COVALON TECHNOLOGIES LTD.

Notice of Annual General Meeting of Shareholders

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the "**Meeting**") of shareholders of Covalon Technologies Ltd. (the "**Corporation**") will be held on Wednesday, March 19, 2025, at 2:00 p.m. (Toronto time) in a virtual-only format where shareholders may attend and participate in the meeting via live webcast for the following purposes:

1. to present the financial statements of the Corporation for the year ended September 30, 2024, together with the report of the auditor thereon;

2. to elect directors for the ensuing year;

3. to reappoint PricewaterhouseCoopers LLP, Chartered Accountants, as the auditor of the Corporation and to authorize the directors of the Corporation to fix the remuneration to be paid to the auditor;

4. to transact such other business as may properly come before the Meeting or any reconvened meeting following an adjournment or postponement thereof.

Accompanying this Notice of Meeting are a copy of the management information circular (the "Circular") and a form of proxy. These materials can also be viewed on SEDAR+ which can be accessed at http://www.sedarplus.ca.

The Corporation is holding the Meeting as a completely virtual meeting, which will be conducted via live webcast, where all shareholders regardless of geographic location and equity ownership will have an equal opportunity to participate at the Meeting and engage with directors of the Corporation and management as well as other shareholders. Shareholders will not be able to attend the Meeting in person. Registered shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting online at https://virtual-meetings.tsxtrust.com/en/1738, Meeting ID 1738, using Password "covalon2025" (case sensitive). Non-registered shareholders (being shareholders who hold their shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary) who have not duly appointed themselves as proxyholder will not be able to vote at the Meeting but will be able to attend the Meeting as guests.

If you cannot attend the Meeting, please complete and sign the enclosed form of proxy and return it in the envelope provided to the Corporation's transfer agent, TSX Trust Company, by mail at 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, prior to 2:00 p.m. (Toronto time) on Monday, March 17, 2025, or 48 hours prior to any reconvened meeting following an adjournment or postponement of the Meeting. Please refer to the accompanying Circular for further information regarding completion and use of the proxy and other information pertaining to the Meeting. Please be advised that the exercise of a proxy does not constitute a written objection.

DATED at Mississauga, Ontario this 11th day of February, 2025.

By Order of the Board of Directors

"Brent Ashton"

Brent Ashton
Chief Executive Officer

COVALON TECHNOLOGIES LTD.

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular (the "Circular") is furnished in connection with the solicitation of proxies by the management of Covalon Technologies Ltd. (the "Corporation") for use at the annual general meeting (the "Meeting") of shareholders ("Shareholders") of the Corporation to be held on Wednesday, March 19, 2025, at 2:00 p.m. (Toronto time), and at any reconvened meeting following an adjournment or postponement thereof, for the purposes set forth in the accompanying Notice of Annual General Meeting of Shareholders (the "Notice of Meeting"). The solicitation will be primarily by mail but may also be solicited by telephone or electronic means of communication by directors, officers or designated agents of the Corporation. The cost of solicitation will be borne by the Corporation. The information contained herein is given as at Wednesday, January 29, 2025, unless otherwise indicated.

The Meeting will be held as a completely virtual meeting which will be conducted via live webcast. Shareholders will not be able to attend the Meeting in person. A summary of the information Shareholders will need to attend the Meeting online is provided below.

The Corporation will not be using the notice-and-access mechanism under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") for distribution of the Notice of Meeting and the Circular to Shareholders.

RECORD DATE

The board of directors of the Corporation (the "**Board**") has fixed the close of business on Wednesday, January 29, 2025, as the record date (the "**Record Date**") for the purpose of determining Shareholders entitled to receive the Notice of Meeting and to vote at the Meeting. Each Shareholder is entitled to one vote for each common share in the capital of the Corporation (a "**Common Share**" and, collectively, the "**Common Shares**") held and shown as registered in such holder's name on the list of Shareholders prepared as of the Record Date. The list of Shareholders will be available for inspection during usual business hours at the principal office of the Corporation's transfer agent, TSX Trust Company, located in Toronto, Ontario and will also be available for inspection at the Meeting.

PROXY INSTRUCTIONS

Shareholders who are unable to attend the Meeting may still vote by appointing a proxyholder (as defined below). The persons specified in the enclosed form of proxy are directors and/or officers of the Corporation.

A Shareholder has the right to appoint a person or company, who need not be a Shareholder, to represent such Shareholder at the Meeting or any reconvened meeting following an adjournment or postponement thereof other than the persons specified in the enclosed form of proxy (each, a "proxyholder"). Such right may be exercised by inserting such person's name in the blank space provided in the form of proxy or by completing another proper form of proxy. For Shareholders who wish to appoint a proxyholder, the completed form of proxy must be mailed in the enclosed envelope and received by TSX Trust Company, at the address on the proxy envelope provided prior to 2:00 p.m. (Toronto time) on Monday, March 17, 2025, or 48 hours prior to any reconvened meeting following an adjournment or postponement of the Meeting. In addition, Shareholders who wish to appoint a proxyholder must register such proxyholder with TSX Trust Company, as described below under "How to Appoint a Proxyholder". Registering your proxyholder is an additional step to be completed **AFTER** you have submitted your form of proxy or voting instruction form. **Failure to register the proxyholder will result in the proxyholder not receiving a Control Number that is required to vote at the Meeting and only being able to attend as a guest.**

Enquiries regarding proxy forms can be made by Shareholders to the Corporation's transfer agent, TSX Trust Company, by mail at 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, or by telephone at 1-866-600-5869.

VOTING OF PROXIES

The enclosed form of proxy will be voted or withheld from voting with respect to the Common Shares represented thereby in accordance with the instructions of the Shareholder as indicated on the proxy and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. **In the absence of any specific instructions with respect to a particular matter, the Common Shares represented by such proxies will be voted at the Meeting in accordance with the best judgment of the person or persons voting such proxies.**

The enclosed form of proxy, when properly signed, confers discretionary authority upon the representatives designated therein with respect to amendments to, or variations of, matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the date of the Circular, management of the Corporation does not know of any such amendments, variations, or other matters. However, if any such amendments, variations or other matters which are not now known to management of the Corporation should properly come before the Meeting, the Common Shares represented by the proxies solicited hereby will be voted thereon in accordance with the best judgment of the person or persons voting such proxies.

REVOCATION OF PROXIES

A registered holder of Common Shares who has given a proxy may revoke the proxy: (a) by completing and signing a proxy bearing a later date and depositing it as aforesaid; (b) by depositing an instrument in writing executed by such registered holder or by his, her or its attorney authorized in writing: (i) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting or any reconvened meeting following an adjournment or postponement thereof, or (ii) with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment thereof; or (c) in any other manner permitted by law.

A Non-Registered Holder (as defined below) who wishes to revoke a voting instruction form or a waiver of the right to receive meeting materials should contact his, her or its intermediary for instructions.

NON-REGISTERED HOLDERS

Only registered holders of Common Shares or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a person (a "**Non-Registered Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") (including banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans) that the Non-Registered Holder deals with in respect of the Common Shares; or (ii) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant. In accordance with the requirements of NI 54-101, the Corporation has distributed copies of the Notice of Meeting, the Circular, and the enclosed form of proxy (collectively, the "**meeting materials**") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the meeting materials to Non-Registered Holders unless a Non-Registered Holder has waived his, her or its right to receive them. Intermediaries often use service companies to forward the meeting materials to Non-Registered Holders. A Non-Registered Holder who has not waived the right to receive meeting materials will receive from his, her or its Intermediary a voting instruction form which must be completed and signed by the Non-Registered Holder and returned in accordance with the directions of the Intermediary. The purpose of this procedure is to permit the Non-Registered Holder to direct the voting of the Common Shares beneficially owned by such person.

Should a Non-Registered Holder wish to attend and vote at the Meeting virtually, the Non-Registered Holder should take the following steps:

1. Write his, her, its, or their name in the space provided for that purpose on the voting instruction form and return it in accordance with the directions of the Intermediary. The Intermediary will send the Non-Registered Holder a form of proxy which has already been signed by the Intermediary (typically by a facsimile stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder and which names the Non-Registered Holder as proxyholder. This form of proxy need not be signed by the Non-Registered Holder.

2. Deposit the form of proxy with TSX Trust Company in accordance with the instructions set out above.

3. Obtain a Control Number by contacting TSX Trust Company by emailing tsxtrustproxyvoting@tmx.com the "Request for Control Number" form, which can be found here https://www.tsxtrust.com/resource/en/75. Requests for Control Numbers must be made prior to 2:00 pm (Toronto time) on March 17, 2024.

Non-Registered Holders should carefully follow the instructions of their Intermediaries, including those regarding when and where the voting instruction form or form of proxy is to be delivered.

The Corporation is sending proxy-related materials directly to non-objecting beneficial owners under NI 54-101. Management of the Corporation does not intend to pay for Intermediaries to forward the meeting materials and voting instruction form to objecting beneficial owners under NI 54-101 and accordingly an objecting beneficial owner will not receive the meeting materials unless the objecting beneficial owner's Intermediary assumes the cost of delivery.

HOW TO VOTE AT THE MEETING

At the Meeting, registered holders may vote by completing a ballot online, as further described below under "How to Attend the Virtual Only Meeting". If you are a Non-Registered Holder and wish to attend, participate or vote at the Meeting, you MUST insert your own name in the space provided on the voting instruction form sent to you by your intermediary, follow all of the applicable instructions provided by your intermediary AND register yourself as your proxyholder, as described below under "How to Appoint a Proxyholder". By doing so, you are instructing your intermediary to appoint you as its proxyholder. It is important that you comply with the signature and return instructions provided by your intermediary.

Non-Registered Holders who have not duly appointed themselves as proxyholder will not be able to vote at the Meeting but will be able to attend the Meeting as guests. This is because the Corporation and our transfer agent, TSX Trust Company, do not have a record of the Non-Registered Holders of the Corporation, and, as a result, will have no knowledge of your shareholdings or entitlement to vote unless you appoint yourself as proxyholder.

HOW TO APPOINT A PROXYHOLDER

The following applies to Shareholders who wish to appoint a person (a "**third party proxyholder**") other than the management nominees identified in the form of proxy or voting instruction form as proxyholder, including non-registered Shareholders who wish to appoint themselves as proxyholder to attend, participate or vote at the Meeting.

Shareholders who wish to appoint a third-party proxyholder to attend and participate at the Meeting as their proxyholder and vote their shares **MUST** submit their form of proxy or voting instruction form, as applicable, appointing that person as proxyholder **AND** register that proxyholder with TSX Trust Company in advance of the Meeting by emailing tsxtrustproxyvoting@tmx.com the "Request for Control Number" form, which can be found here https://www.tsxtrust.com/resource/en/75. If you are a non-registered Shareholder and want to vote online at the Meeting, you must appoint yourself as proxyholder and register with TSX Trust Company in advance of the Meeting by emailing tsxtrustproxyvoting@tmx.com the "Request for Control Number" form, which can be found here https://www.tsxtrust.com/resource/en/75. Registering your proxyholder is an additional step to be completed **AFTER**

you have submitted your form of proxy or voting instruction form. **Failure to register the proxyholder will result in the proxyholder not receiving a Control Number that is required to vote at the Meeting and only being able to attend as a guest.**

- **Step 1: Submit your form of proxy or voting instruction form**: To appoint a third-party proxyholder, insert that person's name in the blank space provided in the form of proxy or voting instruction form (if permitted) and follow the instructions for submitting such form of proxy or voting instruction form. This must be completed before registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or voting instruction form.

- **Step 2**: **Register your proxyholder**: To register a third-party proxyholder, Shareholders must register that proxyholder with TSX Trust Company in advance of the Meeting by emailing tsxtrustproxyvoting@tmx.com the "Request for Control Number" form, which can be found here https://www.tsxtrust.com/resource/en/75 by no later than 2:00 pm (Toronto time) on March 17, 2025 so that TSX Trust Company may provide the proxyholder with a Control Number via email. **Without a Control Number, proxyholders will not be able to vote at the Meeting but will be able to participate as a guest.**

How to Attend the Virtual Only Meeting

The Corporation is holding the Meeting as a completely virtual meeting, which will be conducted via live webcast. Shareholders will not be able to attend the Meeting in person. In order to attend, participate or vote at the Meeting (including for voting and asking questions at the Meeting), Shareholders must have a valid Control Number.

Attending the Meeting online enables registered Shareholders and duly appointed proxyholders, including non-registered Shareholders who have duly appointed third party proxyholders, to participate at the Meeting, ask questions and vote, all in real time. Registered Shareholders and duly appointed third party proxyholders can vote at the appropriate times during the Meeting. Guests, including Non-Registered Holders who have not duly appointed a third-party proxyholder, can log into the Meeting as set out below. Guests can listen to the Meeting but are not able to vote.

- Log in online at https://virtual-meetings.tsxtrust.com/en/1738. Do not use Internet Explorer. We recommend that you log in at least 15 minutes before the Meeting starts.
- Click on "**I have a control number / meeting access number**" and then enter your 12-digit Control Number (on your proxy form) and Password "covalon2025" (case sensitive).
- When the ballots have been opened, click on the "Voting" icon. To vote, simply select your voting direction from the options shown on screen and click **Submit**. A confirmation message will appear to show your vote has been received.

OR

- Click on "**I am a Guest**" and then complete the online form.

Registered Shareholders: The Control Number located on the form of proxy or in the email notification you received is your Control Number. If, as a registered Shareholder, you are using your Control Number to login to the Meeting and you accept the terms and conditions, you will be revoking any and all previously submitted proxies for the Meeting and will be provided the opportunity to vote by online ballot on the matters put forth at the Meeting. If you do not wish to revoke a previously submitted proxy, as the case may be, you will not be able to participate at the Meeting online.

Duly appointed proxyholders: TSX Trust Company will provide the proxyholder with a Control Number by e-mail after the proxy voting deadline has passed and the proxyholder has been duly appointed AND registered as described in "How to Appoint a Proxyholder" above.

If you attend the Meeting online, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.

United States Beneficial Owners: To attend and vote at the virtual Meeting, you must first obtain a valid legal proxy from your broker, bank or other agent, and then register in advance to attend the Meeting. Follow the instructions from your broker, bank or other agent included with these proxy materials, or contact your broker, bank or other agent to request a legal proxy form. After first obtaining a valid legal proxy from your broker, bank or other agent, to then register to attend the Meeting, you must submit a copy of your legal proxy to TSX Trust Company. Requests for registration should be directed to:

TSX Trust Company
ATTM: Proxy Department
301-100 Adelaide Street West
Toronto, ON
M5H 4H1

Phone: 1.866.600.5869
Email: tsxtrustproxyvoting@tmx.com

Requests for registration must be labeled as "Legal Proxy" and be received no later than March 17, 2025 by 2:00 pm (Toronto time). You will receive a confirmation of your registration by email after TSX Trust Company receives your registration materials. You may attend the Meeting and vote your shares at https://virtual-meetings.tsxtrust.com/en/1738, Meeting ID 1738 during the Meeting. Please note that you are required to register your appointment at https://www.tsxtrust.com/resource/en/75.

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

As at the date hereof, to the knowledge of the directors and executive officers of the Corporation, none of the directors or executive officers of the Corporation who have been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any 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 SHARES AND PRINCIPAL HOLDERS

As of the close of business on January 29, 2025, there were 27,398,077 Common Shares outstanding. Each holder of Common Shares as of the Record Date will be entitled to ONE VOTE for each Common Share held on all matters proposed to come before the Meeting.

To the knowledge of the directors and executive officers of the Corporation, the following person(s) beneficially own, directly or indirectly, or exercise control or direction over 10% or more of the voting rights attached to all of the outstanding Common Shares:

Name	Approximate number of Common Shares beneficially owned, or controlled or directed, directly or indirectly	Approximate Percentage of total Common Shares
Abe Schwartz	8,160,912	29.79%
The Goldfarb Group	4,601,563	16.80%

MATTERS TO BE ACTED UPON AT THE MEETING

1. Presentation of Financial Statements

The audited consolidated financial statements of the Corporation for the fiscal year ended September 30, 2024 and the report of the auditor thereon (the "**Financial Statements**") will be submitted to the Meeting. No vote will be taken on the Financial Statements. The Financial Statements together with the management's discussion and analysis thereon are available on SEDAR+ at www.sedarplus.ca.

2. Election of Directors

The term of office of the present directors of the Corporation expires at the Meeting. The number of directors of the Corporation to be elected at the Meeting is seven and each nominee elected as a director of the Corporation will hold office until the close of business of the next annual meeting of Shareholders or until his or her successor is elected or appointed, unless his or her office is earlier vacated.

The following table lists certain information concerning the persons proposed to be nominated for election as directors, all of whom are current directors of the Corporation:

Name, Province/State and Country of Residence	Position with the Corporation and Principal Occupation or Business	Director Since	Common Shares Beneficially Owned, Controlled or Directed and % of Issued and Outstanding Common Shares [1]
Brent Ashton[M] New Jersey, USA	Chief Executive Officer, Covalon Technologies Ltd.	January 4, 2024	[2] –
Amir Boloor British Columbia, Canada	Executive Chair, Board of Directors, Covalon Technologies Ltd. President, Caspian Equity Partners, Inc.	April 27, 2020	[3] 1,169,598 4.27%
Joseph Cordiano[A,C] Ontario, Canada	Lead Independent Director, Covalon Technologies Ltd. Principal, Cityzen Development Group	March 7, 2008	[4] 202,400 0.74%
Martin Goldfarb[(5)] Ontario, Canada	Director, Covalon Technologies Ltd. President, Goldfarb Ventures	March 8, 2023	[6] 4,601,563 16.80%
Samantha Nutt[A,C] Ontario, Canada	Director, Covalon Technologies Ltd. Founder and President, War Child Canada	March 9, 2022	[7] –
Abe Schwartz Ontario, Canada	Director, Covalon Technologies Ltd. President, Schwartz Technologies Corporation	March 7, 2008	8,160,912 29.79%
Ron Smith[A,C] Nova Scotia, Canada	Director, Covalon Technologies Ltd. Corporate Director	March 18, 2019	[8] 30,000 0.11%

[M] Indicates management.
[A] Audit Committee composition: As of the date hereof, Messrs. Ron Smith (Chair) and Joseph Cordiano and Dr. Samantha Nutt are members of the Audit Committee.

[C] Compensation and Governance Committee: As of the date hereof, Mr. Joseph Cordiano (Chair), Dr. Samantha Nutt, and Mr. Ron Smith are members of the Compensation and Governance Committee.

Notes:

(1) Based on 27,398,077 Common Shares outstanding as of January 29, 2025.
(2) Mr. Ashton owns 800,000 Common Share stock options.
(3) Mr. Boloor also owns 30,000 Common Share stock options and 200,000 deferred share units.
(4) Mr. Cordiano also owns 30,000 Common Share stock options and 25,000 deferred share units.
(5) Mr. Goldfarb previously served as a director from April 23, 2020 until March 9, 2022.
(6) Mr. Goldfarb also owns 15,000 deferred share units.
(7) Dr. Nutt owns 30,000 Common Share stock options and 15,000 deferred share units.
(8) Mr. Smith also owns 30,000 Common Share stock options and 25,000 deferred share units.

The respective nominees have furnished the information as to their beneficial ownership, or control or direction, of Common Shares and their principal occupations. Each of the directors and executive officers has been engaged in his or her present principal occupation for the previous five years, except as indicated in the following biographical information of each individual:

Brent Ashton was named the Chief Executive Officer of the Corporation on January 4, 2024. Mr. Ashton leads all aspects of strategy and execution for the Corporation. Mr. Ashton brought extensive global MedTech leadership experience with him to the Corporation. In his most recent role prior to joining the Corporation, Mr. Ashton was the Vice President and General Manager for Becton Dickinson's global Specimen Management Business Group. Prior to joining BD, Mr. Ashton spent 13 years in leadership positions with 3M Health Care where he led global businesses in the areas of Wound Care, Vascular Access, and Infection Prevention. Mr. Ashton has a Bachelor of Arts in Honors Business Administration from the Ivey School of Business at Western University in London, Canada.

Amir Boloor is the President of Caspian Equity Partners, Inc. of Vancouver, British Columbia, a private investment firm he founded in 2012. He has specialized in helping entrepreneurs accelerate growth and optimize performance, while propelling long-term profitability and value. Prior to founding Caspian Equity Partners, Inc., Mr. Boloor held various positions in the Mergers & Acquisitions and Diversified Investment Banking groups of TD Securities Inc. where he advised Boards and Executive Teams of mid-market and large-cap companies on numerous strategic review mandates, initial public offerings, mergers, acquisitions, divestitures, corporate restructures, leveraged buyouts, and takeover defenses. Mr. Boloor has a Bachelor of Commerce degree in Finance (with Honours) from the University of British Columbia. Mr. Boloor is a Chartered Financial Analyst from the CFA Institute.

Joseph Cordiano joined Cityzen Development Group, a real estate development company, as a principal in 2006, where he is responsible for the sales and marketing as well as new business development of its Greater Toronto Area projects. While he continues to provide an oversight for legacy projects, he is no longer involved in new initiatives. During his 21 years of public service as a Member of the Ontario Provincial Legislature, Mr. Cordiano served as the Minister of Economic Development and Trade, GTA Regional Minister and as a member of the Priorities and Planning Committee of Cabinet. A graduate of the University of Toronto and The University of Toledo, Ohio, Mr. Cordiano holds an MBA with a specialty in marketing.

Martin Goldfarb is an entrepreneur and a leading expert in the study of human behavior as it relates to the marketplace and society. He is Chairman of Almada Inc., President of Goldfarb Ventures, private equity companies and Principal at Goldfarb Intelligence Marketing. In 1966, Mr. Goldfarb established Goldfarb Consultants, a market research consulting firm, which he led until the sale of Goldfarb Consultants in 1998. Mr. Goldfarb has consulted to a number of national and international organizations. He also served as official pollster to the Liberal Party of Canada from 1973 to 1992. He was formerly Co-Chair of Kantar (WPP's market research division). Mr. Goldfarb is Chairman, President and CEO of The Goldfarb Corporation, a TSX and then a NEX Board of the TSX Venture Exchange ("**TSX-V**") company, until it became a private corporation in 2011. He was also Director and Chairman of Dayforce, a workforce performance software company until its sale. He was Chairman and Director of SMK Speedy International Inc., then a publicly listed company, until its sale in 2004. He was Director, investor, and non-executive Chair of Jempak until its sale. Mr. Goldfarb is former Director and Chairman of Workbrain and former Director of Altamira and Noma Industries Limited. He was a founder of Fast Company magazine. Mr. Goldfarb co-authored

"Marching to a Different Drummer" in 1988 and "Affinity: Beyond Branding" in 2010. Mr. Goldfarb has a B.A. in Anthropology and an M.A. in Sociology from the University of Toronto. In 2009, Mr. Goldfarb was awarded an Honorary Doctorate of Laws from York University. He is an inaugural recipient of the University College, University of Toronto, Distinguished Alumni Award. In 1998, Mr. Goldfarb was designated an Officer of the Order of Canada in recognition of his pioneering work in the market research industry and philanthropic activities. Mr. Goldfarb sits on the Toronto General and Western Hospital Foundation Senate.

Dr. Samantha Nutt (MD, MSc, CCFP, FCPC, C.M.) is a medical doctor, best-selling author and award-winning humanitarian. As Founder and President of War Child Canada and War Child USA, Dr. Nutt has worked with children and their families at the frontline of many of the world's major crises. With a career that has spanned more than two decades and dozens of conflict zones, her international work has benefited millions of war-affected children globally. Dr. Nutt has been appointed to the Order of Canada and is a recipient of the Order of Ontario. She graduated summa cum laude from McMaster University, earned an M.Sc. in Public Health with distinction from the London School of Hygiene and Tropical Medicine, and holds a Fellowship in Community Medicine/Public Health (FRCPC) from the Royal College of Physicians and Surgeons of Canada. She is further certified by the College of Family Practice (CCFP) and completed a sub-specialization in women's health through the University of Toronto as a Women's Health Scholar. Dr. Nutt is the recipient of numerous honorary doctorates from universities in Canada and the U.S.A. She is a staff physician at Women's College Hospital in Toronto and an Assistant Professor of Medicine at the University of Toronto.

Abe Schwartz is the President of Schwartz Technologies Corporation which he founded in 1985 to fund and actively develop early-stage companies engaged in healthcare and information technologies. Mr. Schwartz has been a Director of Covalon Technologies Ltd. since March 7, 2008. Mr. Schwartz has been actively building and managing companies from start-up to successful exit since his first software start-up in 1975. Mr. Schwartz has held executive positions and directorships in a number of public and private companies including CEO of Cedara Software Corp., a medical imaging company. Mr. Schwartz has over 50 years of experience in launching products, research and development, international distribution agreements, corporate reorganizations and turnarounds, venture capital financing and negotiating mergers and acquisitions.

Ron Smith (FCPA, FCA, ICD.D) is an independent director with years of Board experience in the private, not-for-profit, and public sectors. He serves on the boards of PRO Real Estate Investment Trust, the IWK Health Centre, Ombudsman for Banking Services and Investments (OBSI) and Engage Nova Scotia. He served as Interim CEO of Nova Scotia Business Inc. concurrently with his work as a director thereof. He was CFO of Nova Scotia Power and Emera Inc. prior to his retirement in 2005 and CFO of MT&T from 1987 to 1999 prior to the merger that created Bell Aliant. He has also served on the Canada Pension Plan Investment Board and Alamos Gold Inc. and was Chair of the Board of Governors of Acadia University from 2004 to 2009. Mr. Smith was the founding Chair of the Public Service Superannuation Plan Trustee Inc. from 2013 to 2022 and Chair of the National Board of The Arthritis Society from 2016 to 2018. Mr. Smith has the prestigious designation of Fellow of the Chartered Professional Accountants and holds the ICD.D designation from the Rotman School of Business.

Management does not anticipate that any of the nominees for election as a director will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion.

In the absence of voting instructions to withhold Common Shares from voting, the persons designated by management of the Corporation in the enclosed form of proxy, intend to vote to approve the election to the Board of the nominees set out above.

Management recommends voting **FOR** the resolution to elect each of the nominated directors.

3. Appointment of Auditor

PricewaterhouseCoopers LLP ("**PwC**"), Chartered Accountants, has been auditor of the Corporation since January 2019.

At the Meeting, it will be proposed that PwC, of PwC Centre, 354 Davis Road, Suite 600, Oakville ON, L6J 0C5, be reappointed as auditor of the Corporation to hold office until the next annual meeting of Shareholders and that the Board be authorized to fix the auditor's remuneration. The Corporation obtained a letter from PwC containing a description of all relationships between the auditor and the Corporation, discussed with the auditor any of these relationships that may impact their objectivity and independence and satisfied itself as to the auditor's independence.

In the absence of instructions to withhold Common Shares from voting, the persons designated by management of the Corporation in the enclosed form of proxy, intend to vote to approve the appointment of PwC as the Corporation's auditor and to authorize the Board to fix the auditor's remuneration.

Management recommends voting **FOR** the resolution to approve the reappointment of PwC as auditor of the Corporation and the authorization of the Board to fix the auditor's remuneration.

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purpose of the Circular, "**Named Executive Officer**" or "**NEO**" means:

(a) the Chief Executive Officer ("**CEO**");

(b) the Chief Financial Officer ("**CFO**");

(c) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer or chief executive officer, including an individual performing similar functions to such officers;

(d) the Corporation's next most highly compensated executive officer, or the next most highly compensated individual acting in a similar capacity, other than the CEO and the CFO, at the end of the most recently completed financial year and whose total compensation was more than $150,000; and

(e) the individual who would be a Named Executive Officer under paragraph (d) but for the fact that the individual was neither an executive officer of the Corporation nor acting in a similar capacity at the end of the most recently completed financial year.

Compensation Discussion and Analysis

All matters relating specifically to senior executive compensation are reviewed and approved by the Compensation and Governance Committee and the Board. The Compensation and Governance Committee is responsible for determining compensation for the individual directors and officers of the Corporation, including the CEO and the Chairman. The Compensation and Governance Committee members have direct experience relevant to their responsibilities relating to executive compensation as set out in their biographies under "Election of Directors".

The Corporation's overall policy regarding compensation of the Corporation's executive officers is structured to provide competitive salary levels and compensation incentives that support both the short-term and long-term goals of the Corporation, attract and retain qualified executive management and establish a compensation framework which is industry competitive. The Corporation's policy is to recognize and reward individual performance as well as to place executive compensation within the range of the compensation levels in the industry. The Board, upon the recommendations of the Compensation and Governance Committee, considers the implications of any risks associated with the Corporation's compensation policies and practices. The Board has not identified any risks arising from the Corporation's compensation policies or practices that could encourage an NEO to take inappropriate or excessive risks.

The elements of the compensation program for the NEOs are: (i) base salary; (ii) short-term, equity and non-equity based incentives in the form of annual cash bonuses, commissions and shares; and (iii) long-term, equity based incentives pursuant to the Omnibus Long-Term Incentive Plan ("**LTIP**"). The Corporation 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. In the 2024 financial year, compensation consisted of base salary, incentive options, and incentive bonuses; the Board believes there are no implied risks associated with the Corporation's policies and practices. It should be further noted that no NEO or director is permitted to purchase instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. The Corporation does not plan to make any significant changes to its compensation policies and practices during the current financial year.

Base Salary

Base salaries are established considering individual performance and experience, level of responsibility, and competitive pay practices. To achieve this goal, the Corporation does its own analysis, as well as having, in the past, retained the services of compensation consultants who were responsible for gathering information on compensation practices. Base salaries are reviewed annually and adjusted appropriately to reflect individual performance and market changes.

The base salaries of the Corporation's NEOs are set at levels consistent with those paid to senior executive officers in the healthcare equipment, healthcare supplies, and biotechnology sectors in Canada and the USA.

Short Term Incentive

All permanent full-time executives and employees have the opportunity to earn an annual performance bonus. The potential bonuses are expressed as a percentage of base salary and are reflective of position. All executives and employees have specific goals based on individual performance and corporate performance relating to revenue, profitability and customer satisfaction. The corporate targets are established by the CEO on an annual basis for review by the Compensation and Governance Committee and, if approved, are recommended for approval by the Board.

Long Term Incentives

The LTIP was approved by Shareholders in 2023 and will be required to be approved once again in 2026. The LTIP complies with requirements of the TSX-V Policy 4.4. Under the LTIP, a maximum of 10% of the issued and outstanding Common Shares are proposed to be reserved at any time for issuance on the exercise of awards under the LTIP ("Awards"). As the number of Common Shares reserved for issuance under the LTIP increases with the issue of additional Common Shares by the Corporation, the LTIP is considered to be a "rolling" stock option plan. The LTIP provides directors, officers, key employees, and consultants of the Corporation with the opportunity to participate in the LTIP, at the discretion of the Board. The Compensation and Governance Committee of the Board determines the level of Awards granted to executive officers. The Compensation and Governance Committee seeks to compensate executive officers at levels competitive with other companies comparable in size in the same industry and to provide short-term rewards and long-term incentives for superior individual and corporate performance. In making compensation decisions, the Compensation and Governance Committee periodically reviews information about the

compensation paid or payable to officers of comparably sized public companies. The Compensation and Governance Committee does not have target amounts of stock ownership for the Corporation's executive officers; however, the Compensation and Governance Committee does consider overall Common Share ownership when granting Awards. Previous grants of Awards are taken into account when considering new grants because the LTIP is subject to certain limits. The LTIP is intended to provide executives with the promise of longer-term rewards which appreciate in value with the favourable future performance of the Corporation. Awards are generally granted to an executive when he or she joins the Corporation, with additional Awards from time to time for promotions and performance. The Compensation and Governance Committee believes that the LTIP provides a method of retention and motivation for the executives of the Corporation and aligns senior management's objectives with long-term stock price appreciation.

Employment Contracts

Brent Ashton performs his duties as the Corporation's CEO under the terms of an employment agreement executed on January 3, 2024.

Amir Boloor performed his duties as the Corporation's Interim CEO under the terms of an employment agreement executed on October 19, 2023.

Compensation of NEOs

The following table sets forth the compensation earned during the last three fiscal years by the NEOs.

Summary Compensation Table

Name and Principal Position	Year	Salary, Consulting Fee, Retainer or Commission ($)	Deferred Share and Option Based Awards ($)[1]	Non-Equity Incentive Plan Compensation		All Other Compensation ($)[3][4]	Total Compensation ($)
				Annual Incentive Plans ($)[2]	Long-term Incentive Plans ($)		
Brent Ashton CEO	2024	415,960	–	151,814	–	22,924	590,698
Amir Boloor[5] Executive Chair	2024	152,135	288,000	–	–	–	440,135
	2023	10,385	–	–	–	–	10,385
Katie Martinovich Interim Chief Financial Officer[7,8]	2024	174,924	–	36,000	–	14,397	225,321
	2023	155,000	–	30,000	–	4,700	189,700
	2022	74,519	17,384	7,397	–	–	99,300
Jason Gorel Interim Chief Financial Officer[8]	2024	152,500	–	–	–	4,000	156,500
	2023	360,000	–	–	–	22,800	382,800
	2022	257,308	–	–	–	8,500	265,808
Kimberley Crooks Senior Vice President - Operations[10]	2024	252,839	–	100,000	–	14,803	367,642
	2023	24,750	–	–	–	1,800	26,550
	2022	116,875	–	–	–	8,500	125,375

Notes:

(1) Please see "Incentive Plan Awards" below. The fair value of stock option awards at grant date is calculated consistently with the Corporation's accounting for the fair value of stock option awards. It is calculated in accordance with International Financial Reporting Standard ("**IFRS**") 2 – Share-based Payment, using the Black-Scholes-Merton option pricing model and is adjusted for forfeitures. For the purposes of determining the accounting expense to be included in the Financial Statements of the Corporation for the year ended September 30, 2024 in respect of stock option awards, accounting fair value expense is amortized over the vesting period of the award, which is normally one to three years. Please refer to the Corporation's annual Financial Statements for more details on accounting for fair value of stock option awards. All stock option awards granted vest over a three-year period and have a term of five years. On October 20, 2023, the Board of Directors granted Mr. Boloor 200,000 deferred share units by virtue of him becoming the interim CEO on September 25, 2023.
(2) Amounts for Mr. Ashton, Ms. Martinovich, and Ms. Crooks represent bonuses earned during the fiscal year.
(3) The value of perquisites and other personal benefits in each fiscal year do not exceed the lesser of $50,000 and 10% of the NEOs total annual salary for that year.
(4) Amounts for Mr. Ashton, Ms. Martinovich, Mr. Gorel, and Ms. Crooks represent a car allowance and employer paid RRSP contributions or 401(k) retirement plan contributions.
(5) Mr. Boloor was appointed Interim CEO of the Corporation effective September 25, 2023 and Mr. Brian Pedlar ceased to be President and CEO of the Corporation on the same date. Mr. Boloor entered into an employment agreement with the Corporation on October 19, 2023 which provided him with compensation of $45,000 per month whilst Interim CEO, and Mr. Boloor received director compensation in 2021 and 2022 (see section entitled "Compensation of Directors"). Mr. Brent Ashton was appointed CEO of the Corporation effective January 4, 2024 and Mr. Boloor both ceased to be Interim CEO of the Corporation, and was appointed Executive Chair of the corporation, on the same date. Mr. Boloor entered into an Executive Chairman agreement on January 4, 2024, and is provided with $15,000 per month.
(6) Mr. Pedlar ceased to be President and CEO of the Corporation on September 25, 2023. The Corporation, has made payments in accordance with applicable employment legislation totalling $254,588 subsequent to September 30, 2023. The Corporation anticipates making additional severance payments to Mr. Pedlar. Additionally, Mr. Pedlar severed as a director until March 6, 2024, but did not receive any compensation for his role as a director.
(7) Ms. Martinovich joined the Corporation on April 4, 2022 as Corporate Controller.
(8) Mr. Gorel resigned his position as Interim CFO effective February 6, 2024 and was replaced by Ms. Katie Martinovich as Interim CFO on the same date.
(9) Ms. Crooks previously served in the capacity of Vice President of Operations from September 22, 2012 until she resigned her position effective December 20, 2022. She served as a consultant from January 2, 2023 to December 31, 2023, and re-joined the Corporation on January 2, 2024 as Senior Vice President – Operations.

Incentive Plan Awards

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

Outstanding Option-Based Awards - NEOs

The following table sets forth, as at September 30, 2024, information concerning outstanding option-based awards granted to the NEOs of the Corporation, including awards granted before the most recently completed fiscal year.

Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price ($)	Option Expiration Date	Value of Unexercised In-the-Money Options ($) [1]
Brent Ashton[3]	800,000	1.50	10-Jan-2029	NIL
Amir Boloor[2,3]	30,000	2.19	28-Mar-2027	$24,200
Jason Gorel[4]	–	–	–	NIL
Katie Martinovich[4]	20,000	2.50	06-Sep-2027	$12,000
Kimberley Crooks[5]	–	–	–	NIL

Note:
(1) The market price of the Common Shares as at September 30, 2024 was $3.40.
(2) Mr. Pedlar ceased to be President and CEO of the Corporation effective September 25, 2023, and Mr. Boloor was appointed Interim CEO on the same date.
(3) Mr. Boloor ceased to be Interim CEO of the Corporation effective January 4, 2024, and Mr. Ashton was appointed CEO on the same date.
(4) Mr. Gorel ceased to be Interim CFO of the Corporation effective February 6, 2024 and Ms. Martinovich was appointed Interim CFO on the same date.
(5) Ms. Crooks joined the Corporation on January 2, 2024 as Senior Vice President - Operations.

Exercise of Securities – NEOs

Name and Position of NEO	Type of Security or Other Instrument	Number of Securities Exercised	Exercise Price per Security	Date of Exercise	Closing Price per Security on Date of Exercise	Difference between Exercise Price and Closing Price on Date of Exercise	Total
-	-	NIL	NIL	NIL	NIL	NIL	NIL

Note: During the year ended September 30, 2024, no securities were exercised by any NEOs of the Corporation.

Incentive Plan Value Vested or Earned During the Year – NEOs

The following table sets forth information concerning outstanding option-based awards granted to the NEOs that vested during the year and non-equity incentive plan compensation earned during the year.

Name	Option-based awards – Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Brent Ashton	NIL	NIL
Amir Boloor	NIL	NIL
Jason Gorel	NIL	NIL
Katie Martinovich	$8,800	NIL
Kimberley Crooks	NIL	NIL

Equity Compensation Plan Information as of the Fiscal Year Ended September 30, 2024

Pursuant to the Corporation's 2019 Amended and Restated Stock Option Plan (the "**Legacy Plan**") and the LTIP, the maximum aggregate number of Common Shares which may be issued upon the exercise or vesting of any securities issued pursuant to the Legacy Plan and the LTIP is 10% of the Common Shares outstanding from time to time in the aggregate.

Plan Category	Number of Securities to be issued upon exercise of outstanding options and warrants and deferred share units (a)	Weighted-average exercise price of outstanding options and warrants (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	1,602,500	$1.74	1,137,308
Equity compensation plans not approved by securityholders	–	–	–
Total	1,602,500	$1.74	1,137,308

Termination and Change of Control Benefits

In the event that Mr. Ashton's employment agreement is terminated by the Corporation, he is entitled to a severance payment equal to the greater of (i) the minimum amounts required under applicable law, and (ii) (A) six months of his base Salary, if termination occurs prior to three (3) years of completed service, which is estimated to be approximately $289,170 based on his current base salary; (B) twelve (12) months of his base Salary, if the termination occurs on or after the first three (3) years of completed service, which is estimated to be approximately $578,340 based on his current base salary. In the event that Mr. Ashton's employment agreement is terminated in connection with a change in control (or within one year of a change of control) of the Corporation, he would be eligible to receive the greater of the minimum amounts required by applicable law and twelve (12) months of his base salary which is estimated to be

approximately $578,340 based on his current base salary. In the event of his termination, Mr. Ashton's benefits would continue for the periods prescribed by applicable law. In the event that Ms. Martinovich and Ms. Crooks's employment agreement is terminated by the Corporation, they are entitled to a severance payment equal to the greater of (i) the minimum amounts required under applicable law, and (ii) two weeks' notice or pay in lieu of notice plus two weeks' notice or pay in lieu thereof per completed year of service up to a maximum of six months' pay in lieu notice. In the event of their termination, both Ms. Martinovich and Ms. Crooks' benefits would continue for the periods prescribed by applicable law. A "**change of control**" of the Corporation is defined as a change in the ownership of 50% or more of the outstanding stock of the Corporation in a single transaction or series of transactions effected by a third party or third parties acting in concert, or a change of 50% or more of the members of the Board in a single transaction or event or series of transactions or events effected by any third party or third parties acting in concert, other than pursuant to nomination of a new slate of directors where there has been no material change in beneficial ownership of Common Shares within 365 days preceding such nomination.

Compensation of Directors

The following table sets forth the details of the compensation provided to the directors, other than the NEOs, during the Corporation's last three fiscal years:

Name	Year	Fees earned ($)	Deferred Share Units and Option based awards ($)[1,2]	Non-equity incentive plan compensation ($)	All other compensation ($)	Total ($)
Abe Schwartz	2024	18,000	–	–	–	18,000
	2023	–	–	–	–	–
	2022	–	–	–	–	–
Joseph Cordiano	2024	24,000	36,000	–	–	60,000
	2023	24,000	–	–	–	24,000
	2022	24,000	13,057	–	–	37,057
Ron Smith	2024	24,000	36,000	–	–	60,000
	2023	24,000	–	–	–	24,000
	2022	24,000	19,567	–	–	43,567
Amir Boloor	2024	135,000	–	–	–	135,000
	2023	24,000	–	–	–	24,000
	2022	24,000	11,663	–	–	35,663
Samantha Nutt	2024	24,000	21,600	–	–	45,600
	2023	24,000	–	–	–	24,000
	2022	13,484	11,663	–	–	25,147
Martin Goldfarb	2024	24,000	21,600	–	–	45,600
	2023	24,000	–	–	–	24,000
	2022	–	–	–	–	–

Notes:

(1) The fair value of stock option awards at grant date is calculated consistently with the Corporation's accounting for the fair value of stock option awards. It is calculated in accordance with IFRS 2 – Share-based Payment, using the Black-Scholes-Merton option pricing model and is adjusted for forfeitures. For the purposes of determining the accounting expense to be included in the Financial Statements of the Corporation for the year ended September 30, 2024 in respect of stock option awards, accounting fair value expense is amortized over the vesting period of the award, which is normally one to three years. Please refer to the Corporation's annual Financial Statements for more details on accounting for fair value of stock option awards. No options were granted during the twelve months ended September 30, 2024.

(2) On October 20, 2023, the Directors approved the grant of an aggregate of 95,000 deferred stock units to certain of its directors. These grants did not include Mr. Boloor. All DSUs were granted pursuant to the Company's omnibus long-term incentive plan and are subject to the terms of the applicable grant agreements and the requirements of the TSX Venture Exchange.

Directors of the Corporation, provided they are not also executives, are generally entitled to compensation for their services as directors. All directors are reimbursed for travelling and other out-of-pocket expenses incurred in their roles as directors of the Corporation.

Incentive Plan Awards

Outstanding Option-Based Awards - Directors

The following table sets forth, as at September 30, 2024, information concerning outstanding option-based awards granted to the directors of the Corporation (other than the NEOs), including awards granted before the most recently completed fiscal year:

Name	Number of securities underlying unexercised options (#)	Option Exercise Price ($)	Option Expiration Date	Value of unexercised in-the-money options ($)[1]
Abe Schwartz	NIL	–	–	NIL
Joseph Cordiano	30,000	2.19	March 28, 2027	$24,200
Ron Smith	30,000	2.19	March 28, 2027	$24,200
Amir Boloor	30,000	2.19	March 28, 2027	$24,200
Samantha Nutt	30,000	2.19	March 28, 2027	$24,200
Martin Goldfarb	NIL	–	–	NIL

Notes:
(1) The market price of the Common Shares as at September 30, 2024 was $3.40.

Exercise of Securities - Directors

Name and Position of Director	Type of Security or Other Instrument	Number of Securities Exercised	Exercise Price per Security	Date of Exercise	Closing Price per Security on Date of Exercise	Difference between Exercise Price and Closing Price on Date of Exercise	Total
-	-	NIL	NIL	NIL	NIL	NIL	NIL

Note: During the year ended September 30, 2024, no securities were exercised by any directors.

Incentive Plan Value Vested or Earned During the Year - Directors

The following table sets forth information concerning outstanding option-based awards granted to the directors (other than NEOs) that vested during the year and non-equity incentive plan compensation earned during the year:

Name	Option-based awards – Value vested during the year	Non-equity incentive plan compensation – Value earned during the year
Abe Schwartz	NIL	NIL
Joseph Cordiano	$12,600	NIL
Ron Smith	$12,600	NIL
Amir Boloor	$12,600	NIL
Samantha Nutt	$12,600	NIL

Martin Goldfarb	NIL	NIL

Narrative Discussion

Please refer to the sections above entitled "Compensation Discussion and Analysis" for a description of the LTIP and its significant terms.

Directors' and Officers' Liability Insurance

The Corporation is a named insured under a directors' and officers' liability insurance policy maintained by the Corporation for itself and its directors and officers, which has an annual aggregate policy limit of USD $20,000,000, subject to a USD $100,000 deductibles for each claim.

Generally, under this insurance coverage, the Corporation is reimbursed for indemnity payments made to its directors or officers as required or permitted by law or under by-law indemnity provisions for losses, including legal costs incurred by directors and officers in their capacities as such. This policy also provides coverage directly to individual directors and officers without any deductible if they are not indemnified by the Corporation. The insurance coverage for directors and officers has certain exclusions including, but not limited to, those acts determined to be deliberately fraudulent or dishonest or to have resulted in personal profit or advantage. The policy became effective July 1, 2024 and expires July 1, 2025. The premium for this policy is USD $115,190.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board believes that sound corporate governance practices are essential to the effective, efficient and prudent operation of the Corporation and to the enhancement of Shareholder value, particularly in light of the fact that, provided each of the proposed directors to serve on the Board listed herein are appointed, the majority of the directors on the Board would not be considered independent within the meaning of applicable law. The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or as required. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Corporation's affairs and in light of opportunities or risks that the Corporation faces. The directors are kept informed of the Corporation's operations at these meetings as well as through reports and discussions with management on matters within their particular areas of expertise.

The Corporation's approach to corporate governance is based on the Corporate Governance Guidelines of the Canadian Securities Administrators and is described in Appendix A.

AUDIT COMMITTEE INFORMATION

Audit Committee Charter

The charter of the Audit Committee is attached hereto as Appendix B.

Composition of the Audit Committee

As of the date hereof, the Audit Committee consists of Ron Smith (Committee Chair), Joseph Cordiano and Samantha Nutt, the majority of whom are independent. Each member of the Audit Committee is financially literate (as such term is defined in National Instrument 52-110 – *Audit Committees*).

Relevant Education and Experience

The relevant education and experience of the Audit Committee members is set out in their respective biographies under the heading "Election of Directors" above.

External Auditor Service Fees

Fees paid or payable to external auditors in the fiscal years ended September 30, 2024 and 2023 were as follows:

	Year Ended September 30, 2024	***Year Ended September 30, 2023***
Audit Fees	$296,500	$198,819
Audit-Related Fees	$23,000	$19,260
Tax Fees	$15,329	$52,256
Other Fees	NIL	NIL

For the year ended September 30, 2024, the Audit-Related Fees were payable for professional services rendered by the auditor as related to the Corporation's quarterly Financial Statements, and the tax fees pertain to tax compliance services. The Corporation is relying upon the exemption in section 6.1 of NI 52-110.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

Except as disclosed below, no individual who is, or at any time during the most recently completed fiscal year of the Corporation was, a director or executive officer of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any associate of any of the foregoing is, or at any time since the beginning of the most recently completed fiscal year of the Corporation has been, indebted to the Corporation or any of its subsidiaries (other than in respect of amounts which would constitute routine indebtedness) or was indebted to another entity, which such indebtedness is, or was at any time since the beginning of the most recently completed fiscal year of the Corporation, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

During the year ended September 30, 2013, a non-interest-bearing loan of $50,000 was made to the then-CEO of the Corporation. The principal is repayable in annual instalments of $10,000 commencing August 16, 2014 with the final payment due August 16, 2018. As of September 30, 2018, $10,000 of this loan remained outstanding.[1]

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

There were no material transactions since the commencement of the Corporation's most recently completed fiscal year in which any director, proposed director, officer or principal Shareholder of the Corporation, or any of their associates or affiliates, had any material interest, direct or indirect, and no such transactions are proposed.

PENALTIES AND SANCTIONS AND BANKRUPTCIES

Other than Mr. Cordiano, who was a director of Next Remedies Inc., a start-up company that was adjudged to be bankrupt in 2024, no proposed director of the Corporation is, or within ten years before the date hereof, has been: (a) a director, CEO or CFO of any company (including the Corporation) that (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, CEO or CFO, or (ii) was subject to an order that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO; or (b) a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

[1] **NTD:** Just want to make sure if this is still the case.

In addition, no proposed director of the Corporation has within ten years before the date hereof become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold his or her assets.

ADDITIONAL INFORMATION

Except where otherwise indicated, information contained herein is given as of the date hereof.

Additional information relating to the Corporation can be found on SEDAR+ at www.sedarplus.ca. **Further financial information is provided in the Corporation's Financial Statements and the related management's discussion and analysis of results, which have been filed on SEDAR+.** Shareholders may also contact the Secretary of the Corporation by phone at 905-568-8400 ext. 246, or by e-mail at office@covalon.com to request copies of these documents. Shareholders may contact TSX Trust's Investor Services by e-mail at tsxtis@tmx.com should they have any general questions.

The Corporation will provide to any person or company, upon receipt of a request to the Secretary of the Corporation, and without charge in the case of a security holder, a copy of: (i) the Corporation's most recently filed comparative annual financial statements, together with the accompanying report of the auditor, and any interim financial statements of the Corporation that have been filed for any period after the end of its most recently completed fiscal year; and (ii) the Circular.

GENERAL

The Board has approved the contents and the sending of the Circular. A copy of the Circular and the Notice of Meeting has been sent to each director, each Shareholder entitled to notice of the Meeting, and the Corporation's auditor.

DATED February 11th, 2025

"Brent Ashton"
Brent Ashton
CEO

Appendix A

CORPORATE GOVERNANCE PRACTICES

Statement of Corporate Governance Practices

The board of directors (the "**Board**") of Covalon Technologies Ltd. (the "**Corporation**") believes that sound corporate governance practices are essential to the effective, efficient, and prudent management and operation of the Corporation and its business, to the protection of employees and shareholders, and to the enhancement of shareholder value. The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or as required. Frequency of meetings may be increased, and the nature of the agenda items may be changed, depending upon the state of the Corporation's affairs and in light of opportunities or risks which the Corporation faces. The directors are kept informed of the Corporation's operations at these meetings as well as through reports and discussions with management on matters within their particular areas of expertise.

National Policy 58-201 – *Corporate Governance Guidelines* ("**NP 58-201**") sets out guidelines for effective corporate governance. These guidelines deal with matters such as the constitution and independence of corporate boards, their functions, the effectiveness and education of board members and other items dealing with sound corporate governance. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires that if management of an issuer solicits proxies from its security holders for the purpose of electing directors, specified disclosure of the board's corporate governance practices must be included in its management information circular.

The Corporation's corporate governance practices have been and continue to be in compliance with applicable Canadian requirements. The Corporation continues to monitor developments in Canada with a view to further revising its governance policies and practices, as appropriate. The Board has considered the guidelines set out in NP 58-201 and believes that its approach to corporate governance is appropriate and works effectively for the Corporation and its Shareholders. The following is a description of the Corporation's corporate governance practices which has been prepared by the Compensation and Governance Committee of the Board and has been approved by the Board.

The Board of Directors

As of the date hereof, the Board is comprised of seven members, three of whom are independent within the meaning of NI 58-101, namely Joseph Cordiano, Samantha Nutt, and Ron Smith. Brent Ashton is not independent as he is a senior executive officer of the Corporation. Amir Boloor is not independent as he is a senior executive officer by virtue of his appointment as Executive Chairman of the Corporation. Abe Schwartz is not independent as he owns more than 10% of the Common Shares. Martin Goldfarb is not independent because he directly or indirectly owns or controls more than 10% of the Company's issued and outstanding Common Shares. **Following the Meeting, and assuming the election of all persons nominated as directors, the Board will be comprised of seven members, three of whom will be independent within the meaning of NI 58-101.** Notwithstanding that a majority of the directors will not be considered independent within the meaning of NI 58-101, the Board believes that (i) regularly scheduling in camera sessions with just the independent directors and (ii) referring key governance matters for consideration by the Compensation and Governance Committee, which is comprised of a majority of independent directors, will ensure and facilitate the Board's exercise of independent judgement in carrying out its responsibilities. Furthermore, any director with a disclosable interest in any matter to be considered by the Board, will recuse themselves from such discussions. The Board has also appointed Joseph Cordiano to serve as the Lead Independent Director of the Board.

The role of the Chair of the Board is to chair all meetings of the Board in a manner that promotes meaningful discussion, and to provide leadership to the Board to enhance the Board's effectiveness in meeting its responsibilities. The Chair's responsibilities include, without limitation, ensuring that the Board works together as a cohesive team with open communication and working together with the Compensation and Governance Committee to ensure that a process is in place by which the effectiveness of the Board, its committees, and its individual directors can be evaluated on at least an annual basis.

The Board holds regularly scheduled meetings. In addition, the independent directors meet regularly without management to review the business operations, corporate governance, and financial results of the Corporation. During the fiscal year ended September 30, 2024, the Board held 11 meetings by video conference and/or in person.

Mr. Smith is currently a director of one other reporting issuer, as set forth below:

Director Name	Directorships with Other Reporting Issuer
Ron Smith	PRO Real Estate Investment Trust (TSX: PRV)

Position Descriptions

A written position description has been developed by the Board for the Chair of the Board. Written mandates have also been developed for each of the Board's committees. The Board, together with the CEO, has also developed a written position description for the CEO, the CFO, and the Chief Scientific Officer.

Orientation and Continuing Education

The measures that the Board takes in connection with orienting new Board members regarding the role of the Board, its directors, the committees of the Board, and the nature and operation of the Corporation's business include providing each new member with information concerning the role and responsibilities of a public company director, providing new members with a complete set of the Corporation's charters, policies, and procedures, and discussing with new members the Corporation's operations.

With respect to providing continuing education for its directors, the Board ensures that all directors are kept apprised of changes in the Corporation's operations and business, changes in the regulatory environment affecting the Corporation's day-to-day business both within Canada and within the foreign jurisdictions in which the Corporation does business, and changes in their roles as directors of a public corporation.

The Compensation and Governance Committee also considers orientation and continuing education for Board members and makes recommendations to the Board from time to time regarding same.

Code of Business Conduct and Ethics

The Board has adopted a Code of Conduct (the "**Code**") for its directors, officers, and employees. The Code includes provisions that require directors, officers, and employees to inform the Corporation's CEO or other appropriate person of any non-compliance with the Code.

The Board takes steps to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer of the Corporation has a material interest, which include ensuring that directors and officers are thoroughly familiar with the Code and, in particular, the rules concerning reporting conflicts of interest and obtaining direction from the CEO or other appropriate person(s) regarding any potential conflicts of interest.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules, and regulations; providing guidance to employees, officers, and directors to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty, and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct. In addition, the Board has implemented a disclosure policy and an insider trading policy.

Committees of Directors

The Board has two committees: an audit committee (the "**Audit Committee**") and a compensation and corporate governance committee (the "**Compensation and Governance Committee**"). Information regarding the Audit Committee is provided in the Circular under the heading "Audit Committee Information".

Compensation

The Board, together with the Compensation and Governance Committee, determines appropriate compensation for the Corporation's directors and executive officers. The Compensation and Governance Committee is comprised of Mr. Cordiano (Committee Chair), Dr. Nutt and Mr. Smith. The Compensation and Governance Committee met three times since the date of the last annual meeting of the Corporation. The Compensation and Governance Committee's responsibilities include reviewing and making recommendations to the Board regarding overall compensation and benefits, equity and other compensation plans and the total compensation package of the CEO. The Compensation and Governance Committee also considers and approves the recommendations of the CEO regarding the total compensation packages of the CFO and the Chief Scientific Officer. The process by which appropriate compensation levels are determined by the Board is through periodic and annual reports from the Compensation and Governance Committee on the Corporation's overall compensation and benefits philosophies, which are established based, in part, on a review of peer group and healthcare industry compensation data. The reports describe processes undertaken by the Compensation and Governance Committee to weight factors and target levels in determining executive compensation.

Nomination of Directors

The Board, together with the Compensation and Governance Committee, is responsible for identifying new candidates for nomination to the Board. The Compensation and Governance Committee consists of Mr. Cordiano (Committee Chair), Dr. Nutt and Mr. Smith. In carrying out its mandate, the Compensation and Governance Committee met three times since the date of the last annual meeting of the Corporation. The process by which the Board identifies new candidates is through recommendations of the Compensation and Governance Committee whose responsibility it is to establish procedures to identify new candidates based on corporate law and regulatory requirements as well as relevant education and experience related to the business of the Corporation.

The Compensation and Governance Committee's responsibilities include annually reviewing the charters of the Board and the Compensation and Governance Committee; assisting the Chair of the Board in carrying out his responsibilities; considering and, if thought fit, approving requests from directors or committee members for the engagement of special advisors from time to time; preparing and recommending to the Board a set of corporate governance guidelines, the Code and annually a statement of corporate governance practices to be included in the Corporation's management information circular; meeting with the Corporation's external corporate counsel to discuss the Corporation's corporate governance policies and practices; recommending procedures to permit the Board to meet on a regular basis without management present; assisting the Board by identifying individuals qualified to become Board members and members of Board committees; leading the Board in its annual review of the Board's performance; and assisting the Board in monitoring compliance by the Corporation with legal and regulatory requirements.

Board Assessments

The Board, its committees, and its individual directors are assessed on an annual basis, as to their effectiveness and contribution. The process by which such assessments are made is through questionnaires developed by the Board and the Compensation and Governance Committee, which are distributed to each director and/or committee member for review and completion each year. In addition, the Chair of each committee encourages discussion among the Board or the respective committee as to the evaluation of the Board's or committee's effectiveness over the course of the year. All directors and/or committee members are free to make suggestions for improvement of the practices of the Board and/or its committees at any time and are encouraged to do so.

The Compensation and Governance Committee is responsible for reviewing with the Board, on an annual basis, the requisite skills and characteristics of prospective Board members as well as the composition of the Board as a whole. This assessment includes members' contribution, qualification as independent, as well as consideration of diversity, age, skills, and experience in the context of the needs of the Board.

Appendix B

AUDIT COMMITTEE CHARTER

GENERAL FUNCTIONS, AUTHORITY, AND ROLE

The purpose of the Audit Committee is to oversee the accounting and financial reporting processes of the Corporation and the audits of its financial statements, and thereby assist the Board in monitoring: (1) the integrity of the financial statements of the Corporation; (2) compliance by the Corporation with legal and regulatory requirements related to financial reporting; (3) the performance of the Corporation's independent auditors; and, (4) performance of the Corporation's internal controls and financial reporting process.

The Audit Committee has the power to conduct or authorize investigations into any matters within its scope of responsibilities, with full access to all books, records, facilities and personnel of the Corporation, its auditors and its legal advisors. In connection with such investigations or otherwise in the course of fulfilling its responsibilities under this charter, the Audit Committee has the authority to independently retain special legal, accounting, or other consultants to advise it, and may request any officer or employee of the Corporation, its independent legal counsel or independent auditor to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee. The Audit Committee has the power to create specific sub-committees with all of the power to conduct or authorize investigations into any matters within the scope of the mandate of the sub-committee, with full access to all books, records, facilities and personnel of the Corporation, its auditors and its legal advisors.

The Corporation's independent auditor is ultimately accountable to the Board of Directors and to the Audit Committee, who, as representatives of the Corporation's shareholders, have the ultimate authority and responsibility to evaluate the independent auditor, appoint and replace the independent auditor, and to determine appropriate compensation for the independent auditor. In the course of fulfilling its specific responsibilities hereunder, the Audit Committee must maintain free and open communication between the Corporation's independent auditors, Board of Directors, and Management. The responsibilities of a member of the Audit Committee are in addition to such member's duties as a member of the Board of Directors.

While the Audit Committee has the responsibilities and powers set forth in this charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete, accurate, and in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

MEMBERSHIP

The membership of the Audit Committee will be as follows:

- The Audit Committee shall consist of a minimum of three members of the Board of Directors, appointed annually, a majority of whom is affirmatively confirmed as independent by the Board of Directors, with such affirmation disclosed in the Corporation's annual Information Circular.
- The Board will elect, by a majority vote, one member as chairperson.
- The membership of the Audit Committee will meet all requirements of the TSX Venture Exchange and the requirements of such other securities exchange or quotations system or regulatory agency as may from time to time apply to the Corporation.

RESPONSIBILITIES

The responsibilities of the Audit Committee shall be as follows:

Frequency of Meetings

- Meet quarterly or more often as may be deemed necessary or appropriate in its judgment, either in person or telephonically.
- The Audit Committee will meet with the independent auditor at least annually, either in person, telephonically, or by video conference.

Reporting Responsibilities

- Provide to the Board of Directors proper Audit Committee minutes.
- Report Audit Committee actions to the Board of Directors with such recommendations as the Audit Committee may deem appropriate.

Charter Evaluation

- Annually review and reassess the adequacy of this charter and recommend any proposed changes to the Board of Directors for approval.

Whistleblower Mechanism

- Adopt and review annually a procedure through which employees and others can inform the Audit Committee regarding any concerns about the Corporation's accounting, internal accounting controls or auditing matters. The procedure shall include responding to, and keeping of records of, any such complaints.

Legal Responsibilities

- Perform such functions as may be assigned by law, by the Corporation's certificate of incorporation, memorandum, articles or similar documents, or by the Board of Directors.

INDEPENDENT AUDITOR

Nominations

- Appoint annually the independent auditor to be proposed for shareholder approval.

Compensation and Evaluation

- Approve the compensation of the independent auditor, evaluate the performance of the independent auditor and, if so determined by the Audit Committee, replace the independent auditor.

Engagement Procedures for Non-Audit Services

- Establish policies and procedures for the engagement of the independent auditor to provide non-audit services.
- Ensure that the independent auditor is not engaged for any activities not allowed by any of the Canadian provincial securities commissions, the United States SEC or any securities exchange on which the Corporation's shares are traded.
- Inform management that the auditors are not to be engaged for any of the following nine types of non-audit services:

- Bookkeeping or other services related to accounting records or financial statements of the Corporation;
- Financial information systems design and implementation consulting services;
- Appraisal or valuation services, fairness opinions, or contributions-in-kind reports;
- Actuarial services;
- Internal audit outsourcing services;
- Any management or human resources function;
- Broker, dealer, investment advisor, or investment banking services;
- Legal services;
- Expert services related to the auditing service; and
- Any other service the Board of Directors determines is not permitted.

Hiring Practices

- Ensure that no individual who is, or in the past 3 years has been, affiliated with or employed by a present or former auditor of the Corporation or an affiliate, is hired by the Corporation as a senior officer until at least 3 years after the end of either the affiliation or the auditing relationship.

Independence Test

Take reasonable steps to confirm the independence of the independent auditor, which shall include:

- Ensuring receipt from the independent auditor of a formal written statement delineating all relationships between the independent auditor and the Corporation, consistent with the Independence Standards Board Standard No. 1 and related Canadian regulatory body standards;
- Considering and discussing with the independent auditor any relationships or services provided to the Corporation, including non-audit services, that may impact the objectivity and independence of the independent auditor; and
- As necessary, taking, or recommending that the Board of Directors take, appropriate action to oversee the independence of the independent auditor.

Audit Committee Meetings

- Notify the independent auditor of every Audit Committee meeting and permit the independent auditor to appear and speak at those meetings.
- At the request of the independent auditor, convene a meeting of the Audit Committee to consider matters the auditor believes should be brought to the attention of the directors or shareholders.
- Keep minutes of its meetings and report to the Board for approval of any actions taken or recommendations made.

Restrictions

- Confirm with management and the independent auditor that no restrictions are placed on the scope of the auditors' review and examination of the Corporation's accounts.

OTHER PROFESSIONAL CONSULTING SERVICES

Engagement Review

- As necessary, consider with management the rationale and selection criteria for engaging professional consulting services firms.

- Ultimate authority and responsibility to select, evaluate and approve professional consulting services engagements.

AUDIT AND REVIEW PROCESS AND RESULTS

Scope

- Consider, in consultation with the independent auditor, the audit scope and plan of the independent auditor.

Review Process and Results

- Consider and review with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 61, as the same may be modified or supplemented from time to time.
- Review and discuss with management and the independent auditor at the completion of the annual examination:
    - The Corporation's audited financial statements and related notes;
    - The Corporation's MD&A and news releases related to financial results;
    - The independent auditor's audit of the financial statements and its report thereon;
    - Any significant changes required in the independent auditor's audit plan;
    - The appropriateness of the presentation of any non-IFRS related financial information;
    - Any serious difficulties or disputes with management encountered during the course of the audit; and
    - Other matters related to the conduct of the audit, which are to be communicated to the Audit Committee under generally accepted auditing standards.
- Review the management letter delivered by the independent auditor in connection with the audit.
- Following such review and discussion, if so determined by the Audit Committee, recommend to the Board that the annual financial statements be included in the Corporation's annual report.
- Review, discuss with management and approve annual and interim quarterly financial statements prior to public disclosure. The chairperson of the Audit Committee may represent the entire Audit Committee for purposes of this review.
- Review and discuss with management and the independent auditor the adequacy of the Corporation's internal accounting and financial controls that management and the Board of Directors have established and the effectiveness of those systems, and inquire of management and the independent auditor about significant financial risks or exposures and the steps management has taken to minimize such risks to the Corporation.
- Meet separately with the independent auditor and management, as necessary or appropriate, to discuss any matters that the Audit Committee or any of these groups believe should be discussed privately with the Audit Committee.
- Review and discuss with management and the independent auditor the accounting policies which may be viewed as critical, including all alternative treatments for financial information within generally accepted accounting principles that have been discussed with management, and review and discuss any significant changes in the accounting policies of the Corporation and industry accounting and regulatory financial reporting proposals that may have a significant impact on the Corporation's financial reports.
- Review with management and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures, if any, on the Corporation's financial statements.
- Review with management and the independent auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Corporation's financial statements or accounting policies.
- Review with the Corporation's General Counsel legal matters that may have a material impact on the financial statements, the Corporation's financial compliance policies and any material reports or inquiries received from regulators or governmental agencies related to financial matters.

SECURITIES REGULATORY FILINGS

- Review filings with the Canadian provincial securities commissions, the United States SEC, and other published documents containing the Corporation's financial statements.
- Review, with management and the independent auditor, prior to filing with regulatory bodies, the interim quarterly financial reports (including related notes and MD&A) at the completion of any review engagement

or other examination. The chairperson of the Audit Committee may represent the entire Audit Committee for purposes of this review.

RISK ASSESSMENT

- Meet periodically with management to review the Corporation's major financial risk exposures and the steps management has taken to monitor and control such exposures.
- Assess risk areas and policies to manage risk including, without limitation, environmental risk, insurance coverage and other areas as determined by the Board of Directors from time to time.
- Review and discuss with management, and approve changes to, the Corporation's Corporate Treasury Policy.