

xtract one

Governance and Nomination Committee Mandate

APPROVED BY THE BOARD OF DIRECTORS OCTOBER 21, 2026

Governance and Nomination Committee Mandate

1. Establishment of the Governance and Nomination Committee

The Board of Directors of Xtract One Technologies Inc. (the "Company") hereby establishes a committee to be called the Governance and Nomination Committee (the "Committee").

2. Purpose

The purpose of the Committee is to assist the Board of Directors (the "Board") with:

- The oversight of the Company's overall governance framework, and to cultivate best practices in corporate governance within the Company; and

- Provide oversight for the Board in the identification of the individuals who may be candidates for members of the Board, guiding the selection and interview process.

3. Membership

The Board shall annually appoint a Committee composed entirely of not less than three (3) independent Directors, with members holding office until the close of the Company's annual meeting of shareholders. The Board may at any time remove or replace a member of the Committee and may fill any vacancy on the Committee that may arise from time to time. A member of the Committee shall cease to be a member if such member ceases to be a Director of the Company.

The Committee may require the attendance of other officers or employees of the Company, and may engage and compensate external advisors, as may be necessary for the proper performance of its duties.

4. Responsibilities of the Governance and Nomination Committee

The Committee shall have specific responsibility for the following:

a) Oversight of the Company's Governance Framework

Annually reviewing of the Company's governance framework relative to applicable law and regulation and best practices for TSX listed companies, making recommendations for changes and improvements to the Board;

b) Board Mandate

Annually reviewing the Board Mandate and the Committee terms of reference;

c) New Board Members

Consideration regarding the number of Directors and the mix of competencies and diversity within the Board in connection with new Board members, and to put in place processes to identify, evaluate, interview, and secure references for candidate Directors, make appropriate recommendations to the Board, and manage the onboarding process of new Directors;

d) Board and Board Committee Performance

At least annually, reviewing the effectiveness of the Board Committees and the Board and recommending any improvements arising out of this review to the Board;

e) Board Competencies

Reviewing, and if appropriate, making recommendations regarding the balance of competencies and experience within the Board, including the development and updating of a Board Skills Matrix;

f) Number of Directors

To make recommendations to the Board as to the appropriate number of Directors to sit on the Board;

g) Independent Directors

To make recommendations to the Board as to which Directors may be classified as independent and the number of independent Directors to sit on the Board;

h) Succession Planning

Developing a succession plan for Chair of the Board of the Company and advancing this plan to the Board;

i) Policy Breaches

Ensuring that the Company's management has a clear Company-wide system in place to detect and record breaches of the Company's policies, to communicate material breaches to the Chair of the Board or Chair of the Committee and to take remedial actions to prevent breaches in the future;

j) Information Security and Cybersecurity

Establishment and periodic review of the information technology, artificial intelligence (AI) deployment and cybersecurity governance framework to prevent and detect information and cybersecurity breeches.

k) Securities Legislation

Establishing a compliance framework for securities legislation and stock exchange regulation including an insider trading and disclosure policies;

l) Risks

Reviewing the Company's annual risk assessment and evaluating the adequacy of the assessment process and its conclusion, and reporting the results for the review of the Board;

m) Ethics

Establishing and reviewing annually a Code of Business Conduct and Ethics (the "Code"), including the Code in the Governance Handbook and ensuring that the Company's management has systems in place to communicate the Code through the Company, to monitor compliance and to report material breaches to the Chair of the Committee;

n) Diversity

Ensuring that the Company develops a Board Diversity Policy and is in compliance with the diversity requirements by regulatory agencies and key investors;

o) Communications

Encouraging a culture of continuously improving governance within the Company, to welcome open dialogue between the Committee and employees of the Company and other stakeholders, and to provide a forum for any governance issues that individual Directors may wish to express outside of Board meetings;

p) Stakeholder Engagement

Assisting in the development and review of stakeholder engagement strategies and processes, with a goal of enhancing the stakeholder relationships and corporate reputation;

q) Board Schedule

Assisting the Board Chair and CEO to develop the annual Board and Committee meeting calendar;

r) Harassment Policy

To develop a Harassment Policy and ensure that management has systems and training in place to support the policy;

s) Whistleblower Policy

To develop a Whistleblower Policy and ensure that management has systems and training in place to support the policy.

t) Forced Labour and Child Labour Policy

To provide oversight over the Company's global supply chain policies and procedures, with a specific focus on human rights, ethical sourcing, and the prevention of forced labour and child labour in accordance with applicable regulations.

5. Responsibilities of the Governance and Nomination Committee Chair

The Chair of the Committee shall:

- Establish the frequency of meetings of the Committee;
- In consultation with the Board Chair, and management, develop the agenda for the Committee meetings and circulate at least one week in advance;
- Provide leadership to the Committee and preside over the Committee meetings;
- Facilitate the flow of information within the Committee and foster an environment where the members are able to ask questions and express their views;

- Deliver the recommendations of the Committee to the Board and report on material matters arising from the Committee meetings; and

- Engage outside advisors as necessary at the expense of the Corporation to research, investigate and report on matters within the Committee's responsibilities, approve their retention terms, supervise their work and set their compensation.

6. Structure and Operations

The following general provisions shall have application to the Committee:

a) The Committee will meet at least four (4) times per year, and may meet at other times as required;

b) The quorum for meetings of the Committee shall be two (2) members, present in person or by telephone or other telecommunications device that permits all persons participating in the meeting to speak and to hear each other;

c) Notice of each meeting of the Committee will be given to each member of the Committee that is entitled to attend the meetings of the Committee;

d) No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by a resolution in writing signed by all members of the Committee;

e) Meetings shall be convened by the Committee Chair and shall be supported by written notice of a meeting stating the nature of the business to be transacted at the meeting in reasonable detail and with an agenda and such other meeting materials as may be required from time to time;

f) Each Committee meeting will include a portion without the presence of Management; and

g) Proceedings of the Committee shall be recorded in minutes; such minutes being made available to Directors who are not members of the Committee.