



LiquidMeta

LIQUID META CAPITAL HOLDINGS LTD.

**CORPORATE GOVERNANCE AND COMPENSATION
COMMITTEE MANDATE**

(Adopted and approved by the Board of the Corporation effective as of December 17, 2021)

Purpose

1. The purpose of the Corporate Governance and Compensation Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Liquid Meta Capital Holdings Ltd. (the “**Corporation**”) is to:
 - (a) review and approve corporate goals and objectives relevant to executive officer and director performance and evaluate performance to determine compensation;
 - (b) make recommendations to the Board regarding compensation including incentive and equity-based compensation plans;
 - (c) review director and executive officer compensation disclosure prior to its public disclosure;
 - (d) identify suitable candidates for the Board;
 - (e) make recommendations to the Board regarding nominating candidates for election to the Board at annual meetings of the shareholders;
 - (f) arrange for orientation and continuing education for directors;
 - (g) ensure that the strategic direction of the Corporation is reviewed annually;
 - (h) ensure that the Board and each of its committees carry out their respective functions in accordance with an appropriate process; and
 - (i) review, develop and implement the Corporation's corporate governance policies.

Membership of Committee

2. Following each annual meeting of shareholders of the Corporation, the Board shall appoint not less than three directors to serve on the Committee. The majority of the members of the Committee shall be independent as such term is defined in National Instrument 52-110 *Audit Committees* (“**NI 52-110**”).

3. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member upon ceasing to be a director of the Corporation. Each member of the Committee shall hold office until the close of the next annual meeting of shareholders of the Corporation or until the member resigns or is replaced, whichever first occurs.

Committee Chair

4. The Chair of the Committee (the “**Chair**”) shall be appointed by the Board or if it does not do so, the members of the Committee may elect the Chair by vote of a majority of the full Committee membership. The Chair shall be independent as such term is defined in NI 52-110.

Duties and Responsibilities

5. Subject to the powers and duties of the Board, the Board hereby delegates to the Committee the following powers and duties to be performed by the Committee on behalf of and for the Board:

Compensation

- (a) in making all decisions and recommendations related to compensation, the Committee shall take into consideration:
 - (i) the duties of each individual, his or her past service and continuing responsibilities;
 - (ii) the position or job description of individuals, their short and long-term objectives, goals and performance measurement indicators;
 - (iii) the Corporation’s performance and shareholder returns; and
 - (iv) the form and amount of compensation awarded by comparable companies and competitors; and
- (b) make recommendations to the Board, taking into account any evaluations the Committee feels are necessary, regarding:
 - (i) the amount and form of compensation to award to directors, the chairperson of the Board and the chair of each committee;
 - (ii) proposals for the compensation of executive officers and management, including salary, bonus, options, perquisites, retirement allowances and all other forms of proposed compensation;
 - (iii) proposals for all incentive and equity-based compensation plans and all proposed grants of securities under such plans, and determine whether security holder approval should be obtained;
 - (iv) the approval of agreements relating to employment, consulting and management to be entered into by the Corporation and senior management; and

- (v) employee benefit and retirement plans; and
- (c) with respect to the Chief Executive Officer of the Corporation (the “CEO”):
 - (i) review and approve goals and objectives relevant to the CEO’s compensation;
 - (ii) evaluate the CEO’s performance with respect to those goals and objectives; and
 - (iii) determine the CEO’s compensation (in both amount and form).

Nomination

- (d) annually review the composition, skills, size and tenure of directors in advance of annual general meetings and whenever individual directors indicate that their status as members may change;
- (e) identify qualified candidates, taking into account candidates’ independence, financial acumen, skills and time available to devote to the duties of the Board;
- (f) assess the competencies and skills each director possesses, the Board as a whole possesses, the nominees will bring the Board if elected and the Board as a whole should possess;
- (g) assess the appropriate size of the Board with a view to facilitating effective decision making;
- (h) assess the diversity of the Board’s composition, taking into consideration the Corporation’s Board Diversity Policy;
- (i) advise directors of the time and resources directors are expected to contribute to the Board;
- (j) recommend nominees for election as directors and appointment as members and the chairpersons of Committees together with the reasons for their recommendations;
- (k) co-ordinate an orientation program for new directors to include:
 - (i) a director manual regarding the duties of the Board, individual directors, each Committee, the chairperson of the Board, the chairperson of each Committee, the CEO, the Chief Financial Officer and other executive officers of the Corporation;
 - (ii) information regarding the nature and operation of the Corporation’s business and organizational structure; and
 - (iii) copies of the Board and Committee Mandates, position descriptions, the Code of Business Conduct and Ethics and other governance policies;
- (l) arrange for the directors to receive:

- (i) distributions of updated information regarding the Corporation's business, market and competitors;
 - (ii) presentations as appropriate to advise of corporate developments, changes in industry conditions and changes in legal and regulatory requirements affecting the Corporation; and
 - (iii) tours of the Corporation's facilities to interact with executive officers, management and employees in order to stay abreast of industry developments and the evolving business of the Corporation; and
- (m) recommend the removal of directors from Committees and the Board in the event of conflicts of interest, breach of the Code of Business of Conduct and Ethics or otherwise.

Governance

- (n) annually review and evaluate and make recommendations to the Board with regard to the size, composition and role of the Board and its committees (including the type of committees to be established) and the methods and processes by which the Board, committees and directors fulfill their duties and responsibilities, including the methods and processes for evaluating Board, committee and director effectiveness;
- (o) communicating with the Board on corporate governance matters and reviewing and approving, as required, public or regulatory disclosure respecting the corporate governance practices of the Corporation;
- (p) assist the Board, as required, in interpreting and applying the Code of Business Conduct and Ethics of the Corporation, corporate governance policies, Board and Committee Mandates, and other matters of corporate governance;
- (q) review this Mandate at least annually and propose any changes that are deemed appropriate to the Board for consideration;
- (r) review and evaluate the Code of Business Conduct and Ethics, at least annually, and recommend any necessary or appropriate changes to the Board for consideration;
- (s) annually determine whether a director is independent;
- (t) if required, report to the Board on the Committee's recommendations regarding shareholder proposals required by law to be included in the Corporation's proxy circular, as applicable;
- (u) make recommendations from time to time to the Board concerning such other matters, including matters related to corporate governance, as the Committee may deem appropriate or as may be referred to it from time to time by the Board;
- (v) at the earliest opportunity after each meeting, report to the Board the results of its activities and any reviews undertaken and make recommendations to the Board as deemed appropriate; and

- (w) keep up to date and fully informed about strategic issues and commercial and regulatory changes affecting the Corporation and the market in which it operates.

Meetings

6. The Committee is responsible to meet as often as required to discharge its duties.
7. The Chair will, in consultation with management and the members of the Committee, determine the schedule, time and place of meetings, establish the agenda for the meetings and ensure that properly prepared agenda materials are circulated to the members and other attendees with sufficient time for study prior to the meeting.
8. A quorum for the transaction of business at all meetings of the Committee shall be a majority of the members of the Committee. Questions arising at any meeting shall be determined by a majority of votes of the members of the Committee present.
9. Notice of the time and place of every meeting shall be given in writing (including by way of written email or facsimile communication) to each member of the Committee at least 24 hours prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting; and attendance of a member at a meeting constitutes a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
10. If all members consent, and proper notice has been given or waived, a member or members of the Committee may participate in a meeting of the Committee by means of such telephonic, electronic or other communication facilities as permit all persons participating in the meeting to communicate adequately with each other, and a member participating in such a meeting by any such means is deemed to be present at that meeting.

Procedures, Records and Reporting

11. Subject to any statute or articles and by-laws of the Corporation, the Committee shall fix its own procedures at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board). The minutes of its meetings shall be distributed to all members of the Board. All directors shall be provided with access to any materials distributed to members of the Committee.
12. The Committee is responsible for assisting with preparing a report for inclusion in the Corporation's annual management information circular.

Delegation

13. The Committee may delegate, from time to time, to any individuals or sub-committees of the Committee, any of the Committee's responsibilities that lawfully may be delegated.

Materials

14. The Committee has access to all books, records, facilities and personnel of the Corporation

necessary for the discharge of its duties.

Governance

15. The Committee is responsible to annually review, and in its discretion make recommendations to the Board regarding confirmation of or changes to be made to its Mandate and the position description of the Chair.

Advisors

16. The Committee has the power, at the expense of the Corporation, to retain, instruct, compensate and terminate independent advisors to assist the Committee in the discharge of its duties.