otherwise provided in the Award Agreement) prior to (i) December 31st of the third year following the date of grant of Share Unit, if such Share Unit shall be settled by payment of the Cash Equivalent or through purchases by the Company on the Participant's behalf on the open market, or (ii) December 31st of the tenth year following the date of grant of Share Unit, if the RSU Agreement provides that such Share Unit shall be settled by issuance of Shares from treasury.

Performance Share Units. A PSU is a unit awarded to a Participant to receive a payment in the form of Shares, subject to Performance Criteria and the terms and conditions of the LTIP. For each Award of PSUs, the Board shall establish any Performance Criteria and other vesting conditions, and the period in which any Performance Criteria and other vesting conditions must be met for a PSU to be considered vested. The Board shall determine or entitle the Participant to elect whether each PSU should be received as one Share from treasury, the Cash Equivalent of one share, or a combination of cash and Shares. All vested PSUs shall be settled as soon as practicable following the Share Unit Vesting Determination Date, but in all cases (unless otherwise provided in the Award Agreement) prior to (i) December 31st of the third year following the date of grant of Share Unit, if such Share Unit shall be settled by payment of the Cash Equivalent or through purchases by the Company on the Participant's behalf on the open market, or (ii) December 31st of the tenth year following the date of grant of Share Unit, if the PSU Agreement provides that such Share Unit shall be settled by issuance of Shares from treasury.

Deferred Share Units. A DSU is a unit representing the right to receive a Share or the Cash Equivalent, subject to restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing service as a director (or other service relationship), vesting terms, and/or achievement of pre-established Performance Criteria, as applicable. Each director who is an Eligible Person may, from time to time, receive all or a portion of their annual retainer fee in the form of a grant of DSUs in each fiscal year. On redemption, the Board shall determine or entitle the Participant to elect whether each DSU should be received as one Share from treasury, the Cash Equivalent of one share, or a combination of cash and Shares.

Black-Out Periods. Pursuant to the Company's policies in effect from time to time, periods of time where securities of the Company may not be traded by Insiders or other specified persons is a Black-Out Period.

Transferability. Awards granted under the LTIP are non-transferable except as specifically provided under the LTIP. Awards may be exercised only by the Participant to whom the Awards were granted, with the Board's prior written approval and subject to such conditions as the Board may stipulate, such Participant's family or retirement savings trust or any registered retirement savings plans or registered retirement income funds of which the Participant is and remains the annuitant, by the legal representative of the Participant's estate upon the Participant's death, or by the legal representative having authority to deal with the property of the Participant upon the Participant's incapacity.

Future Value of Shares. The Company makes no representation or warranty as to the future market value of the Shares or with respect to any present or future income tax matters affecting the Participant resulting from the grant or exercise or settlement of an Award and/or transactions in the Shares.

No Rights to Property or Assets of the Company. The LTIP provides that no assets of the Company or any Affiliate will be held in any way as collateral security for the fulfillment of the obligations of the Company or any Affiliate under the Plan. The Company's or any Affiliate's obligation under the Plan is merely that of an unfunded and unsecured promise of the Company or such Affiliate to pay money and/or issue Shares in the future, and the rights of Participants are no greater than those of unsecured general creditors.

Fractional Shares. The LTIP provides that no fractional Shares will be issued upon the exercise or settlement of Awards granted under the Plan. Accordingly, if a Participant would become entitled to a fractional Share upon the exercise or settlement of an Award, or from an adjustment, such Participant will only have the right to purchase the next lowest whole number of Shares, and no payment or other adjustment will be made with respect to the fractional interest.

Clawback. In the sole discretion of the Board, all Awards granted under the Plan are subject to cancellation, recoupment, rescission, payback, clawback, and recapture in accordance with the Company's applicable clawback policies in effect from time to time and any applicable clawback or similar provisions in the Participant's employment agreement, and/or Award Agreement.

Termination of Awards. Except as explicitly provided otherwise in a Participant's employment agreement and subject to the discretion of the Exro Board, in its sole discretion, to determine otherwise:

- (a) if a Participant no longer serves as a director of the Company or ceases to be an Eligible Person as a result of his or her resignation or Retirement or as a result of such Participant's engagement or employment having been terminated without cause:
 - (i) each vested Option will cease to be exercisable on the earlier of the original Expiry Date of the Option and ninety (90) days following the Termination Date; and
 - (ii) the Participant shall be entitled to receive any vested and unsettled RSUs, PSUs and/or DSUs held by the Participant on the Termination Date, and
 - (iii) each unvested Award held by the Participant will automatically terminate and become void on the Termination Date;
- (b) where a Participant's ceases to be an Eligible Person by reason of death or Disability Termination:
 - (i) each unvested Option will continue to vest for a period of 12 months from the Termination Date and all vested options will continue to be exercisable for a period of up to the earlier of 12 months from the Termination Date and the original expiry date of the option. Thereafter, each vested Option will cease to be exercisable, and all unvested Options will terminate and become void; and
 - (ii) all RSUs, PSUs and/or DSUs will continue to vest for a period of 12 months from the Termination Date or until the vesting date; and
- (c) where a Participant ceases to be an eligible person as a result of such Participant's Active Engagement or employment having been terminated for Cause:
 - (i) each option, whether vested or unvested will automatically terminate and become void on the Termination Date; and
 - (ii) the Participant shall be entitled to receive Shares or Cash Equivalent or combination thereof in satisfaction of any vested and unsettled RSUs, PSUs, and/or DSUs held by the Participant on the Termination Date.

The LTIP provides that Participants shall not have any entitlement to damages or other compensation arising from or related to not receiving any Awards which would have, but for this Plan or any Award Agreement, vested or accrued to the Participant after such Participant's Termination Date.

Adjustment. The LTIP contains provisions for proportionate adjustments in the number or kind of Common Shares in the event of any stock dividend, stock split, combination or exchange of Shares, merger, consolidation, spin-off, or other distribution of Exro's assets to Shareholders, or any other change in the Shares. When normal cash dividends (other than stock dividends) are paid on Shares, Participants shall receive additional DSUs, RSUs, and/or PSUs, as applicable as of the dividend payment date.

Change of Control. In the event of a Change of Control Event, subject to stock exchange approval, the Exro Board shall have the sole discretion to (i) change the vesting or manner of settlement of any Award, (ii) change the Expiry Date or term of any Award, or (iii) provide for the substitution or replacement of Awards, including with Awards of the surviving Company resulting from the Change of Control Event or the potential successor. The Board shall have the power to modify the terms of the Plan and/or the Awards to assist the Participants in tendering to a take-over bid or other transaction leading to a Change of Control Event.

Tax Withholding. The Company may withhold from any amount payable to a Participant such amounts as are required by law to be withheld or deducted as a consequence of his or her exercise or settlement of Awards or other participation in this Plan.

Subject to any applicable rules of any Stock Exchange, the Board may from time to time, in its absolute discretion and without the approval of Shareholders, make amendments to this Plan or any Awards, which may include but are not limited to: any amendment to add provisions permitting for the granting of cash-settled Awards, a form of financial assistance, or clawback and any amendment to a cash-settled Award, financial assistance, dividend equivalent or clawback provision which is adopted.

Termination of, and Amendments to, the LTIP. The Exro Board may at any time suspend or terminate the LTIP, or from time to time amend or revise the terms of the Plan or any Award granted under the Plan, provided that no such suspension, termination, amendment, or revision is made except in compliance with applicable law and in the case of an amendment or revision to an outstanding Award, if it would materially adversely affect the rights of any Participant, without the consent of the Participant. If the Plan is terminated, the provisions of the Plan and any administrative guidelines will continue in effect as long as any Award or any rights grants pursuant to the Plan remain outstanding.

The Board may from time to time, in its absolute discretion and without the approval of shareholders, make various amendments to the Plan or any Awards. However, shareholder approval is required for the following amendments to the Plan:

- (a) any increase in the maximum number of Shares that may be issuable pursuant to Awards granted under the Plan;
- (b) any reduction in the exercise price or purchase price of an Award, extension of the term of an Award benefitting an insider, or amendment providing for the cancellation and reissue of Awards;
- (c) any amendment to remove or exceed the insider participation limit;
- (d) any amendment which would permit Options to be transferable or assignable other than by will or the laws of descent and distribution; and
- (e) any amendment to what the Board may amend with or without shareholder approval, respectively.

Grants to U.S. Participants. The LTIP applies additional limitations and requirements to any Options granted to a U.S. Participant, and further requirements and limitations to Options issued in reliance of the California Corporations Code.

Annual Burn Rate

The following table outlines the Burn Rate (as defined below) for the LTIP and Stock Option Plan (prior to the adoption of the LTIP) for the past three fiscal years.

	2023	2022	2021
LTIP ⁽¹⁾	2.46%	N/A	N/A
Stock Option Plan ⁽¹⁾	0%	0.93%	3.03%

Note:

- (1) The Burn Rate is calculated using the TSX-prescribed methodology, which is the total number of Awards granted under the arrangement during the applicable fiscal year, divided by the weighted average number of Common Shares outstanding for the fiscal year (“**Burn Rate**”).

CORPORATE GOVERNANCE

General

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires issuers to disclose the corporate governance practices that they have adopted according to guidance provided pursuant to National Policy 58-201 *Corporate Governance Guidelines*.

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. The Canadian Securities Administrators (the “**CSA**”) have adopted NP 58-101, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers. In addition, the CSA has implemented NI 58-101, which prescribes certain disclosure by reporting issuers of their corporate governance practices. This section sets out the Company’s approach to corporate governance and addresses the Company’s compliance with NI 58-101.

Board of Directors

Independence of the Board

The Board facilitates its independent supervision over management by choosing management who demonstrate a high level of integrity and ability and by having strong independent Board members. The independent directors can meet at any time without any of the non-independent directors being present. Further supervision is performed through the Audit Committee, which may meet with the Company’s auditors without management being in attendance.

Directors are considered to be “independent” if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment, as defined in National Instrument 52-110 - *Audit Committees*.

The Board currently consists of six directors, a majority (4) of whom are independent. None of the four independent directors has any direct or indirect material relationship with the Company (other than as a holder of shares or options of the Company) which could, in the view of the Company’s Board, reasonably interfere with the exercise of a director’s independent judgment. Mr. Rodney Copes, Mr. Frank Simpkins, Mr. John MacLeod, and Ms. Aleksandra Miziolek are independent directors. Ms. Sue Ozdemir is the Chief Executive Officer of the Company. As an officer of the Company, Ms. Ozdemir is not considered an independent director. Mr. Anthony Fairweather is currently employed as the Senior Technology Strategist of the Company. As a salaried employee of the Company, Mr. Fairweather is not considered an independent director.

The Board currently has an independent chair. The independent directors have the opportunity to meet regularly in an *in-camera* session as part of Board meetings and can otherwise communicate as they deem necessary. The Board believes that Messrs. Copes, Simpkins, and MacLeod, and Ms. Miziolek as a group are experienced, familiar with the expectations of independent directors, and capable of exercising independent judgment.

The Board meets approximately once every quarter and following the annual meeting of shareholders. The frequency of the meetings and the nature of the meeting agendas are dependent on the nature of the business and affairs that the Company faces from time to time. During the year ended December 31, 2023, the Board met fourteen times.

To facilitate the functioning of the Board independently of management, the Audit, Talent and Compensation, and Governance and Nominating Committees consist entirely of independent directors. When appropriate, members of management are not present for the discussion and determination of certain matters at meetings of the Board. The

independent directors hold *in-camera* meetings regularly following certain Board and Committee meetings at which non-independent directors and members of management are not in attendance.

Directorships

Certain directors of the Company and director nominees are directors of other issuers as described in the following table:

Name of Director/Director Nominee	Names of Other Reporting Issuers of which the Director is a Director
Aleksandra Miziolek	Solid Power, Inc. (NASDAQ: SLDP)
Frank Simpkins	Power Solutions International, Inc. (OTC Pink: PSIX)
Nancy Lee Gioia	Power Integrations (NASDAQ: POWI) Brady Corporation (NYSE: BRC)

Board of Directors Attendance

The following table shows the meeting attendance record and percentage attendance for each director between January 1, 2023, and December 31, 2023:

Director	Board of Directors	Audit Committee	Talent and Compensation Committee	Corporate Governance and Nominating Committee
Sue Ozdemir	14/14 (100%)	N/A	N/A	1/1 (100%)
Rodney Copes	14/14 (100%)	2/2 (100%)	2/2 (100%)	2/2 (100%)
Aleksandra Miziolek ⁽¹⁾	8/8 (100%)	2/2 (100%)	1/1 (100%)	1/1 (100%)
Frank Simpkins ⁽²⁾	8/8 (100%)	2/2 (100%)	N/A	1/1 (100%)
Terence Johnsson ⁽⁴⁾	11/14 (79%)	1/2 (50%)	2/3 (67%)	3/3 (100%)
Anita Ganti ⁽³⁾⁽⁵⁾	8/8 (100%)	2/2 (100%)	1/1 (100%)	N/A
M.A. Jill Bodkin ⁽⁶⁾	6/6 (100%)	2/2 (100%)	1/2 (50%)	2/2 (100%)
Frank Borowicz ⁽⁷⁾	2/2 (100%)	N/A	1/1 (100%)	N/A
Mark Godsy ⁽⁸⁾	3/3 (100%)	N/A	N/A	N/A

Notes:

- (1) Ms. Miziolek was elected as a director at the Company's AGM held on June 30, 2023.
- (2) Mr. Simpkins was elected as a director at the Company's AGM held on June 30, 2023.
- (3) Ms. Ganti was elected as a director at the Company's AGM held on June 30, 2023.
- (4) Subsequent to December 31, 2023, on April 4, 2024, Mr. Johnsson resigned as a director of the Company.
- (5) Subsequent to December 31, 2023, on April 4, 2024, Ms. Ganti resigned as a director of the Company.
- (6) Ms. Bodkin did not stand for re-election as a director at the Company's AGM held on June 30, 2023.
- (7) Mr. Borowicz resigned from the Board on March 13, 2023.
- (8) Mr. Godsy resigned from the Board on March 31, 2023.

In addition, certain Board and Committee decisions during the year ended December 31, 2023, were passed by way of written resolution.

Board Practices

The Board is currently comprised of six directors. The size and experience of the Board are important for providing the Company with effective governance in the clean technology industry. The Board's responsibilities can be effectively and efficiently administered at its proposed size of seven (7). The Board currently has an independent

Chair. The Board has functioned and is of the view that it can continue to function, independently of management as required. Directors are elected for a term of one year at the annual general meeting.

Procedures are in place to allow the Board to function independently and to facilitate open and candid discussion among its independent members. The Board and its committees conduct *in-camera* sessions, at which members of management are not present. The *in-camera* sessions are intended not only to encourage the Board and its committees to independently fulfill their mandates, but also to facilitate the performance of the fiduciary duties and responsibilities of the Board. At present, the Board has experienced directors that have made a significant contribution to the Company's success and are satisfied that it is not constrained in its access to information, in its deliberations or in its ability to satisfy the mandate established by law to supervise the business and affairs of the Company.

Mandate of the Board of Directors, its Committees and Management

The role of the Board is to oversee the conduct of the Company's business, including the supervision of management, and determining the Company's strategy. The Board operates under a Corporate Governance Guidelines Policy, and the responsibilities of the Board include:

- ensure that the business of the Company is conducted in compliance with applicable laws and regulations and according to the highest ethical standards;
- review and approve regularly, and as the need arises, fundamental operating, financial, and other strategic corporate plans which take into account, among other things, the opportunities, and risks of the business;
- evaluate the performance of the Company, including the appropriate use of corporate resources;
- evaluate the performance of, and oversee the progress and development of, senior management and take appropriate action, such as promotion, change in responsibility and termination;
- implement senior management succession plans;
- evaluate the Company's compensation programs;
- establish a corporate environment that promotes timely and effective disclosure (including appropriate controls, procedures, and incentives), fiscal accountability, high ethical standards, and compliance with applicable laws and industry and community standards;
- evaluate the Company's systems to identify and manage the risks faced by the Company;
- identify and review the financial risks and other risks that the Company must face in the course of its business and use reasonable best efforts to ensure that such risks are appropriately managed;
- review and decide upon material transactions and commitments;
- develop a corporate governance structure that allows and encourages the Board to fulfill its responsibilities;
- provide assistance to the Company's senior management, including guidance on those matters that require Board involvement; and
- evaluate the overall effectiveness of the Board and its committees.

Management is responsible for the Company's day-to-day operations, including proposing its strategic direction and presenting budgets and business plans to the Board for consideration and approval. The strategic plan takes into account, among other things, the opportunities, and risks of the Company's business. Management provides the Board with periodic assessments of those risks and the implementation of the Company's systems to manage those risks. The Company's Audit Committee also reviews risks to the Company every quarter and communicates these to the Board. The Board reviews the personnel needs of the Company from time to time, having particular regard to succession issues relating to senior management. Management is responsible for the training and development of

personnel. The Board assesses how effectively the Company communicates with shareholders, and ensures compliance with the Company's Disclosure Policy, as described below. Through the Audit Committee, and in conjunction with its auditors, the Board assesses the adequacy of the Company's internal control and management information systems. The Board looks to management to keep it informed of all significant developments relating to or affecting the Company's operations. Major financings, acquisitions, dispositions, and investments are subject to Board approval. The Board meets as required, and the Board and committees may take action at these meetings or at a meeting by conference call or by written consent.

Position Descriptions

The Board has three (3) standing committees: the Audit Committee, the Talent and Compensation Committee, and the Governance and Nominating Committee. The Chair of each committee is required to ensure that the committee meets when required and performs its duties as outlined in the relevant committee charter and reports to the Board on the activities of the committee. Because the size and nature of the Company's business allow each director to understand their role in progressing the Company's operations, the Board has not yet developed written position descriptions for the Chair of each Board committee. Additionally, the Company has a Disclosure Committee, comprised of certain members of senior management and one independent director. The Board, at times, may also form a special committee to oversee conflict transactions, such as transactions involving controlling stockholders, corporate insiders, or affiliated entities.

The Board has not yet developed a written position description for the Chairman of the Board or the CEO; however, the established role of the CEO is to take overall management responsibility for the operations of the business of Exro, to manage the Company in an effective, efficient and forward-looking way, and to fulfill the priorities, goals and objectives determined by the Board of the Company in the context of the Company's strategic plans, budgets and responsibilities, to increase shareholder value. To achieve this, the CEO must develop a good working relationship with the Board, other employees of the Company, shareholders, and other stakeholders. The CEO reports to the Board.

Orientation and Continuing Education

Given the Company's size and stage of development, the Company has not yet established a formal orientation policy for new Board members. Management will provide new directors with an initial orientation to familiarize them with Exro and its strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Corporate Governance Guidelines, and its independent auditors. The Board encourages, but does not require, directors to periodically pursue or obtain appropriate programs, sessions, or materials as to the responsibilities of directors of publicly traded companies. Directors are also kept informed as to matters impacting, or which may impact, the Company's operations through regular communications from management and reports and presentations given by the Company's management and employees at various Board meetings.

The current directors of the Company, who are experienced in boardroom procedures and corporate governance and have a good understanding of the Company's business, are also available to any new directors to provide information regarding the Company's business and to answer any questions new directors may have. The Board does not feel a formal education program is currently necessary for its directors.

Ethical Business Conduct

The Board considers the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest is sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

The Board has adopted a Code of Business Conduct and Ethics (the "**Code**") which requires that the Company's directors, officers, consultants, and employees maintain the highest level of integrity in their dealings with each other and with the public on behalf of the Company. Procedures for dealing with conflicts of interest are outlined in the Code. All directors, officers, employees, and consultants of Exro, together with any contractors that the Board may decide, provide annual certification of compliance with the Code.

The Chief Financial Officer or in the absence of the Chief Financial Officer, the Chief Executive Officer of Exro will be responsible for ensuring that all annual certifications are obtained each year, and for providing written confirmation

to the Board that such certifications have been obtained and summarizing the results thereof. To date, there have been no departures from the Code by any of the Company's directors, officers, employees, or consultants.

The Code addresses conflicts of interest, by requiring that:

- Team Members, in discharging their duties, will act honestly and in good faith with a view to the best interests of Exro.
- Directors, officers, employees, consultants, and contractors will avoid situations involving actual or potential conflicts between their personal, family or business interests, and the interests of Exro, and shall promptly disclose any such conflict, or potential conflict, to Exro.
- Directors, officers, employees, consultants, and contractors will perform their duties and arrange their personal business affairs in a manner that does not interfere with their independent exercise of judgment. Unless approved by the Board, no director, officer, or employee of Exro or consultant or contractor working for Exro will accept financial compensation of any kind, nor any special discount, loan, or favor, from persons, corporations, or organizations having dealings or potential dealings with Exro.
- Directors have a statutory responsibility to disclose all actual or potential conflicts of interest and generally to abstain from voting on matters in which the director has a conflict of interest. A director will recuse himself or herself from any discussion or decision on any matter in which the director is precluded from voting as a result of a conflict of interest or which otherwise affects such director's personal, business, or professional interests.
- Non-executive directors of Exro are not expected to devote their time and effort solely on behalf of Exro, and they may have a variety of other business relationships that could give rise to a conflict of interest. Any such activities are not prohibited by the Code but must reported to and resolved directly with the Board.

A copy of the Code is provided annually to all directors, officers, employees, and consultants of Exro, and may be obtained by request from the Company's Corporate Secretary.

Whistleblower Policy

The Company has adopted a Whistleblower Policy which allows its directors, officers and employees who feel that a violation of the Code has occurred, or who have concerns regarding corporate fraud, unethical business conduct, questionable accounting or auditing practices, or a violation of provincial or federal securities laws to report such violation or concerns on a confidential and anonymous basis. Such reporting can be made to the Chair of the Audit Committee or via the Company's Whistleblower Hotline (www.integritycounts.ca/org/EXRO). Complaints may be investigated internally by Management, by the Board, or the appropriate committee or referred to the police or the appropriate regulatory authority.

A copy of the Whistleblower Policy is provided to all directors, officers, employees, and consultants of Exro, and is available on Exro's website at <https://www.exro.com/investors/leadership-and-governance>.

Corporate Disclosure Policy

The Company has adopted a Corporate Disclosure Policy which establishes procedures which permit the disclosure about the Company and its subsidiaries to the public in a timely manner and to ensure that when information has not been publicly disclosed it remains confidential. All directors, officers, consultants, and employees are required to adhere to this policy to ensure that all investors in securities of the Company have equal access to information that may affect their investment decisions. The Company has established a Disclosure Committee comprised of the CEO, the CFO, the CMO, an independent director, and the Corporate Secretary. The Disclosure Committee is responsible for determining whether information is material information, the timely disclosure of material information in accordance with applicable securities laws and stock exchange rules and regulations, monitoring compliance with the Disclosure Policy, and overseeing Exro's disclosure controls and procedures.

The Corporate Disclosure Policy is provided to all directors, officers, employees, and consultants and may be obtained by request from the Company's Corporate Secretary.

Insider Trading Policy

The Company has adopted an Insider Trading Policy which, in conjunction with the *Business Corporations Act* (British Columbia), the Criminal Code (Canada), the *Securities Act* (British Columbia) and National Instrument 55-104, *Insider Reporting Requirements and Exemptions*, establishes guidelines and procedures for purchases and sales of shares in the Company by directors, officers, employees, and consultants. The policy describes procedures for the communication of trading blackout periods and procedures for the exercise of stock options or other convertible securities. The policy also ensures that there is no speculating in the securities of the Company, that unpublished price-sensitive information is kept strictly confidential, and prohibits the short selling of the Company's securities at any time. It also ensures that there is no trading in securities of other companies with the knowledge that the Company is contemplating or engaged in acquiring such company or its securities or negotiating significant business arrangements.

The Insider Trading Policy is provided to all directors, officers, employees, and consultants and may be obtained by request from the Company's Corporate Secretary.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to perform the Board's duties effectively and to maintain a diversity of views and experience.

The process for identifying and recommending the nomination of new Board candidates is set forth in the Governance and Nominating Committee Charter. Annually, the Governance and Nominating Committee, together with input from the Chair of the Board and the CEO, provides the Board with a list of individuals recommended for election to the Board at the annual meeting of shareholders. Before recommending a candidate, replacement, or additional director, the Governance and Nominating Committee will review their qualifications, experience, availability to serve, conflicts of interest, and other relevant factors. As part of its decision-making, the Governance and Nominating Committee will also take into account the current size, composition, and operation of the Board to ensure effective decision-making.

Nominees for directorship will be recommended to the Board by the Governance and Nominating Committee in accordance with the policies and principles set forth in its charter. Any invitation to join the Board should be extended through the Chairperson of the Governance and Nominating Committee or the Chair or Chief Executive Officer after approval by the full Board. The Board is responsible for nominating members to the Board and for filling vacancies on the Board that may occur between annual meetings of shareholders, in each case based upon the recommendation of the Governance and Nominating Committee.

A copy of the Governance and Nominating Committee Charter is available on the Exro website at: <https://www.exro.com/investors/leadership-and-governance>.

Governance and Nominating Committee

The Governance and Nominating Committee acts in an advisory capacity to the Board with respect to governance and nominating matters. The purpose of the Governance and Nominating Committee is to ensure the integrity of the corporate governance process, board performance, disclosure policy, environmental impact, health and safety oversight, material information disclosure, identifying, recommending, and nominating candidates to the Board, ensuring appropriate skill sets are maintained on the Board, assessing the effectiveness of individual directors, identifying the CEO of the Company, and assisting the CEO in selecting the senior management of the Company.

The duties and responsibilities of the Governance and Nominating Committee also include:

- developing a set of corporate governance principles and guidelines specifically applicable to the Company and consistent with the Company's Corporate Governance Guidelines and its mandate;
- annually to (i) evaluate the performance of the Board and its committees; (ii) the existence, terms, and adequacy of directors' and officers' insurance maintained by Exro, (iii) assess the participation, contribution, and effectiveness of the Chair and all other individual directors; and (iv) review and assess the adequacy of its mandate;

- monitoring the Board with regard to the ongoing application of its Corporate Governance Guidelines;
- ensuring clear separation of the responsibilities of the Board, the committees of the Board, the Chair, the CEO, and the officers of Exro are maintained; and
- ensuring a process is established for the orientation and education of new directors.

The Governance and Nominating Committee currently consists of two independent directors, Aleksandra Miziolek (Chair), and Frank Simpkins. To encourage an objective nomination process, the entire Board also reviews the qualifications of a nominee, availability to serve, conflicts of interest, Board size, Board composition, gender diversity and inclusiveness, and other relevant factors.

The Corporate Governance and Nominating Committee Charter is available on the Exro website at: <https://www.exro.com/investors/leadership-and-governance>.

Talent and Compensation Committee

The Talent and Compensation Committee recommends to the Board the compensation of the Company's directors and the CEO which the Talent and Compensation Committee feels is suitable. Its recommendations are reached primarily by comparison of the remuneration paid by the Company with publicly available information on remuneration paid by other reporting issuers that the Talent and Compensation Committee feels are similarly placed within the same business of the Company. The Talent and Compensation Committee may also engage the services of external compensation advisors to determine appropriate compensation levels for the Company's executives and directors.

The purpose of the Talent and Compensation Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:

- Board compensation;
- the establishment of salaries plus fringe benefits for executive management and senior staff;
- review of any contingency plans developed by management for management succession; and
- the employee-employer relationship.

The Talent and Compensation Committee currently consists of two independent directors, Rodney Copes (Chair) and Aleksandra Miziolek. All members of the Talent and Compensation Committee are experienced in the oversight of executive and operational management teams as a result of their experience with various private and public sector businesses.

The Company has adopted a Talent and Compensation Committee Charter that ensures that independent directors determine and review the compensation of executives on behalf of the Board and design the compensation policies and packages so as to attract, retain, and motivate quality employees, all while not exceeding market rates.

The duties and responsibilities of the Talent and Compensation Committee are to:

- review and make recommendations to the Board regarding the corporate goals and objectives, performance, and compensation of the CEO on an annual basis;
- review and, as appropriate, approve the recommendations of the CEO regarding:
 - compensation of the senior officers of the Company that report to the CEO;
 - the compensation policy of the Company, including internal structure, annual review, and relationship to market levels and changes;
 - significant changes in the Company's benefit plan and human resources policies; and

- issuance of stock options to employees, consultants, and directors;
- review and recommend changes to the compensation of the Board, as necessary, based on a comparison of peer companies and issues relevant to the Company;
- review and make recommendations to the Board regarding annual bonus policies for employees and any incentive compensation plans and equity-based plans of the Company;
- review the executive compensation disclosure before the Company publicly discloses this information; and
- as it deems necessary or appropriate, to retain independent legal or other advisors to assist the committee with its duties and responsibilities.

The Talent and Compensation Committee Charter is available on Exro's website at: <https://www.exro.com/investors/leadership-and-governance>.

Assessments

The Company's Governance and Nominating Committee annually evaluates and reports to the Board on the performance and effectiveness of the Board and its committees. In addition, to satisfy itself that the Board, its committees, and individual directors are performing effectively, the Board monitors the adequacy of information given to directors, communication between the Board and management, and the strategic direction and processes of the Board and its committees.

Each committee of the Board is responsible for conducting an annual self-evaluation. The Corporate Governance and Nominating Committee is responsible for monitoring the process and evaluation criteria established by each committee. The assessment is then discussed with the full Board following the end of each fiscal year.

Director Term Limits and Mechanisms of Board Renewal

The Company does not have any terms limits or other mechanisms of Board renewal, as the Board believes that the imposition of terms limits for its directors may lead to the exclusion of potentially valuable members of the Board.

Policies Regarding the Representation of Women on the Board

While the Company recognizes the value of and supports the principle of diversity, it has not adopted a written policy relating to the identification and nomination of women directors. The Board does not believe that strict rules in the identification and nomination process necessarily ensure the selection of the best candidates. Currently the Board has two female directors (33% of the Board).

Consideration of the Representation of Women in the Director Identification and Selection Process

The Governance and Nominating Committee's identification and selection process is based on a variety of different criteria, including diversity of background and opinion, skills, experience, and other relevant factors. As such, consideration of the level of women on the Board is one factor among many that plays a role in the decision-making process. There are currently two women (33%) and four men (67%) on the Board.

Consideration Given to the Representation of Women in Executive Officer Appointments

The Governance and Nominating Committee also considers a multitude of factors, including the representation of women in executive officer positions. The Company has not adopted targets regarding women on the Board or in executive officer positions. With respect to executive officer positions, there are currently two women (29%) and five men (71%) who are executive officers of the Company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee of the Company was indebted to the Company as at the date hereof or at any time during the most recently completed financial year of the Company. None of the proposed nominees for election as a director of the Company, or any associate of any director,

executive officer, or proposed nominee, was indebted to the Company as at the date hereof or at any time during the most recently completed financial year of the Company.

The Company and its subsidiaries have not provided any guarantee, support agreement, letter of credit or other similar arrangement or understanding for any indebtedness of any of the Company's directors, executive officers, proposed nominees for election as a director, or associates of any of the foregoing individuals as at the date hereof or at any time during the most recently completed financial year of the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An "informed person" means: (a) a director or executive officer of the Company (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself, if and for so long as it has purchased, redeemed or otherwise acquired any of its shares.

Since the commencement of the Company's most recently completed financial year, no informed person of the Company, proposed director or any associate or affiliate of any informed person or proposed director, had any material interest, direct or indirect, in any transaction, or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

Composition

The Audit Committee currently consists of three directors, Frank Simpkins (Chair), John MacLeod, and Aleksandra Miziolek. All the members are independent, financially literate, and have accounting or related financial expertise. "Financially literate" means 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 Company's financial statements. "Accounting or related financial expertise" means the ability to analyze and interpret a full set of financial statements, including the notes attached thereto.

The Audit Committee assists the Board in its oversight of the Company's consolidated financial statements and other related public disclosures, the Company's compliance with legal and regulatory requirements relating to financial reporting, the external auditors, qualifications and independence and the performance of the internal audit function and the external auditors. The Audit Committee has direct communications channels with the Company's auditors. The Audit Committee reviews the Company's financial statements and related management's discussion and analysis of financial and operating results. The Audit Committee can retain legal, accounting, or other advisors.

Charter

The Board has adopted an Audit Committee Charter which is reviewed annually and sets out the role and oversight responsibilities of the Audit Committee. The Audit Committee's primary duties and responsibilities are to:

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

To fulfill its responsibilities and duties, the Audit Committee is responsible for:

- establishment of the independence of the external auditor and the approval of any non-audit mandates of the external auditor;

- determination of which non-audit services the external auditor is prohibited from providing the engagement, evaluation, remuneration, and termination of the external auditors;
- appropriate funding for the payment of the auditor’s compensation and for any advisors retained by the audit committee;
- its relationship with and expectations of the internal auditor;
- its oversight of internal control;
- review and disclosure of financial and related information and the financial reporting process;
- annual review of the Company’s policies for risk assessment and risk management;
- the review of any related-party transactions; and
- any other matter that the Audit Committee feels is important to its mandate or that which the board chooses to delegate to it.

The Audit Committee Charter is available on Exro’s website at <https://www.exro.com/investors/leadership-and-governance>.

Relevant Education and Experience

Frank Simpkins has over 25 years of executive management and financial experience. From June 2016 to December 2016, he served as Chief Financial Officer of Emerson Network Power, part of Emerson Electric Co. (NYSE: EMR). From 2006 to 2015, Mr. Simpkins served as Vice President and Chief Financial Officer of Kennametal Inc. (NYSE: KMT), a global leader in the design and manufacture of engineered components, advanced materials and cutting tools. Prior to that role, Mr. Simpkins held various positions within Kennametal since 1995. Prior to Kennametal, he worked as a Manager for PricewaterhouseCoopers from 1986 to 1995. Mr. Simpkins serves on the Board of Trustees at Seton Hill University, Greensburg, and previously served on the Board of Trustees of Pennsylvania State University, New Kensington. On September 1, 2022, Mr. Simpkins joined the Advisory Board of Anovion, an advanced battery materials business in North America for synthetic graphite anode materials. He holds a Bachelor of Science degree in Accounting from Pennsylvania State University. Mr. Simpkins qualifies as an “Audit Committee Financial Expert” under applicable SEC regulations and has substantial public-company reporting experience gained from his roles as Chief Financial Officer during his career.

John MacLeod is a successful global executive with deep experience across technology, automotive, entertainment and retail sectors. Over his career as a senior executive, strategic advisor, and board member, he has helped create value worth billions of dollars via organic growth, partnerships, acquisitions, and new ventures. John is Executive Director of Rivet360, a company that he founded and served as CEO for 10 years until 2023. Rivet360 is a digital media and technology company that combines content, location technologies and artificial intelligence (AI). It produces award-winning podcasts and video content for brands and publishers and developed proprietary IP for delivering content to cars, mobile telephones, and businesses. Prior to Rivet360, John was Executive Vice President (C-Suite) at NAVTEQ, the global leader in GPS navigation data. He led global product, marketing, sales, and strategy teams and championed its expansion into software, traffic, and China. Over an eleven-year period, he helped revolutionize how people traveled from point A to point B by delivering the world’s best digital map and traffic data. He became a recognized leader in GPS location services and was integral to NAVTEQ’s 600% revenue growth through organic sales, partnerships, and acquisitions. NAVTEQ went public on NYSE at \$2.1 billion value and sold to NOKIA for \$8.1 billion. Prior to NAVTEQ, John spent nearly 20 years working for The Walt Disney Company and Sony Corporation in senior finance and development roles to develop new global entertainment offerings, including theme parks, retail centers and hotels. Major projects include Disney’s Epcot Center, Disneyland Paris and Sony Entertainment Centers in San Francisco, New York, Berlin, and Tokyo. John earned a Bachelor of Arts, with honors, from Harvard University, concentrating in Economics. He has an MBA from Stanford University. He has been awarded four patents addressing location technologies and content.

Aleksandra Miziolek concluded an approximately six-year tenure in 2019 with Cooper-Standard Holdings Inc. (NYSE: CPS), a leading global supplier of systems and components for the automotive industry, most recently serving as Chief Transformation Officer. In this role, Ms. Miziolek led crucial transformation initiatives aimed at increasing profitability and was actively involved in the development of the company’s growth strategy for its nonautomotive material science business. She also served as Cooper-Standard Holdings’ Senior Vice President, General Counsel,

Secretary and Chief Compliance Officer beginning in 2014. Prior to joining Cooper-Standard Holdings, Ms. Miziolek spent 32 years with the law firm of Dykema Gossett, where she held several key leadership positions, such as Director of the Automotive Industry Group, and built a successful M&A and infrastructure practice spanning multiple industries. Since June 2023, Ms. Miziolek has served as a director of Exro. From March 2020 until November 2022, Ms. Miziolek served as a director and member of each of the compensation committee and nominating and governance committee of Tenneco Inc. (formerly NYSE: TEN), a Fortune 500 global industrial supplier for automotive original equipment manufacturers. She is also a NACD Board Leadership Fellow and serves as an Operator Advisor to Assembly Ventures, a global mobility and infrastructure venture fund, and Advisor to OurOffice, Inc., a DEI technology solutions provider. Ms. Miziolek holds a B.A in Political Science and Spanish and a J.D., each from Wayne State University.

Audit Committee Oversight

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

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as part of its Audit Committee Charter. The pre-approval requirement for such engagements is waived if: (i) the aggregate amount of all non-audit services provided to the Company amounts to five percent or under of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;(ii) the services were not recognized by the Company at the time of the engagement to be non-audit services and (iii) the services were promptly brought to the attention of the Audit Committee by the Company and approved by the Audit Committee (or one or more members of the Audit Committee to whom that authority to approve has been delegated by the Audit Committee, subject to the pre-approval being presented to the first scheduled meeting of the Audit Committee after the approval) prior to the completion of the audit.

Reliance on Certain Exemptions

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

External Auditor Service Fees

Fees paid or payable to the Company’s auditors, PricewaterhouseCoopers LLP, in 2023 and 2022 were as follows:

Nature of Services	Fees Paid to the Auditor in Year Ended December 31, 2023	Fees Paid to the Auditor in Year Ended December 31, 2022
Audit Fees ⁽¹⁾	\$291,000	\$135,000
Audit-Related Fees ⁽²⁾	\$105,000	\$78,000
Tax Fees ⁽³⁾	\$58,800	\$60,000
All Other Fees ⁽⁴⁾	\$9,000	\$103,000
Total	\$463,800	\$376,000

Notes:

- (1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company’s consolidated financial statements. Audit Fees include aggregate fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements.
- (2) Audit-Related Fees” include fees for services that are traditionally performed by the auditor. These audit-related services include aggregate fees for employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews, and audit or attest services not required by legislation or regulation. Audit-Related Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings, and statutory audits.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes aggregate fees for tax compliance, planning, and advice. Tax planning and tax advice include assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All Other Fees” include all other non-audit services, in the aggregate.

PARTICULARS OF MATTERS TO BE ACTED UPON

TO SET THE NUMBER OF DIRECTORS AT SEVEN

The Exro Board unanimously recommends that each Shareholder vote FOR the setting the number of directors at seven. Common Shares represented by proxies in favor of the management nominees will be voted FOR the setting the number of directors at seven unless a Shareholder has specified in its Proxy that their Common Shares are to be voted against the resolution

ELECTION OF DIRECTORS

The Exro Board unanimously recommends that each Shareholder vote FOR the election of the seven director nominees proposed in this Information Circular described under “*Election of Directors*” above. Common Shares represented by proxies in favor of the management nominees will be voted FOR the election of the seven management nominees proposed in this Information Circular, unless a Shareholder has specified in its Proxy that their Common Shares are to be withheld from voting in respect of such nominees or voted in favor of other nominees for election to the Board.

APPOINTMENT OF AUDITOR

The Exro Board unanimously recommends that shareholders vote to appoint PricewaterhouseCoopers LLP, of 111 5th Avenue SW, Suite 3100, Calgary, Alberta T2P 5L3, as auditor for the Company and to authorize the directors to fix their remuneration. PricewaterhouseCoopers LLP was initially engaged as auditor of the Company on April 16, 2021. Common Shares represented by proxies in favor of the management nominees will be voted FOR the appointment of PricewaterhouseCoopers LLP as auditor for the Company and to authorize the directors to fix their remuneration, unless a Shareholder has specified in its Proxy that their Common Shares are to be voted against the resolution.

Other Matters

Management of the Company is not aware of any other matters which are to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any matters other than those referred to herein should be presented at the Meeting, the persons named in the enclosed Proxy are authorized to vote the shares represented by the Proxy in accordance with their best judgment.

Additional Information

Additional information relating to the Company is available on the SEDAR+ website at www.sedarplus.ca. Financial information on the Company is provided in the Company’s comparative financial statements and management discussion and analysis of the most recently completed financial year ended December 31, 2023. Copies of the Company’s financial statements and management discussion and analysis may be obtained upon request from the Company to the attention of the Corporate Secretary at 12 - 21 Highfield Circle SW, Calgary, AB T2G 5N6.

Approval and Certification

The contents of this Information Circular have been approved and this mailing has been authorized by the directors of the Company.

Where information contained in this Information Circular rests specifically within the knowledge of a person other than the Company, the Company has relied upon information furnished by such person.

The foregoing contains no untrue statement of material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

Directors' Approval

The Board of the Company has approved the contents of this Information Circular and its distribution to each shareholder entitled to receive notice of the Meeting.

Dated at Vancouver, British Columbia, this 22nd day of May 2024.

"Rodney Copes"

Rodney Copes
Chair

SCHEDULE "A"

Form 51-102F6 *Statement of Executive Compensation* (for the year ended December 31, 2023)

EXRO TECHNOLOGIES INC.

For purposes of this Statement of Executive Compensation, "NEO" or "named executive officer" means each of the following individuals:

- (a) the Company's Chief Executive Officer ("CEO");
- (b) the Company's chief financial officer ("CFO");
- (c) each of the Company's, including any of its subsidiaries', three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of the financial year.

Based on the foregoing definition, during the last completed fiscal year of the Company, there were five NEOs, namely its:

- (a) current Director & CEO, Sue Ozdemir;
- (b) current Chief Corporate Development Officer and former CFO, John Meekison;
- (c) current Chief Technology Officer, Eric Hustedt;
- (d) current CFO and Former Chief Investment Officer, Darrell Bishop; and
- (e) current Vice President of Exro Vehicle Services, Justin Goeglein.

References to Currency

Unless otherwise stated, all references in this information circular to monetary amounts are expressed in Canadian dollars.

COMPENSATION DISCUSSION AND ANALYSIS

The Company does not have a compensation program other than paying base salaries, incentive bonuses, and granting incentive stock options and, going forward, share-based awards to the NEOs. The Company recognizes the need to provide a compensation package that will attract and retain qualified and experienced executives, as well as align the compensation level of each executive to that executive's level of responsibility. The components of the compensation package are included to enable the Company to meet different objectives. The objectives of base salary are to recognize market pay and acknowledge the competencies and skills of individuals. The objective of incentive bonuses (paid in the form of cash payments) is to add a variable component of compensation to recognize corporate and individual performances for executive officers and employees. The objectives of stock option and share-based awards are to reward achievement of long-term financial and operating performance and focus on key activities and achievements critical to the ongoing success of the Company. Implementation of new long-term incentive plans and amendments to the existing stock option plan are the responsibility of the Company's Talent and Compensation Committee.

The compensation of the CEO is reviewed and recommended for Board approval by the Company's Talent and Compensation Committee. Although the Board has not formally evaluated the risks associated with the Company's compensation policies and practices, the Board has no reason to believe that any risks that arise from the Company's compensation policies and practices are reasonably likely to have a material impact on the Company. Having engaged an external compensation advisor during the year ended December 2023, the Talent and Compensation Committee and the

Board are satisfied that the Company’s current compensation practices are commensurate with the compensation practices of peer companies in the clean technology sector. In 2023, the Talent and Compensation Committee worked with its compensation advisor to develop appropriate peer group comparisons and compensation design for NEO’s and the Board for the 2024 fiscal year and onward.

The general objectives of the Company’s compensation strategy are to:

- (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long term shareholder value;
- (b) align management’s interests with the long-term interests of shareholders;
- (c) provide a compensation package that is commensurate with other comparable companies to enable the Company to attract and retain talent; and
- (d) ensure that the total compensation package is designed in a manner that takes into account the Company’s present stage of development and its available financial resources. The Company’s compensation packages have been designed to provide a blend of a non-cash stock option component and a reasonable salary.

The Company has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm’s length services providers.

Actual compensation will vary based on the performance of the executives relative to the achievement of goals and the price of the Company’s securities.

Compensation Element	Description	Compensation Objectives
Annual Base Salary	Salary is market-competitive, fixed level of compensation.	Retain qualified leaders, motivate strong business performance.
Incentive Bonuses	Short-term incentive cash bonuses may be awarded based on start date, base salary, and a set multiplier. In addition, there is a discretionary multiplier that may be applied by the Board.	Reward individual performance in achieving corporate and individual goals.
Incentive Stock Option	Long-term incentive equity grants are made in the form of stock options. The amount of grant will be dependent on individual and corporate performance.	Reward long-term financial and operating performance and align interests of key employees with those of shareholders.

Share-based awards, such as PSUs, RSUs, and DSUs may be awarded to NEOs as long-term incentive equity to reward the meeting of certain long-term financial and operating performance metrics of the Company.

The Company relies on the discretion and judgment of the directors in establishing and amending contracts for all forms of compensation, including stock options to be granted to the CEO and the directors, and for reviewing the CEO’s recommendations respecting compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Talent and Compensation Committee and the Board are guided by the general objectives of the Company’s compensation strategy as set out above.

The Company’s Talent and Compensation Committee believes that the CEO must have the highest total compensation in the Company.

External Compensation Advisor

In 2023, the Company engaged Pearl Meyer & Partners LLC (“Pearl Meyer”), to review and report on the following:

- equity assessment;
- peer group development;
- long-term incentive plan document design;
- executive compensation competitiveness;
- executive security arrangements;
- board of directors’ compensation design;
- employee stock purchase plan document design;
- review of regulatory documents; and
- provision of ongoing consultant access.

Pearl Meyer has not provided any services to the Company or any of its affiliated or subsidiary entities, or to any of its directors or members of management, other than or in addition to compensation services provided for any of the Company’s directors or executive officers.

Compensation Consultant Service Fees

Fees paid or payable to the Company’s compensation consultant, Pearl Meyer, in 2023 were as follows:

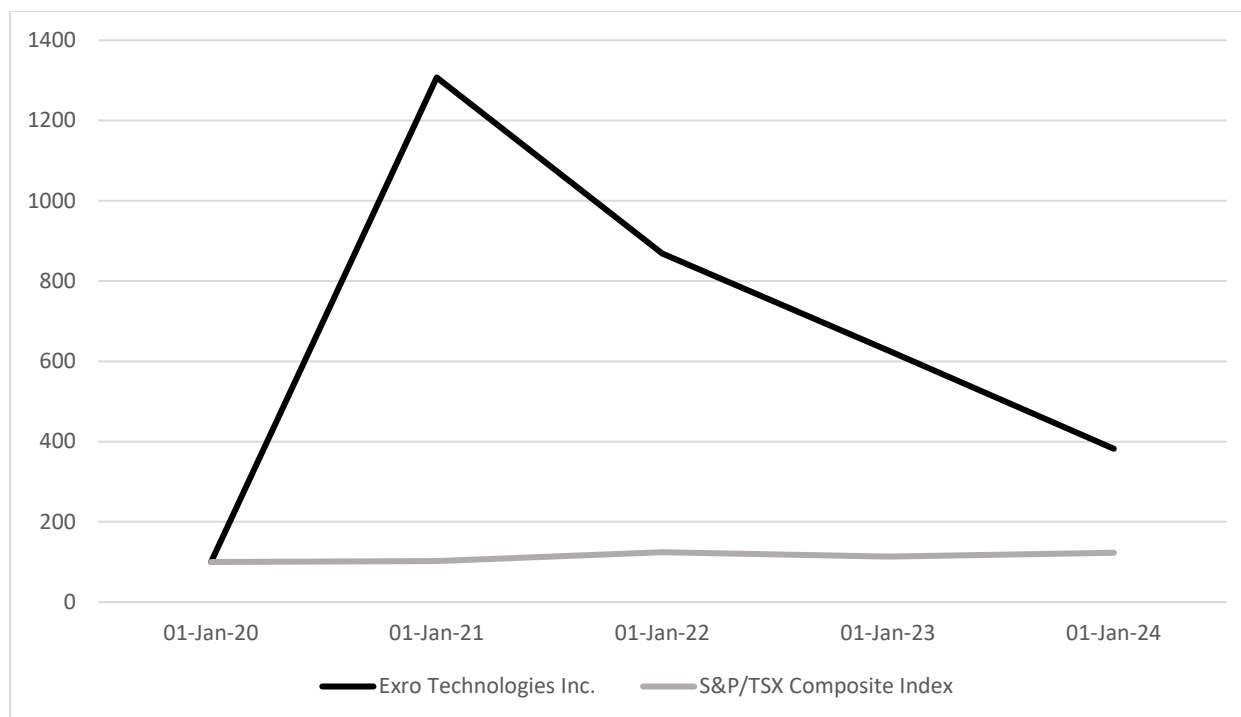
Nature of Services	Fees Invoiced by Pearl Meyer in Year Ended December 31, 2023
Executive Compensation-Related Fees ⁽¹⁾	\$105,069
All Other Fees ⁽²⁾	\$110,846
Total	\$215,915

Notes:

- (1) “Executive Compensation-Related Fees” include the aggregate fees billed by Pearl Meyer for services related to determining compensation for any of the Company’s directors or executive officers.
- (2) “All Other Fees” include the aggregate fees billed for all other services provided by Pearl Meyer that are not reported under Note (1), above.

Performance Graph

The following graph compares the Company’s cumulative total shareholder return for the five most recently completed financial years beginning with the financial year-ended December 31, 2019, based on an investment of \$100 in the Company at the start of that period. The Company’s Talent and Compensation Committee takes into account the performance of the Company’s common shares as an element of executive compensation.



	January 1, 2020	January 1, 2021	January 1, 2022	January 1, 2023	January 1, 2024
Exro Technologies Inc.	100	1,307.46	868.66	626.87	382.09
S&P/TSX Composite	100	102.17	124.38	113.61	122.83

SUMMARY COMPENSATION TABLE

The following table sets forth particulars concerning the compensation paid or accrued for services rendered to the Company by its NEOs in all capacities during the three most recently completed financial years ending on December 31, 2023, 2022 and 2021.

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$) ⁽²⁾	Pension value (\$) ⁽³⁾	All other compensation (\$)	Total compensation (\$)
SUE OZDEMIR DIRECTOR AND CEO	2023	616,263	230,550	1,122,162	635,521	Nil	85,597 ⁽⁸⁾	2,690,093
	2022	559,016	Nil	Nil	569,632	Nil	21,730	1,150,378
	2021	484,060	Nil	Nil	632,102	Nil	46,507	1,162,669
JOHN MEEKISON CHIEF CORPORATE DEVELOPMENT OFFICER AND FORMER CFO ⁽⁴⁾	2023	393,788	230,550	338,063	162,437	Nil	56,717 ⁽⁹⁾	1,181,555
	2022	296,248	Nil	151,732	121,860	Nil	75,086	644,926
	2021	232,789	Nil	120,939	84,375	Nil	88	438,191
ERIC HUSTEDT CHIEF TECHNOLOGY OFFICER ⁽⁵⁾	2023	275,000	230,550	338,063	113,438	Nil	8,259 ⁽¹⁰⁾	965,370
	2022	231,012	Nil	Nil	91,073	Nil	130	322,215
	2021	199,683	Nil	362,818	56,751	Nil	9,438	628,690
DARRELL BISHOP CFO AND FORMER CHIEF INVESTMENT OFFICER ⁽⁶⁾	2023	354,959	230,550	651,703	123,840	Nil	100,599 ⁽¹¹⁾	1,418,662
	2022	223,066	Nil	230,425	109,792	Nil	106	563,389
JUSTIN GOEGLIN VP OF EXO VEHICLE SYSTEMS ⁽⁷⁾	2023	333,295	96,725	298,651	167,692	Nil	46,794 ⁽¹²⁾	943,157

Notes:

- (1) The methodology used to calculate the fair value of a stock option on the grant date is based on the Black-Scholes Option Pricing Model. The Black-Scholes Option Pricing Model is the model accepted under International Financial Reporting Standards in computing the fair value of stock options granted and is commonly used by public companies. The Company used the following weighted average assumptions in the model to determine the awards granted above in 2023: Dividend Yield – nil; Expected Life – 5 years; Volatility – 93.97%; Risk Free Interest Rate – 3.56%, Forfeiture Rate – 10.66%.
- (2) Comprised of cash bonuses for performance, of which the NEO's received the following payments in 2024 related to 2023 performance; Sue Ozdemir - \$346,648, John Meekison - \$162,437, Eric Hustedt - \$113,438, Darrell Bishop - \$181,673, and Justin Goeglein - \$167,692.
- (3) The Company does not have any defined benefit pension plans.
- (4) Mr. Meekison resigned as Chief Financial Officer on April 4, 2024. He was appointed Chief Corporate Development Officer on April 4, 2024.
- (5) Mr. Hustedt was appointed as Chief Engineer on November 16, 2020, and was promoted to Chief Technology Officer on February 8, 2022.
- (6) Mr. Bishop joined Exro and was appointed President, Finance and Investor Relations on February 17, 2022, and was promoted to Chief Investment Officer on January 1, 2023. He resigned as Chief Investment Officer on April 4, 2024, and was appointed Chief Financial Officer on April 4, 2024.
- (7) Mr. Goeglein joined Exro as Director of Engineering on October 21, 2021, and was promoted to VP of Exro Vehicle Services on September 28, 2023.

- (8) Includes auto allowance, group benefits premiums & 401K contributions.
- (9) Includes auto allowance, group benefits premiums & 401K contributions
- (10) Includes group benefits premiums.
- (11) Includes relocation allowance and group benefits premiums.
- (12) Includes group benefits premiums & 401K contributions

Annual Base Salary

Base salaries for NEOs are determined by the Board upon the recommendation of the Talent and Compensation Committee and its recommendations are reached primarily by comparison with the remuneration paid by other reporting issuers with the same size and industry and with publicly available information on remuneration that the Talent and Compensation Committee feels is suitable.

The annual base salary paid to NEOs is, for the purpose of establishing appropriate increases, reviewed annually by the Board upon the recommendation of the Compensation Committee as part of the annual review of executive officers. The decision on whether to grant an increase to the executive's base salary and the amount of any such increase is at the sole discretion of the Board and the Talent and Compensation Committee.

Non-Equity Incentive Plan Compensation

One of the three components of the Company's compensation package is a discretionary annual cash bonus, paid to recognize individual performance in attaining corporate goals and objectives.

Option Based Awards

Option-based awards are in the form of incentive stock options. The objective of incentive stock options is to reward the individual performance of NEOs, employees, and directors at the discretion of the Board based upon the recommendation of the Talent and Compensation Committee.

The Company implemented the Stock Option Plan on June 7, 2021. On March 10, 2023, the Board approved the implementation of the LTIP to replace the Stock Option Plan, and this was approved by shareholders on June 30, 2023. All stock options granted by the Company from June 7, 2021, up to and including March 10, 2023, are governed by the Stock Option Plan. The Stock Option Plan and the LTIP are administered by the Talent and Compensation Committee. The process the Company uses to grant option- and share-based awards is upon the recommendations of the Talent and Compensation Committee. The role of the Talent and Compensation Committee is to recommend to the Board the compensation of the Company's directors and NEOs which the Talent and Compensation Committee feels is suitable. All previous grants of option- and share-based awards are taken into account when considering new grants.

INCENTIVE PLAN AWARDS

Outstanding share-based awards and option-based awards

The following table sets forth the options granted to the NEOs to purchase or acquire securities of the Company outstanding at the end of the most recently completed financial year ended December 31, 2023:

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 or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
SUE OZDEMIR, DIRECTOR & CEO	1,500,000	0.25	13-Sep-24	1,545,000	108,750	139,200	Nil
	750,000	3.15	13-Oct-25	Nil			
	217,500	2.12	31-May-28	Nil			
	500,000	2.15	4-Jul-28	Nil			
JOHN MEEKISON, CHIEF CORPORATE DEVELOPMENT OFFICER AND FORMER CFO	100,000	0.41	14-Feb-24	87,000	108,750	139,200	Nil
	100,000	0.25	13-Sep-24	103,000			
	350,000	3.15	13-Oct-25	Nil			
	50,000	2.96	20-Sep-26	Nil			
	100,000	1.47	12-Apr-27	Nil			
	217,500	2.12	31-May-28	Nil			
ERIC HUSTEDT, CHIEF TECHNOLOGY OFFICER	300,000	1.00	31-Aug-25	84,000	108,750	139,200	Nil
	200,000	3.15	13-Oct-25	Nil			
	150,000	2.96	20-Sep-26	Nil			
	217,500	2.12	31-May-28	Nil			
DARRELL BISHOP, CFO AND FORMER CHIEF INVESTMENT OFFICER	200,000	1.47	12-Apr-27	Nil	108,750	139,200	Nil
	217,500	2.12	31-May-28	Nil			
JUSTIN GOEGLIN, VP OF EXO VEHICLE SYSTEMS	50,000	3.75	22-Nov-26	Nil	45,625	58,400	Nil
	100,000	2.15	04-Jul-28	Nil			
	91,250	2.12	31-May-28	Nil			

Note:

(1) In-the-Money Options is the difference between the market value of the underlying securities on December 29, 2023, and the exercise price of the option. The closing market price of the Company's common shares as of December 29, 2023, was \$1.28 per common share.

Incentive plan awards – value vested or earned during the year

An “incentive plan” is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specific period. An “incentive plan award” means compensation awarded, earned, paid, or payable under an incentive plan.

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to NEOs during the most recently completed financial year ended December 31, 2023:

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾⁽²⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
SUE OZDEMIR DIRECTOR & CEO	2,153	Nil	653,521
JOHN MEEKISON CHIEF CORPORATE DEVELOPMENT OFFICER AND FORMER CFO	58,843	Nil	162,437
ERIC HUSTEDT CHIEF TECHNOLOGY OFFICER	2,153	Nil	113,438
DARRELL BISHOP CFO AND FORMER CHIEF INVESTMENT OFFICER	115,533	Nil	181,673
JUSTIN GOEGLEIN VP OF EXO VEHICLE SYSTEMS	903	Nil	167,692

Notes:

- (1) The aggregate dollar value that would have been realized if the options held had been exercised on the vesting dates.
- (2) The actual gain, if any, on exercise will depend on the value of the Common Shares on the date of exercise and the value of the Common Shares upon disposition of such Common Shares.

PENSION PLAN BENEFITS

No defined benefit pension or retirement benefit plans have been instituted by the Company and none are proposed at this time.

USE OF FINANCIAL INSTRUMENTS

The Company prohibits speculation in the Company’s securities, and under its Insider Trading Policy, the Company prohibits Insiders who are directors, officers, and employees of Exro from entering into any transaction that has the effect of offsetting the economic value of any direct or indirect interest of such Insiders in Securities of Exro. This includes the purchase of financial instruments such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in the market value of equity Securities granted to such Insiders as compensation or otherwise held directly or indirectly by such Insiders.

The term “Insider” has the meaning ascribed to it under Section 1 of the *Securities Act* (Alberta) RSA 2000 cS-4.

TERMINATION AND CHANGE OF CONTROL BENEFITS

The Company has entered into employment agreements as follows:

Sue Ozdemir

Employment agreement effective July 30, 2019, as amended, with Ms. Sue Ozdemir, as Chief Executive Officer of the Company. Ms. Ozdemir receives compensation of USD\$465,948 per year less statutory deductions and is entitled to participate in any incentive stock option plan or other incentive program as may be available from time to time to directors, officers, employees, and consultants, in the amounts and on the terms and the time determined by the Board. Ms. Ozdemir may qualify for an annual bonus of up to 125% of her annual base salary upon meeting certain performance targets and milestones, as outlined in her employment agreement, with such bonus to be determined at the discretion of the Board.

If Ms. Ozdemir's employment is terminated without cause, she will be entitled to payment of base salary to the date of termination, a bonus for that portion of the year she was actively employed plus the Notice Period, accrued but unpaid expenses at the date of termination, and the value of the pro-rated vacation leave pay. She will also be entitled to an amount equal to six months plus one month for every year worked of her employment (the "Notice Period").

If Ms. Ozdemir's employment is terminated without cause during the six-month period following a Change of Control (as defined in the employment agreement), she will be entitled to the same payments outlined above, with the Notice Period being changed from 6 months to 12 months.

If terminated without cause, Ms. Ozdemir's will retain group benefits for a period of the earlier of the Notice Period and the date she becomes covered under the group benefits plan of another employer.

Under all termination scenarios, except for termination for cause, stock options held by Ms. Ozdemir that have vested as of the date of the termination will be exercisable for a period of ninety (90) days, pursuant to the Company's equity incentive plan(s).

John Meekison

On December 31, 2022, Mr. John Meekison was party to an employment agreement dated September 21, 2021, as amended, for his services as Chief Financial Officer of the Company. Mr. Meekison received compensation of \$236,250 per year less statutory deductions and was entitled to participate in any incentive stock option plan or other incentive program as may be available from time to time to directors, officers, employees, and consultants, in the amounts and on the terms and at the time determined by the Board. Mr. Meekison was eligible to receive an annual cash bonus of up to 50% of his annual salary upon meeting certain performance targets and milestones.

If Mr. Meekison's employment was terminated without cause, he would be entitled to payment of base salary to the date of termination, a pro-rated bonus for that portion of the year he was actively employed excluding Notice Period, accrued but unpaid expenses at the date of termination, and the value of the pro-rated vacation leave pay. He would also be entitled to an amount equal to six months plus one month for every year worked of his employment, to a maximum of six months.

If Mr. Meekison's employment was terminated without cause during the six-month period following a Change of Control (as defined in the employment agreement), he will be entitled to the same payments outlined above, with the Notice Period being changed from 6 months to 12 months.

Subsequent to December 31, 2022, on January 1, 2023, Mr. Meekison entered into a new employment agreement, whereby he will receive an annual base salary of USD\$297,738 and may be eligible to receive a semi-annual cash bonus of fifty (50) percent of his annual base salary upon meeting certain performance targets and milestones, to be determined at the discretion of the Board. Mr. Meekison will be eligible to participate in any incentive stock option plan or other incentive program as may be available from time to time to directors, officers, employees, and consultants, in the amounts and on the terms and at the time determined by the Board.

If Mr. Meekison's employment is terminated without cause, he will be entitled to payment of base salary to the date of termination, and a payment of the total of: (i) severance in lieu of notice equal to six (6) months of the then base salary only; (ii) one (1) month salary for each consecutive year of employment with the Company; (iii) any outstanding vacation pay as at the effective date of the termination; and (iv) any outstanding expenses as at the effective date of the termination. He will also be entitled to maintain his group benefits for a period of nine (9) months from the effective date of the termination.

If Mr. Meekison's employment is terminated without cause during the twelve-month period following a Change of Control (as defined in the employment agreement), he will be entitled to: (i) severance in lieu of notice equal to twelve (12) months of the then base salary only; (ii) any outstanding vacation pay as at the effective date of the termination; and (iii) any outstanding expenses at the then effective date of the termination. He will also be entitled to maintain his group benefits for a period of nine (9) months from the effective date of the termination.

Under all termination scenarios, except for termination for cause, stock options held by Mr. Meekison that have vested as of the date of the termination will be exercisable for a period of ninety (90) days, pursuant to the Company's equity incentive plan(s).

Eric Hustedt

On December 31, 2022, Mr. Eric Hustedt was party to an employment agreement dated August 1, 2020, as amended, with Mr. Eric Hustedt as Chief Technology Officer of the Company. Mr. Hustedt received compensation of \$225,750 per year less statutory deductions and is entitled to participate in any incentive stock option plan or other incentive program as may be available from time to time to directors, officers, employees, and consultants, in the amounts and on the terms and at the time determined by the Board. Mr. Hustedt was eligible to receive an annual cash bonus of up to 30% of his annual salary upon meeting certain performance targets and milestones.

If Mr. Hustedt's employment was terminated without cause during the twelve-month period following a Change of Control (as defined in the employment agreement), he would be entitled to payment of base salary equal to twelve months. He would also have been entitled to unpaid expenses at the date of termination, and the value of the pro-rated vacation leave pay.

Subsequent to December 31, 2022, on January 1, 2023, Mr. Hustedt entered into a new employment agreement, whereby he will receive an annual base salary of \$275,000 and may be eligible to receive a semi-annual cash bonus of fifty (50) percent of his annual base salary upon meeting certain performance targets and milestones, to be determined at the discretion of the Board. Mr. Hustedt will be eligible to participate in any incentive stock option plan or other incentive program as may be available from time to time to directors, officers, employees, and consultants, in the amounts and on the terms and at the time determined by the Board.

If Mr. Hustedt's employment is terminated without cause, he will be entitled to payment of base salary to the date of termination, and a payment of the total of: (i) severance in lieu of notice equal to six (6) months of the then base salary only; (ii) one (1) month salary for each consecutive year of employment with the Company; (iii) any outstanding vacation pay as at the effective date of the termination; and (iv) any outstanding expenses as at the effective date of the termination. He will also be entitled to maintain his group benefits for a period of nine (9) months from the effective date of the termination.

If Mr. Hustedt's employment is terminated without cause during the twelve-month period following a Change of Control (as defined in the employment agreement), he will be entitled to: (i) severance in lieu of notice equal to twelve (12) months of the then base salary only; (ii) any outstanding vacation pay as at the effective date of the termination; and (iii) any outstanding expenses at the then effective date of the termination. He will also be entitled to maintain his group benefits for a period of nine (9) months from the effective date of the termination.

Under all termination scenarios, except for termination for cause, stock options held by Mr. Hustedt that have vested as of the date of the termination will be exercisable for a period of ninety (90) days, pursuant to the Company's equity incentive plan(s).

Darrell Bishop

On December 31, 2022, Mr. Darrell Bishop was party to an employment agreement dated February 25, 2022, as amended, for his services as Chief Investment Officer of the Company. Mr. Bishop received compensation of \$255,572 per year less statutory deductions and was entitled to participate in any incentive stock option plan or other incentive program as may be available from time to time to directors, officers, employees, and consultants, in the amounts and on the terms and at the time determined by the Board. Mr. Bishop was eligible to receive an annual cash bonus of up to 50% of his annual salary upon meeting certain performance targets and milestones.

If Mr. Bishop's employment were terminated without cause, he would be entitled to two (2) weeks of salary plus one (1) additional week of salary for each completed year of employment to a maximum of eight (8) weeks.

Subsequent to December 31, 2022, on January 1, 2023, Mr. Bishop entered into a new employment agreement, whereby he will receive an annual base salary of USD\$268,380 and may be eligible to receive a semi-annual cash bonus of fifty (50) percent of his annual base salary upon meeting certain performance targets and milestones, to be determined at the discretion of the Board. Mr. Bishop will be eligible to participate in any incentive stock option plan or other incentive program as may be available from time to time to directors, officers, employees, and consultants, in the amounts and on the terms and at the time determined by the Board.

If Mr. Bishop's employment is terminated without cause, he will be entitled to payment of base salary to the date of termination, and a payment of the total of: (i) severance in lieu of notice equal to six (6) months of the then base salary only; (ii) one (1) month salary for each consecutive year of employment with the Company; (iii) any outstanding vacation pay as at the effective date of the termination; and (iv) any outstanding expenses as at the effective date of the termination. He will also be entitled to maintain his group benefits for a period of nine (9) months from the effective date of the termination.

If Mr. Bishop's employment is terminated without cause during the twelve-month period following a Change of Control (as defined in the employment agreement), he will be entitled to: (i) severance in lieu of notice equal to twelve (12) months of the then base salary only; (ii) any outstanding vacation pay as at the effective date of the termination; and (iii) any outstanding expenses at the then effective date of the termination. He will also be entitled to maintain his group benefits for a period of nine (9) months from the effective date of the termination.

Under all termination scenarios, except for termination for cause, stock options held by Mr. Bishop that have vested as of the date of the termination will be exercisable for a period of ninety (90) days, pursuant to the Company's equity incentive plan(s).

Justin Goeglein

On October 21, 2021, Mr. Justin Goeglein was party to an employment agreement as Director of Engineering of Exro Vehicle Systems, where he received an annual base salary of USD\$240,000. Then, on September 28, 2023, Mr. Goeglein was party to an executive employment agreement for his services as VP of Exro Vehicle Systems, where he receives an annual base salary of USD\$252,000. Mr. Goeglein will be eligible to participate in any incentive stock option plan or other incentive program as may be available from time to time to directors, officers, employees, and consultants, in the amounts and on the terms and at the time determined by the Board.

If Mr. Goeglein's employment is terminated at the election of the Company or if there is constructive dismissal of Mr. Goeglein, he will be entitled to a payment of the total of:

- a) Severance in lieu of notice equal to three months of the then-current base salary;
- b) Two (2) weeks salary for each consecutive year of employment with the Company;
- c) Any outstanding vacation pay at the effective date of the termination;
- d) Any outstanding expenses as of the effective date of the termination; and
- e) Any outstanding commissions.

Mr. Goeglein will also be entitled to maintain his then-current benefits for three (3) months from the effective date of the termination and, subject to the Company's then current LTI Plan and the rules of any regulatory authority and stock exchange having jurisdiction over the Company, allow Mr. Goeglein to exercise any unexercised and fully vested portion of the LTI Plan grants as of the effective date of the termination at any time during thirty (30) calendar days from the effective date of the termination.

Estimated Payments Upon Resignation or Termination

The table below sets forth estimates of the incremental payments, payables, and benefits to NEOs, assuming that the triggering event was to have taken place on December 31, 2023.

NEO	Resignation (\$)	Termination without cause (\$) ⁽¹⁾	Termination with cause (\$)	Retirement (\$)	Change of control within 6 months following termination without cause (\$)
Sue Ozdemir <i>CEO and Director</i>	94,810	1,062,374	Nil	Nil	1,390,424
John Meekison <i>Chief corporate development officer and Former CFO</i>	60,583	381,797	Nil	Nil	414,613
Eric Hustedt <i>Chief Technology Officer</i>	42,308	212,444	Nil	Nil	281,194
Darrell Bishop <i>CFO and Former Chief Investment Officer</i>	54,609	227,613	Nil	Nil	375,513
Justin Goeglein <i>VP of Exo Vehicle Systems</i>	51,276	119,176	Nil	Nil	Nil

Note:

- (1) Assumes that the Company opted to make a payment to the NEO in lieu of providing health and wellness benefits for the period following the termination date.

DIRECTOR COMPENSATION

The following table sets forth the value of all compensation paid to the directors, excluding Sue Ozdemir who was paid as an officer and not as a director, in their capacity as directors for the year ended December 31, 2023:

Director Compensation Table

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$) ⁽¹⁾	All other compensation (\$)	Total (\$)
Anita Ganti	32,500	101,500	Nil	Nil	Nil	Nil	134,000
Frank Simpkins	32,500	101,500	Nil	Nil	Nil	Nil	134,000
Aleksandra Miziolek	32,500	101,500	Nil	Nil	Nil	Nil	134,000
Mark Godsy	18,750	Nil	Nil	Nil	Nil	Nil	18,750
M.A. Jill Bodkin	32,500	149,998	Nil	Nil	Nil	Nil	182,498
Rodney Copes	76,250	149,998	Nil	Nil	Nil	Nil	226,248
Frank Borowicz	13,105	Nil	Nil	Nil	Nil	Nil	13,105
Terence Johnsson	53,750	149,998	Nil	Nil	Nil	Nil	203,748

Note:

- (1) The Company does not have any pension plans available to its directors.

Except as disclosed herein, no director of the Company who is not a NEO has received, during the most recently completed financial year, compensation pursuant to:

- (a) any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;
- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors except for the granting of stock options; or
- (c) any arrangement for the compensation of directors for services as consultants or experts.

The Company may grant incentive stock options and share-based awards to directors of the Company from time to time pursuant to the LTIP of the Company and in accordance with the policies of the TSX.

Outstanding share-based awards and option-based awards

The following table sets forth the options granted to the directors to purchase or acquire securities of the Company outstanding on December 31, 2023:

Name ⁽¹⁾	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 (\$) ⁽²⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Anita Ganti	Nil	N/A	N/A	Nil	50,000	64,000	Nil
Frank Simpkins	Nil	N/A	N/A	Nil	50,000	64,000	Nil
Aleksandra Miziolek	Nil	N/A	N/A	Nil	50,000	64,000	Nil
Mark Godsy ⁽³⁾	Nil	N/A	N/A	Nil	Nil	Nil	Nil
M.A. Jill Bodkin ⁽⁵⁾	100,000	3.15	13-Oct-25	Nil	Nil	Nil	Nil
Frank Borowicz ⁽⁴⁾	Nil	N/A	N/A	Nil	Nil	Nil	Nil
Terence Johnsson	450,000	4.77	6-Apr-26	Nil	47,405	60,678	Nil
Rodney Copes	75,000 100,000	1.47 1.05	12-Apr-27 2-Sep-27	Nil 23,000	47,405	60,678	Nil

Notes:

- (1) For the compensation of Sue Ozdemir who was a NEO of the Company for 2023, see “Incentive Plan Awards” above.
- (2) In-the-Money Options is the difference between the market value of the underlying securities on December 29, 2023, and the exercise price. The closing market price of the Company’s common shares as of December 29, 2023, was \$1.28 per common share.
- (3) On March 31, 2023, Mr. Godsy resigned as Executive Chair and director. All vested options granted to Mr. Godsy expired or were exercised pursuant to the terms of the Company’s Stock Option Plan.
- (4) On March 13, 2023, Mr. Borowicz resigned as a director. All vested options granted to Mr. Borowicz expired pursuant to the terms of the Company’s Stock Option Plan.

- (5) Ms. Bodkin did not stand for re-election at the Company’s annual general and special meeting held on June 30, 2023. All vested options granted to Ms. Bodkin expired, pursuant to the terms of the Company’s Stock Option Plan.

Incentive plan awards – value vested or earned during the year

An “incentive plan” is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specific period. An “incentive plan award” means compensation awarded, earned, paid, or payable under an incentive plan.

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to directors during the year ended December 31, 2023:

Name⁽¹⁾	Option-based awards – Value vested during the year (\$)⁽²⁾⁽³⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Anita Ganti	Nil	Nil	Nil
Frank Simpkins	Nil	Nil	Nil
Aleksandra Miziolek	Nil	Nil	Nil
Mark Godsy	Nil	Nil	Nil
M.A. Jill Bodkin	155,914	Nil	Nil
Frank Borowicz	Nil	Nil	Nil
Terence Johnsson	50,200	Nil	Nil
Rodney Copes	50,200	129,638	Nil

Notes:

- (1) For the compensation of Sue Ozdemir who was a NEO of the Company in 2023, see “Incentive Plan Awards” above.
(2) The aggregate dollar value that would have been realized if the options held had been exercised on the vesting dates.
(3) The actual gain, if any, on exercise will depend on the value of the Common Shares on the date of exercise and the value of the Common Shares upon disposition of such Common Shares.