

Mandate of the Board of Directors

APPROVED BY THE BOARD OF DIRECTORS OCTOBER 21, 2026

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I. General

1. Mandate

The board of directors (the "Board") of Xtract One Technologies Inc. (the "Company") is responsible for the stewardship of the Company, ensuring that long-term value is being created for its shareholders. In discharging its responsibility, the Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of the Company. The Board is elected by the shareholders of the Company to supervise the management of the business and affairs of the Company.

2. Board Committees

To assist it in exercising its responsibilities, the Board has established three (3) standing committees of the Board:

a) an audit committee (the "Audit Committee");

b) a human resources and compensation committee (the "HR and Compensation Committee"); and

c) a governance and nomination committee (the "Governance and Nomination Committee")

The Board may establish other standing or special purpose committees from time to time.

Each committee will have a written charter. At a minimum, each charter will clearly establish the committee's purpose, responsibilities, member qualifications, member appointment and removal, structure and operations (including any authority to delegate to individual members and subcommittees), and manner of reporting to the Board. Each charter will be reviewed by the Board (or a committee thereof) on an annual basis.

The Board is responsible for appointing directors to each of its committees, with the input of the Governance and Nomination Committee, in accordance with the written charter for each committee.

II. Procedural Matters

1. Composition

The Board shall appoint a chairperson (the "Chair" or the "Chair of the Board") from amongst the directors which comprise the Board. The Board will be composed of a majority of "independent" directors, as such term is defined under applicable securities legislation.

2. Board Structure and Operations

a) Board

i) The Board will determine the number of directors that will sit on the Board.

ii) The Board will appoint an appropriate number of independent directors to sit on the Board to adequately fulfill the Board's mandate.

b) Chair

i) The Board will appoint an independent director to act as Chair of the Board. If the Board determines that this is not appropriate in the circumstances and instead appoints a non-independent director to act as Chair of the Board, the Board will also appoint an independent director to act as Lead Director. The Chair of the Board, with the support, advice and involvement of the Lead Director, if applicable, will act as the effective leader of the Board, including ensuring that the Board is able to successfully carry out its duties and responsibilities.

ii) If the Chair of the Board is unable or unwilling to carry out his or her duties, then the Lead Director, if applicable, shall assume the responsibilities of the Chair.

iii) The Chair of the Board and the Lead Director, if applicable, may be removed at any time at the discretion of the Board.

iv) If in any year the Board does not appoint a Chair of the Board and Lead Director, if applicable, the incumbent Chair and Lead Director, if applicable, will each continue in office until a successor is appointed.

c) Meetings

i) The Chair of the Board will determine the schedule and frequency of Board meetings. However, the Board will meet at least four (4) times per year. A quorum (as defined below) of the Board may, at any time, call a meeting of the Board.

ii) The Chair of the Board is responsible for developing and setting the agenda for Board meetings, in consultation with the Chief Executive Officer (the "CEO") and the Corporate Secretary of the Company. Appropriate materials will be provided to the Board in advance of meetings, although the Board recognizes that in certain cases this may not be possible. Materials presented to the Board should be as concise as possible, while providing sufficient information for the directors to make an informed judgment.

iii) The Chair shall act as chair of all meetings of the Board and of shareholders of the Company. If the Chair is absent or unable or unwilling to act then the Lead Director, if applicable, shall act as chair of the meeting. If there is no Lead Director appointed, or if appointed and the Lead Director is also absent or unable or unwilling to act, then the directors present at the meeting will choose one of their number to be chair of the meeting.

d) Notice

Notice of the time and place of every meeting of the Board will be given in writing to each member of the Board not less than 48 hours before the time when the meeting is to be held; however, if the CEO or Board Chair considers it a matter of urgency that a meeting of the Board be convened, he or she may give notice of a meeting by means of any telephone, electronic or other communication facility no less than one (1) hour before the meeting.

e) Quorum

A majority of the Board constitutes a quorum at any meeting of the Board.

f) Attendees

The Board may invite such officers and employees of the Company and advisors as it sees fit from time to time to attend a meeting of the Board and assist in the discussion and consideration of matters relating to the Board.

g) Observers

The Board may also invite an individual to act as an observer (the "Observer") to attend meetings of the board in a non-voting, observer capacity. The Observer may participate fully in discussions of all matters brought to the Board for consideration, but in no event shall the Observer (i) be deemed a member of the Board; (ii) have or be deemed to have, or otherwise be subject to, any duties, fiduciary or otherwise, to the Board; (iii) have the right to propose or offer any motions or resolutions to the Board; (iv) have any power to cause the Board to take, or not to take, any action; or (v) have any right or possess any authority to bind the Company in any way whatsoever. The presence of the Observer shall not be taken into account or required for the purposes of establishing a quorum.

h) In Camera Sessions

The Board will reserve a portion of each Board meeting for the directors to meet without any members of management present. The independent directors may also meet from time to time, as may be required, without any members of management or other non-independent directors present.

i) Records

Minutes of meetings of the Board will be recorded and maintained by the Secretary of the Board and will be subsequently presented to the Board for review and approval.

3. Board Mandate Review

The Board will review and assess the adequacy of this Mandate on an annual basis, taking into account all legislative and regulatory requirements applicable to the Board.

III. Responsibilities

1. Supervising Management of the Company

The Board is responsible for supervising the management of the business and affairs of the Company, including:

a) designating the officers of the Company, appointing such officers, specifying their duties and delegating to them the power to manage the day-to-day business and affairs of the Company;

b) overseeing the review of such officers' performance and effectiveness; and

c) acting in a supervisory role, such that any duties and powers not delegated to the officers of the Company remain with the Board and its committees.

In addition, the Board is responsible for, to the extent feasible, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Company.

2. Strategic Planning

The Board is responsible for adopting a strategic planning process and will approve, on at least an annual basis, a strategic plan, which takes into account, among other things, the opportunities and risks of the business. To assist it with these responsibilities, the Board may establish a Strategic Planning committee.

3. Risk Management and Compliance

The Board is responsible for:

a) identifying the principal risks of the Company's business and overseeing the implementation of appropriate systems to manage these risks; and

b) overseeing the Company's compliance with applicable laws and regulations and its compliance with all significant policies and procedures approved by the Board from time to time.

The Board is responsible for overseeing the risk management framework and procedures. To assist it with these responsibilities, the Board has established the Governance and Nomination Committee.

4. Financial and Other Reporting, Internal Controls, and Information Technology Systems

The Board is responsible for overseeing the Company's financial and other reporting, internal controls including internal controls pertaining to information technology security and AI deployment risk, and information technology systems. To assist it with these responsibilities, the Board has established the Audit Committee.

5. Human Resources

The Board is responsible for overseeing:

a) compensation matters (including compensation of officers and other senior management personnel);

b) succession planning (including appointing, training, and monitoring senior management); and

c) regulatory compliance including the health and safety of the Company's employees.

To assist it with these responsibilities, the Board has established the HR and Compensation Committee.

6. Technology Review

The Board is responsible for overseeing:

a) review and approve on an annual basis the integrated Technology Road Map;

b) periodically review the status of proposed technology development programs; and

c) as required from time to time, review the technical and strategic value of potential technical acquisitions.

To assist it with these responsibilities, the Board has entrusted these duties to the CEO.

7. Code of Business Conduct and Ethics

The Board is responsible for adopting a written code of business conduct and ethics (the "Code"), applicable to directors, officers and employees of the Company. The Code will constitute written standards that are reasonably designed to promote integrity and deter wrongdoing and will address the following issues:

a) conflicts of interest, including transactions and agreements in respect of which a director or executive officer has a material interest;

b) protection and proper use of corporate assets and opportunities;

c) confidentiality of corporate information;

d) fair dealing with the Company's security holders, customers, suppliers, competitors, and employees;

e) compliance with laws, rules, and regulations; and

f) reporting of any illegal or unethical behaviour.

The Board is responsible for monitoring compliance with the Code. Any waivers from the Code that are granted for the benefit of the Company's directors or executive officers will be granted by the Board (or a Board committee) only. To assist it with these responsibilities, the Board has established the Governance and Nomination Committee.

8. Corporate Disclosure Policy

The Board is responsible for adopting a corporate disclosure policy for the Company that ensures that the Company communicates effectively with its shareholders, other stakeholders, and the public in general. It is important that the Company speaks to its stakeholders (including employees) and the public with a single voice, and that the Chair of the Board and CEO serve as the primary spokespersons for the Company.

9. Corporate Governance

The Board is responsible for developing and periodically reviewing the Company's approach to corporate governance. The Board will monitor developments in corporate governance (including in relation to diversity and term limits) and adapt best practices for the needs and circumstances of the Company. The Board will monitor and evaluate the effectiveness of the system of corporate governance at the Company, including the information requirements of the Board, the frequency and content of meetings and the

need for any special meetings, communication processes between the Board and management, the mandate of the Board and the charters of its committees and corporate governance related policies and procedures. To assist it with these responsibilities, the Board has established the Governance and Nomination Committee.

10. Other Board Matters

a) Position Descriptions

The Board is responsible for:

i) developing clear written position descriptions for the Chair of the Board, and, if applicable, the Lead Director; and

ii) together with the CEO, developing a clear position description for the CEO.

b) Orientation and Continuing Education

The Board is responsible for arranging:

i) for new directors to receive a comprehensive orientation, so that they fully understand (i) the role of the Board and its committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and energy that the Company expects from its directors); and (ii) the nature and operations of the Company's business; and

ii) continuing education opportunities for all directors, so that they may maintain or enhance their skills and abilities as directors and ensure that their knowledge and understanding of the Company's business remains current.

c) Regular Board Assessments

The Board is responsible for annually assessing its own effectiveness and contribution, as well as the effectiveness and contribution of each Board committee and each individual director. Such assessments should consider:

i) in the case of the Board, this Mandate;

ii) in the case of a Board committee, the committee's charter; and

iii) in the case of an individual director, the applicable position description(s), as well as the competencies and skills that each individual director is expected to bring to the Board.

d) Nomination of Directors

The Board is responsible for nominating or appointing individuals as directors. Prior to nominating or appointing individuals as directors, the Board should:

i) consider what competencies and skills the Board, as a whole, should possess;

ii) assess what competencies and skills each existing director possesses; and

iii) consider the appropriate size of the Board, with a view to facilitating effective decision-making.

To assist it with these responsibilities, the Board has established the Governance and Nomination Committee.

e) Outside Advisors

In performing its functions, the Board is entitled to rely on the advice, reports and opinions of management, counsel, accountants, auditors and other expert advisors. The Board has the authority to retain and approve the fees and retention terms of its outside advisors.