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## **INFORMATION CIRCULAR**

As at May 10, 2024 unless otherwise noted

### **FOR THE ANNUAL GENERAL MEETING OF THE SHAREHOLDERS TO BE HELD ON JUNE 27, 2024**

#### **SOLICITATION OF PROXIES**

This information circular is furnished in connection with the solicitation of proxies by the management of Canada Jetlines Operations Ltd. (the “**Company**”) for use at the Annual General Meeting (the “**Meeting**”) of the Shareholders of the Company to be held at the time and place and for the purposes set forth in the Notice of Meeting and at any adjournment thereof.

#### **PERSONS OR COMPANIES MAKING THE SOLICITATION**

**The enclosed Instrument of Proxy is solicited by management of the Company (“Management”).** Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers, directors and employees of the Company. The Company does not reimburse Shareholders’ nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining from their principals, authorization to execute the Instrument of Proxy. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised that they intend to oppose any action intended to be taken by Management as set forth in this Information Circular.

#### **NOTICE-AND-ACCESS PROCESS**

In accordance with the notice-and-access rules under National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer*, and two exemptions granted by Corporations Canada pursuant to the subsection 151(1) and section 156 of the *Canada Business Corporations Act* (“**CBCA**”), the Company has sent its proxy-related materials to registered holders and non-objecting beneficial owners using notice-and-access and made its annual financials available to Shareholders. Therefore, although Shareholders still receive a proxy or voting instruction form (as applicable) in paper copy, this Information Circular is not physically delivered. Instead, Shareholders may access this Information Circular on the Company’s website at [www.jetlines.com](http://www.jetlines.com), or on the Company’s profile on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com) or at [www.envisionreports.com/JTNQ2024](http://www.envisionreports.com/JTNQ2024). Shareholders may also access the annual audited financial statements of the Company for its fiscal year ended December 31, 2023 and related management discussion and analysis on the Company’s website at [www.jetlines.com](http://www.jetlines.com) or the Company’s profile on SEDAR+ or at [www.envisionreports.com/JTNQ2024](http://www.envisionreports.com/JTNQ2024).

Registered holders may request paper copies of the Information Circular and/or the annual audited financial statements of the Company for its fiscal year ended December 31, 2023 and related management discussion and analysis be sent to them by postal delivery at no cost to them. In order to receive a paper copy of the

Information Circular, please call toll free within North America 1-866-962-0498 or outside North America, call 514-982-8716. Any beneficial owner who wishes to receive a paper copy of the Information Circular and/or the annual audited financial statements of the Company for its fiscal year ended December 31, 2023 and related management discussion and analysis should contact Broadridge Investor Communications Solutions, Canada at 1-877-907-7643 or outside North America at 303-562-9305. **Requests for paper copies of the Information Circular and/or the annual audited financial statements of the Company for its fiscal year ended December 31, 2023 and related management discussion and analysis should be received by June 17, 2024.** For a copy of the Information Circular after the date of the Meeting, please contact 1-866-964-0492.

To obtain additional information about the Notice-and-Access process, a shareholder may contact the Company's transfer agent toll free at 1-866-964-0492.

### **APPOINTMENT AND REVOCATION OF PROXIES**

The persons named in the accompanying Instrument of Proxy are directors or officers of the Company and are nominees of Management. **A Shareholder has the right to appoint a person to attend and act for him/her on his/her behalf at the Meeting other than the persons named in the enclosed Instrument of Proxy. To exercise this right, a Shareholder should strike out the names of the persons named in the Instrument of Proxy and insert the name of his/her nominee in the blank space provided, or complete another proper form of Instrument of Proxy. The completed Instrument of Proxy should be deposited with the Company's Registrar and Transfer Agent, Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays.**

The Instrument of Proxy must be dated and be signed by the Shareholder or by his/her attorney in writing, or, if the Shareholder is a Company, it must either be under its common seal or signed by a duly authorized officer.

**In addition to revocation in any other manner permitted by law, a Shareholder may revoke a Proxy either by (a) signing a Proxy bearing a later date and depositing it at the place and within the time aforesaid, or (b) signing and dating a written notice of revocation (in the same manner as the Instrument of Proxy is required to be executed as set out in the notes to the Instrument of Proxy) and either depositing it at the place and within the time aforesaid or with the Chair of the Meeting on the day of the Meeting or on the day of any adjournment thereof, or (c) registering with the Scrutineer at the Meeting as a Shareholder present in person, whereupon such Proxy shall be deemed to have been revoked.**

### **NON-REGISTERED HOLDERS OF COMPANY'S SHARES**

**Only Shareholders whose names appear in the Company's Central Securities Register (the "Registered Shareholders") or duly appointed proxyholders are permitted to vote at the Meeting. Shareholders who do not hold their Common Voting Shares and Variable Voting Shares of the Company ("Voting Shares") in their own name ("Beneficial Shareholders") are advised that only proxies from Shareholders of record can be recognized and voted at the Meeting.** Beneficial Shareholders who complete and return an Instrument of Proxy must indicate thereon the person (usually a brokerage house) who holds their Voting Shares as registered Shareholder. Every intermediary (broker) has its own mailing procedure, and provides its own return instructions, which should be carefully followed. The form of proxy supplied to Beneficial Shareholders is similar to that provided to Registered Shareholders. However, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Beneficial Shareholder. Management of the Company does not intend to pay for intermediaries to forward to objecting beneficial owners under National Instrument 54-101 the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*, and in case of an objecting

beneficial owner, the objecting beneficial owner will not receive the materials unless the objecting beneficial owner's intermediary assumes the cost of delivery.

If Voting Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Voting Shares will not be registered in such Shareholder's name on the records of the Company. Such Voting Shares will more likely be registered under the name of the Shareholder's broker or agent of that broker. In Canada, the vast majority of such Voting Shares are registered under the name of CDS & Co. (the registration for the Canadian Depository for Securities, which company acts as nominee for many Canadian brokerage firms). Voting Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. The directors and officers of the Company do not know for whose benefit the Voting Shares registered in the name of CDS & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings unless the Beneficial Shareholders have waived the right to receive meeting materials. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Voting Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the Instrument of Proxy provided by the Company to the Registered Shareholders. However, its purpose is limited to instructing the Registered Shareholder how to vote on behalf of the Beneficial Shareholder. Should a Beneficial Shareholder receive such a form and wish to vote at the Meeting, the Beneficial Shareholder should strike out the Management proxyholder's name in the form and insert the Beneficial Shareholder's name in the blank provided. The majority of brokers now delegate the responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and requests Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Voting Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a proxy with a Broadridge sticker on it cannot use that proxy to vote Voting Shares directly at the Meeting – the proxy must be returned to Broadridge well in advance of the Meeting in order to have the Voting Shares voted.** All references to Shareholders in this Information Circular and the accompanying Instrument of Proxy and Notice of Meeting are to Shareholders of record unless specifically stated otherwise.

## **VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES**

**On any poll, the persons named in the enclosed Instrument of Proxy will vote the shares in respect of which they are appointed and, where directions are given by the Shareholder in respect of voting for or against any resolution, will do so in accordance with such direction.**

**If no choice is specified on the proxy with respect to a matter to be acted upon, the proxy confers discretionary authority with respect to the matter upon the proxyholder named on the Instrument of Proxy. In the absence of any direction in the Instrument of Proxy, it is intended that the proxyholder named by Management in the Instrument of Proxy will vote the shares represented by the proxy in favour of the motions proposed to be made at the Meeting as stated under the headings in this Information Circular.** The Instrument of Proxy enclosed, when properly signed, confers discretionary authority with respect to amendments or variations to any matters which may properly be brought before the Meeting.

At the time of printing of this Information Circular, the Management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to the Management should properly come before the Meeting,

the Proxies hereby solicited will be exercised on such matters in accordance with the best judgement of the nominee.

## **FINANCIAL STATEMENTS**

The audited financial statements of the Company for the year ended December 31, 2023 will be presented to the Shareholders at the Meeting.

## **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

On June 27, 2018, following the Royal Assent of the Transportation Modernization Act, new rules for airline ownership officially came into force (the “**CTA Amendments**”). These changes increased foreign voting interest limits from 25 per cent to 49 per cent of voting interests for all Canadian air carriers. A single international investor (individually or in affiliation) cannot hold more than 25 per cent of the voting interests of a Canadian air carrier, and no combination of international air carriers can own more than 25 per cent of a Canadian carrier (individually or in affiliation).

### **Description of Voting Shares**

The authorized capital of the Company consists of a class of unlimited Common Voting Shares and a class of unlimited Variable Voting Shares.

#### **Common Voting Shares**

##### *Dividends and Distributions*

The Common Voting Shares rank equally with the Variable Voting Shares with respect to dividends and the distribution of assets in the case of liquidation, dissolution or winding-up of the Company or other distribution of the Company’s assets.

##### *Voting Rights*

The Common Voting Shares carry one vote per share held.

##### *Conversion*

Each issued and outstanding Common Voting Share shall be automatically converted into one (1) Variable Voting Share, without any further act on the part of Company or the holder of such Common Voting Share, if such Common Voting Share is or becomes beneficially owned or controlled, directly or indirectly, by a holder who is not a Canadian. The definition of a “**Canadian**” under Subsection 55(1) of the CTA is summarized as follows:

“**Canadian**” under Section 55(1) of the CTA may be summarized as follows:

- (a) A Canadian citizen or a permanent resident within the meaning of Subsection 2(1) of the *Immigration and Refugee Protection Act*(Canada),
- (b) A government in Canada or an agent of such a government, or
- (c) A corporation or entity that is incorporated or formed under the laws of Canada or a province, that is controlled in fact by Canadians and of which at least 51 per cent of the voting interests are owned and controlled by Canadians and where
  - (i) no more than 25 per cent of the voting interests are owned directly or indirectly by any single non-Canadian, either individually or in affiliation with another person; and

- (ii) no more than 25 per cent of the voting interests are owned directly or indirectly by one or more non-Canadians authorized to provide an air service in any jurisdiction, either individually or in affiliation with another person.

In the event that an offer is made to purchase Variable Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Variable Voting Shares are then listed, to be made to all or substantially all the holders of Variable Voting Shares, each Common Voting Share shall become convertible at the option of the holder into one Variable Voting Share at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Common Voting Shares for the purpose of depositing the resulting Variable Voting Shares pursuant to the offer and for no other reason, including with respect to voting rights attached thereto, which are deemed to remain subject to the provisions concerning the voting rights for Common Voting Shares notwithstanding their conversion. The Company's transfer agent shall deposit the resulting Variable Voting Shares on behalf of the holder.

Should the Variable Voting Shares issued upon conversion and tendered in response to the offer be withdrawn by the shareholders or not taken up by the offeror, or should the offer be abandoned or withdrawn, the Variable Voting Shares resulting from the conversion shall be automatically reconverted, without further intervention on the part of the Company or on the part of the holder to Common Voting Shares.

#### *Constraints on Share Ownership*

Common Voting Shares may only be owned and controlled by Canadians. Any Common Voting Share owned or controlled by a person who is not a Canadian is, or must be converted to, a Variable Voting Share.

#### Variable Voting Shares

#### *Dividends and Distributions*

The Variable Voting Shares will rank equally with the Common Voting Shares with respect to dividends and the distribution of assets in the case of liquidation, dissolution or winding-up of the Company or other distribution of the Company's assets.

#### *Voting Rights*

Under the Company's Articles, the Variable Voting Shares carry one vote per Variable Voting Share held, subject to an automatic reduction of the voting rights attached to Variable Voting Shares in the event any of the applicable limits are exceeded. In such event, the votes attributable to Variable Voting Shares will be affected as follows:

- *first*, if required, a reduction of the voting rights of any single non-Canadian owner (inclusive of any single non-Canadian owner authorized to provide air service) carrying more than 25 per cent of the votes (the "**Stage 1 Reduction**") to ensure that such non-Canadian owners never carry more than 25 per cent of the votes that holders of Voting Shares cast at any meeting of shareholders;
- *second*, if required and after giving effect to the Stage 1 Reduction, a further proportional reduction of the voting rights of all non-Canadian owners authorized to provide an air service to ensure that such non-Canadian owners authorized to provide an air service (the "**Stage 2 Reduction**"), in the aggregate, never carry more than 25 per cent of the votes that holders of Voting Shares cast at any meeting of shareholders;

- *third*, if required and after giving effect to the Stage 1 Reduction and the Stage 2 Reduction if any, a proportional reduction of the voting rights for all non-Canadian owners as a class (the “**Stage 3 Reduction**”) to ensure that non-Canadians never carry, in aggregate, more than 49 per cent of the votes that owners of Voting Shares cast at any meeting of shareholders.

### *Conversion*

Each issued and outstanding Variable Voting Share shall be automatically converted into one (1) Common Voting Share, without any further act on the part of Company or the holder of such Variable Voting Share, if (i) such Variable Voting Share is or becomes beneficially owned and controlled, directly or indirectly, by a Canadian, or (ii) the provisions contained in the CTA relating to foreign ownership restrictions are repealed and not replaced with other similar provisions. Each issued and outstanding Common Voting Share shall be automatically converted into one (1) Variable Voting Share, without any further act on the part of Company or the holder of such Common Voting Share, if such Common Voting Share is or becomes beneficially owned or controlled, directly or indirectly, by a holder who is not a Canadian.

In the event that an offer is made to purchase Common Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Common Voting Shares are then listed, to be made to all or substantially all the holders of Common Voting Shares in a given province of Canada to which these requirements apply, each Variable Voting Share shall become convertible at the option of the holder into one Common Voting Share at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Variable Voting Shares for the purpose of depositing the resulting Common Voting Shares pursuant to the offer, and for no other reason, including with respect to voting rights attached thereto, which are deemed to remain subject to the provisions concerning voting rights for Variable Voting Shares notwithstanding their conversion. The Company’s transfer agent shall deposit the resulting Common Voting Shares on behalf of the holder.

Should the Common Voting Shares issued upon conversion and tendered in response to the offer be withdrawn by shareholders or not taken up by the offeror, or should the offer be abandoned or withdrawn, the Common Voting Shares resulting from the conversion shall be automatically reconverted, without further intervention on the part of the Company or on the part of the holder, into Variable Voting Shares.

### *Constraints on Share Ownership*

Variable Voting Shares may only be owned or controlled by persons who are not Canadians. Therefore, any Variable Voting Share owned or controlled by a person who is a Canadian, is, or must be converted to a Common Voting Share.

### **Voting Shares**

May 8, 2024 has been determined as the record date as of which holders of Voting Shares or their duly appointed proxies are entitled to receive notice of and attend and to one vote per Voting Share at the Meeting. Shareholders desiring to be represented by proxy at the Meeting must deposit their proxies at the place and within the time set forth in the notes to the Instrument of Proxy in order to entitle the person duly appointed by the proxy to attend and vote thereat.

## **Quorum and Significant Shareholders**

As at May 8, 2024, the Company had the following Voting Shares issued and outstanding:

<b>Voting Share Class</b>	<b>Issued and Outstanding</b>	<b>Percentage of Voting Shares</b>
Common Voting Shares	127,691,448	80.83%
Variable Voting Shares	30,283,679	19.17%
<b>Total</b>	<b>157,975,127</b>	<b>100.00%</b>

The quorum for a meeting of Shareholders is two (2) persons, present in person or represented by proxy, in number, one of whom shall be, or be representing, a Canadian, and holding or representing not less than five (5%) per cent of the shares entitled to be voted at the meeting.

To the knowledge of the directors or executive officers of the Company, as at the date of this Information Circular, except as set out below, no Shareholder beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to the Voting Shares of the Company:

Jetstream Aviation Inc. is the beneficial owner of 78,431,287 Voting Shares representing approximately 49.65% of the issued and outstanding Voting Shares.

In addition, due to a requirement of the Canadian Transportation Agency (the “Agency”), Global Crossing Airlines Group Inc. and certain parties considered by the Agency to be affiliate with Global Crossing Airlines Group Inc. (collectively, the “**Global Group Shareholders**”) entered into a shareholders agreement with the Company (the “**Shareholders Agreement**”). The Shareholders Agreement treats the Global Group Shareholders as a single entity such that they may never carry more than 25 per cent of the votes that holders of Voting Shares cast at any meeting of shareholders. Global Crossing Airlines Group Inc. is the beneficial owner of 11,135,100 Voting Shares representing approximately 7.05% of the issued and outstanding Voting Shares.

## **ELECTION OF DIRECTORS**

The number of directors on the board of directors of the Company (the “**Board of Directors**”) is currently fixed at ten (10). At the meeting the Company will fix the number of directors at nine (9). Each director of the Company is elected annually and holds office until the next Annual General Meeting unless that person ceases to be a director before then. Management of the Company proposes to nominate the persons herein listed for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, the Voting Shares represented by proxy will, on a poll, be voted for the nominees herein listed. MANAGEMENT OF THE COMPANY DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR. IN THE EVENT THAT PRIOR TO THE MEETING ANY VACANCIES OCCUR IN THE SLATE OF NOMINEES HEREIN LISTED, IT IS INTENDED THAT DISCRETIONARY AUTHORITY SHALL BE EXERCISED BY MANAGEMENT TO VOTE THE PROXY ON ANY POLL FOR THE ELECTION OF ANY PERSON OR PERSONS AS DIRECTOR UNLESS THE SHAREHOLDER HAS SPECIFIED OTHERWISE IN THE PROXY. **UNLESS AUTHORITY TO DO SO IS WITHHELD, THE PERSONS NAMED IN THE ACCOMPANYING INSTRUMENT OF PROXY INTEND TO VOTE FOR THE ELECTION OF ALL OF THE NOMINEES.**

Certain amendments were made to the CBCA that came into force effective August 31, 2022. These amendments include a statutory majority voting requirement for uncontested director elections. For

shareholder meetings held after August 31, 2022, CBCA-incorporated reporting issuers must allow shareholders to vote “for” or “against” individual director nominees in an uncontested election, rather than “for” or “withhold” (as the CBCA previously provided). Subject to the issuer’s articles, where only one nominee is up for election for each board seat and less than 50% of the votes cast by shareholders are “for” a particular director nominee, such nominee will not be elected as a director. However, if an incumbent director is not elected by a majority of “for” votes at the meeting, s/he will still be permitted to continue in office until the earlier of (a) the 90th day after the day of the election; and (b) the day on which their successor is appointed or elected.

In limited circumstances, the elected directors may also reappoint the incumbent director even though s/he did not receive majority support in the most recent election. More specifically, the newly adopted regulations to the CBCA will allow reappointment in two circumstances:

- where it is required to satisfy the CBCA’s Canadian residency requirement; or
- where it is required to satisfy the CBCA’s requirement that at least two directors of a distributing corporation not also be officers or employees of the corporation or its affiliates.

If the shareholders fail to elect the number or minimum number of directors required by the issuer’s articles due to a lack of a majority of “for” votes for any director nominee(s), the directors who were elected at the meeting may exercise all their powers as directors provided that they constitute a quorum. As the Company is subject to the CBCA these majority voting requirements are applicable to election of directors at the Meeting.

The following table sets out the names of the persons to be nominated for election as directors, the positions and offices which they presently hold with the Company, their respective principal occupations or employment during the past five years if such nominee is not presently an elected director and the number of Voting Shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Information Circular:

<b>Name, Province or State and Country of Residence<sup>1</sup> of Nominee and Present Positions with the Company</b>	<b>Principal Occupation and, if not presently an elected director, occupation during last five years<sup>1</sup></b>	<b>Period from which Nominee has been a director</b>	<b>Number of Voting Shares Held<sup>2,3,4</sup></b>
<b>Ryan Goepel<sup>5</sup></b> Florida, USA <i>Director</i>	EVP and CFO of Global Crossing Airlines from February 2020 – Present; CFO of Flair Airlines from August 2018 – October 2019; CFO of Viking Exploration Corporation from January 2017 – December 2018; CFO of C&C Reservoirs from May 2015 – December 2016.	2021-03-29	936,042
<b>Beth S. Horowitz<sup>6,7,8</sup></b> Ontario, Canada <i>Director</i>	Independent Board Member of several corporate entities since 2009, including HSBC Bank Canada (2009 - 2022), People Corporation (2019 - 2021), Aimia (2012 - 2017) and Northland Properties (2022 - Present).	2021-06-28	225,800



<b>Name, Province or State and Country of Residence<sup>1</sup> of Nominee and Present Positions with the Company</b>	<b>Principal Occupation and, if not presently an elected director, occupation during last five years<sup>1</sup></b>	<b>Period from which Nominee has been a director</b>	<b>Number of Voting Shares Held<sup>2,3,4</sup></b>
<b>Regenold (Reg) Christian</b> Ontario, Canada <i>Director</i>	President of Rhythm Travel and Tours since December 2009; President of MEETsu Solutions from June 2016 – Present.	2022-06-23	7,267,857 <sup>10</sup>
<b>Brigitte Goersch<sup>7,8</sup></b> Florida, United States <i>Director</i>	President of Lionheart Enterprises LLC from March 2004 – Present; Deputy Executive Director, Orlando International Airport 1999 – 2013.	2022-09-19	663,236
<b>Shawn Klerer<sup>6</sup></b> Ontario, Canada <i>Director</i>	Chief Client Officer of Personify Corp. from September 2017 – Present.	2022-10-07	75,000
<b>Gurdev Singh</b> Ontario, Canada <i>Director</i>	Architecture Technologist at Gurdev Singh Designs since October 2012.	2024-01-23	78,431,287 <sup>11</sup>
<b>Gurinderpal Singh</b> Ontario, Canada <i>Director</i>	Self employed real estate business owner and developer.	2024-03-28	78,431,287 <sup>11</sup>
<b>Reid Rossi</b> Ontario, Canada <i>Director</i>	Task Force Lead Manager, Immigration & Refugee Board of Canada from 2017 – Present.	N/A	Nil
<b>Paul-Jozef Wilk</b> Ontario, Canada <i>Director</i>	Adjudicative Claims Officer, Immigration & Refugee Board of Canada from January 2023 – Present; Registry Officer, Immigration & Refugee Board of Canada from December 2020 – January 2023; Case Management Officer, Immigration & Refugee Board of Canada from May 2020 – December 2020; Passenger Services Agent / Ticketing Agent, Airport Terminal Services from July 2015 – July 2020.	N/A	Nil

<sup>1</sup> The information as to country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.

<sup>2</sup> The information as to shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually.

<sup>3</sup> Voting Shares beneficially owned, or over which control or direction is exercised, directly and indirectly, at the date hereof, is based upon the information furnished to the Company by individual directors. Unless otherwise indicated, such shares are held

directly. These figures do not include shares that may be acquired on the exercise of any share purchase warrants or stock options held by the respective directors or officers.

<sup>4</sup> The director nominees, as a group beneficially own, directly or indirectly, 87,599,222 Voting Shares of the Company representing 55.45% of the total issued and outstanding Voting Shares of the Company as at the date of this Information Circular.

<sup>5</sup> Ryan Goepel is the CFO and President of Global Crossing Airlines Group Inc. Global Crossing Airlines Group Inc. beneficially owns 11,135,100 Voting Shares representing approximately 7.05% of the issued and outstanding Voting Shares.

<sup>6</sup> Member of the Company's Audit and Risk Committee.

<sup>7</sup> Member of the Company's Compensation and Human Resources Committee.

<sup>8</sup> Member of the Company's Corporate Governance, Nominating and ESG Committee.

<sup>9</sup> 250,000 of these Voting Shares are held through Kruschell Holdings Ltd.

<sup>10</sup> Regenold Christian is a Director and Control Person of Roosheila Group Inc. Roosheila Group Inc. beneficially owns 7,192,857 Voting Shares representing approximately 4.55% of the issued and outstanding Voting Shares.

<sup>11</sup> Gurdev Singh is a Director and Control Person of Jetstream Aviation Inc. which beneficially owns 78,431,287 Voting Shares representing approximately 49.65% of the issued and outstanding Voting Shares. Gurinderpal Singh is a shareholder of Jetstream Aviation Inc.

<sup>12</sup> Mr. Christian, Ms. Goersch, Mr. Rossi and Mr. Wilk are nominees of Roosheila Group Inc. which has a contractual right to appoint three director nominees to the Board of Directors and Square Financial Investment Corporation which has a contractual right to appoint one director nominee to the Board of Directors.

<sup>13</sup> Mr. Gurdev Singh and Mr. Gurinderpal Singh are nominees of Jetstream Aviation Inc. which has a contractual right to appoint two director nominees to the Board of Directors.

## PENALTIES AND SANCTIONS

No proposed director of the Company is, or within the 10 years prior to the date of this Information Circular, has been, a director, chief executive officer or chief financial officer of any company that while that person was acting in that capacity:

- (a) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the proposed director ceased to be a director, chief executive officer or chief financial officer, in the company being the subject of a cease trade or an order that denied the relevant company access to any exemption under securities legislation, for more than 30 consecutive days.

No proposed director of the Company is, or within the 10 years prior to the date of this Information Circular, has been, a director or executive officer of any company 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.

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

No proposed director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

## APPOINTMENT AND REMUNERATION OF AUDITOR

Effective May 9, 2023, Davidson & Company LLP, Chartered Accountants resigned as auditors of the Company, and MNP LLP, Chartered Accountants, of Toronto, Ontario agreed to fill the vacancy. MNP LLP, Chartered Accountants were appointed on May 12, 2023, and are the current Auditors of the Company.

The persons named in the enclosed Instrument of Proxy will vote for the appointment of MNP LLP, Chartered Accountants, of Toronto, Ontario, as Auditors of the Company, to hold office until the next Annual General Meeting of the Shareholders at remuneration to be fixed by the directors.

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as disclosed under the heading “Particulars of Matters to be Acted Upon” in this Information Circular, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company’s last completed financial year and no 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.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed under the heading “Particulars of Matters to be Acted Upon”, none of the directors or executive officers of the Company, any shareholder directly or indirectly beneficially owning, or exercising control or direction over, more than 10% of the outstanding Voting Shares, nor an associate or affiliate of any of the foregoing persons has had, during the most recently completed financial year of the Company or during the current financial year, any material interest, direct or indirect, in any transactions that materially affected or would materially affect the Company or its subsidiary.

On April 26, 2022 the Company closed a non-brokered private placement to raise a total of \$3.35 million (the “**Offering**”). The Offering consisted of 9,571,413 units issued at \$0.35 per unit (each a “**Unit**”). Each Unit consists of one Voting Share and one half of one warrant (each whole warrant a “**Warrant**”). Each Warrant entitles the holder thereof to purchase an additional Voting Share for a period of 48 months after closing at a price of \$0.50 per Share during the first two years after issuance of such Warrant; and \$0.65 per Share during the third and fourth years after issuance. Roosheila Group Inc. (“Roosheila”), 99 Dundas St. East, 2<sup>nd</sup> Floor, Mississauga, ON LSA 1W7, a company controlled by director nominee Regenold Christian, purchased 7,142,857 Units in the Offering for gross proceeds of \$2,499,999.95.

On February 9, 2023 the Company entered into a loan agreement (the “February 2023 Loan Agreement”) with Roosheila for a loan of \$1,500,000. Subsequently the February 2023 Loan Agreement was assigned to Square Financial Investment Corporation (“**Squarefic**”) of 99 Dundas St. East, 2<sup>nd</sup> Floor, Mississauga, ON LSA 1W7. Squarefic is wholly owned by Mr. Regenold Christian, a director of the Company. The loan proceeds were advanced to the Company on March 12, 2023. The material terms of the February 2023 Loan Agreement are:

- the loan bears interest at the rate of 7.95% per annum;
- a maturity date of 60 months from the date of closing;
- principal and interest amounts are payable in equal monthly installments for the 60 month term plus an additional annual 10% principal repayment;
- Squarefic is granted a Board nomination right to nominate an independent director for the term of the loan;
- the Company shall pay the document closing costs of Squarefic; and

- the loan is secured with a subordinate security interest against the Company’s credit card processor holdback funds.

On May 10, 2024 the Company entered into a loan agreement (the “May 2024 Loan Agreement”) with Squarefic for a loan of \$2,000,000. The loan proceeds were advanced to the Company on May 10, 2024. The material terms of the May 2024 Loan Agreement are:

- the loan was advanced in a single tranche of \$2,000,000 on May 10, 2024;
- the loan bears interest at the rate of 1.00% per annum and has a maturity date of June 21, 2024;
- principal and interest amounts are payable in four equal weekly installments commencing May 31, 2024;
- no shares are issuable in connection with the loan;
- the Company shall pay the document closing costs of the lender; and
- the loan is unsecured.

Jetstream Aviation Inc. of 167 Don Minaker Drive, Brampton ON L6P 2V7, Canada, a shareholder holding more than 10% of the outstanding Voting Shares and affiliate of Gurdev Singh (a director of the Company), was a party to certain transactions with the Company:

- Jetstream acquired 78,431,287 Voting Shares issued at \$0.1721252 per common share for total gross proceeds of \$13,500,001

## STATEMENT OF EXECUTIVE COMPENSATION

The Form 51-102F6 Statement of Executive Compensation is attached as **Schedule “B”** to this Information Circular.

## EQUITY COMPENSATION PLAN INFORMATION

The following table sets out particulars of the compensation plans and individual compensation arrangements under which equity securities of the Company are authorized for issuance as of December 31, 2023.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights <sup>(2)</sup>	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders <sup>(1)</sup>	2,103,920 <sup>(3)</sup>	\$0.16	9,896,080
Equity compensation plans not approved by securityholders	-	-	-
Total	2,103,920	\$0.16	9,896,080

(1) At December 31, 2023, the Company had a fixed stock option plan, a fixed Restricted Share Unit Plan and a fixed Performance Share Unit Plan, that collectively reserved for issuance an aggregate 12,000,000 Voting Shares collectively under the stock option plan, Restricted Share Unit Plan and the Performance Share Unit Plan.

- (2) No exercise price is payable on the vesting of outstanding RSUs.
- (3) As at December 31, 2023, 313,367 stock options were outstanding and 1,790,553 Restricted Share Units were outstanding.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

Other than routine indebtedness, no current or former director, executive officer or senior officer of the Company, employee or any proposed nominee for election as a director of the Company, or any associate or affiliate of any such director, executive officer or senior officer, employee or proposed nominee, is or has been indebted to the Company or any of its subsidiaries, or to any other entity that was provided a guarantee or similar arrangement by the Company or any of its subsidiaries in connection with the indebtedness, at any time since the beginning of the most recently completed financial year of the Company.

## **MANAGEMENT CONTRACTS**

Effective June 28, 2021, the Company engaged King & Bay West Management Corp. (“**King & Bay West**”) of Suite 2400, 1055 West Georgia Street, Vancouver, British Columbia V6E 3P3, to provide services and facilities to the Company. King & Bay West is a private company which is owned by Mark J. Morabito. The following are the executive officers of King & Bay West, all of whom are residents of British Columbia, Canada: Mark J. Morabito, Chair & CEO, and Sheila Paine, Secretary. King & Bay West provides the Company with administrative and management services. The services provided by King & Bay West include shared facilities, corporate secretarial, legal and finance services. The fees for these management services are determined and allocated to the Company based on the cost or value of the services provided to the Company as determined by King & Bay West, and the Company reimburses King & Bay West for such costs on a monthly basis. During the financial year ended December 31, 2023 the Company incurred fees of \$323,502 (excluding taxes) to King & Bay West.

## **AUDIT AND RISK COMMITTEE**

For information regarding the Audit and Risk Committee, see the Company’s annual information form (the “**AIF**”) for the year ended December 31, 2023 under the heading, “Audit Committee”. The AIF is available under the Company’s profile at [www.sedarplus.com](http://www.sedarplus.com). The current members of the Audit Committee are Shawn Klerer, Beth Horowitz and Gurinderpal Singh. As defined in National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), Mr. Klerer, Ms. Horowitz and Mr. Singh are independent within the meaning of applicable securities laws, and are financially literate.

## **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

The Canadian Securities Administrators have introduced National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Policy 58-201 – *Corporate Governance Guidelines* (“**NP 58-201**”). In addition, the CBCA prescribes certain disclosure requirements related to representation of Designated Groups within the Company. The Company has reviewed its own corporate governance practices in light of the NP 58-201 and CBCA guidelines. In certain cases, the Company’s practices comply with NP 58-201, however, the Board of Directors considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore certain guidelines have not been adopted. Set out in Schedule “A” is a description of certain corporate governance practices of the Company, as required by NI 58-101 and the CBCA.

## **OTHER MATTERS**

It is not known if any other matters will come before the Meeting other than set forth above and in the Notice of Meeting, but if such should occur, the persons named in the accompanying Proxy intend to vote on any poll, on such matters in accordance with their best judgment, exercising discretionary authority with

respect to amendments or variations of matters identified in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment thereof.

#### **ADDITIONAL INFORMATION**

**Additional information regarding the Company is available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com). Shareholders can obtain copies of the Company's financial statements and management discussion and analysis of financial results by sending a request in writing to the Company's registered office at Suite 2400, 1055 West Georgia Street, Vancouver, British Columbia, V6E 3P3. Financial information regarding the Company is provided in the Company's audited comparative financial statements for the year ended December 31, 2023 and in the accompanying management discussion and analysis, both of which are available on the Company's website at [www.jetlines.com](http://www.jetlines.com), or on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com) or at [www.envisionreports.com/JTNQ2024](http://www.envisionreports.com/JTNQ2024).**

DATED at Toronto, Ontario, as of May 10, 2024

*“Brigitte Goersch”*

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Brigitte Goersch

Chair of the Board of Directors

## SCHEDULE "A"

### STATEMENT OF CORPORATE GOVERNANCE PRACTICES DISCLOSURE RULES AND POLICIES (FORM 58-101F1)

#### 1. BOARD OF DIRECTORS

**(a) Disclose the identity of directors who are independent.**

NP 58-201 recommends that boards of directors of reporting issuers be composed of a majority of independent directors. NI 52-110 sets out the standard for director independence under applicable Canadian securities laws. Under NI 52-110, a director is independent if he or she has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgment.

The current Board of Directors consists of ten directors, with six of the ten directors considered independent: Beth Horowitz, David Kruschell, Ravinder Minhas, Brigitte Goersch, Shawn Klerer and Gurinderpal Singh are independent directors under applicable Canadian securities laws. The slate of directors proposed for the Meeting consists of nine directors with six of nine directors considered independent: Beth Horowitz, Brigitte Goersch, Shawn Klerer, Gurinderpal Singh, Reid Rossi and Paul Wilk.

**(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.**

Ryan Goepel is the former Chief Financial Officer of the Company and therefore is not considered independent. Regenold Christian, a director nominee, is a director and control person of Roosheila Group Inc. and Roosheila Group Inc. has provided \$2.0 million in loan financing to the Company. In addition, Square Financial Investment Corporation, a company wholly-owned by Regenold Christian, has provided \$2.5 million in loan financing to the Company. Therefore, Mr. Christian is not considered independent. Gurdev Singh is a director and affiliate of Jetstream Aviation Inc. which is the beneficial owner of 78,431,287 Voting Shares representing approximately 49.65% of the issued and outstanding Voting Shares and is therefore not considered independent.

**(c) Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors (the board) does to facilitate its exercise of independent judgement in carrying out its responsibilities.**

Six of the ten current directors are independent. As a result, the majority of directors are independent. The slate of directors proposed for the Meeting has nine directors, with six of the nine directors considered independent. If the slate of directors proposed for the Meeting is elected, the majority of directors will be independent.

**(d) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.**

Currently, the following existing directors or proposed directors serve on the following boards of directors of other public companies:

Director	Reporting Issuer Board Membership
Ryan Goepel	Global Crossing Airlines Group Inc.
Beth Horowitz	None

<b>Director</b>	<b>Reporting Issuer Board Membership</b>
Regenold Christian	None
Brigitte Goersch	None
Shawn Klerer	None
Gurdev Singh	None
Gurinderpal Singh	None
Reid Rossi	None
Paul Wilk	None

- (e) Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.**

The independent directors do not hold regularly scheduled meetings at which non-independent directors are not in attendance, except in special circumstances. At the end of each directors' meeting and committee meeting, absent special circumstances, the independent directors hold an in camera session without the presence of directors who are also members of Management or, when evaluating a transaction where a director has a conflict, without the presence of the conflicted director. In addition, Committees are comprised exclusively of independent directors, and at the end of each committee meeting, absent special circumstances, independent directors meet in camera without any management present.

- (f) Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.**

Brigitte Goersch, the Chair of the Board of Directors is an independent director. The role and responsibilities of the Chair are to:

- Protect the integrity of the Board for the long-term benefit of the Company and its shareholders.
- Provide effective leadership in ensuring that the Board works harmoniously as a cohesive team.
- Ensure that the Board can function independently of management by meeting regularly without management and engaging outside advisors as required.
- Ensure that the responsibilities of the Board are well understood by both the Board and management, and that the boundaries between Board and management responsibilities are clearly understood and respected.
- Lead in reviewing and monitoring the goals, objectives, strategies and policies of the Company.
- Interpret and ensure compliance with the general policies established by the Board, and direct the development of specific policies, procedures and programs to ensure that they are efficiently administered and controlled in a way that best meets the objectives and policies established by the Board.



- Lead in appointing committees, maintain regular contact with committee chairs, and, if not a member of a particular committee, attend committee meetings as an observer for the purpose of (i) assisting the committees to meet their obligations under their mandates, and (ii) gaining a better understanding of the issues that are discussed by the committees in order to facilitate the effective and efficient presentation and discussion of these issues at meetings of the Board, and to facilitate the creation and prioritization of the Board meeting agendas.
- Establish procedures to govern the Board's work including:
  - working with the CEO and Corporate Secretary, to schedule meetings of the Board and its committees;
  - developing the agenda for Board meetings with input from other Board members and management;
  - working with the CEO and Corporate Secretary to ensure that proper and timely information is delivered to the Board;
  - working with the CEO to ensure that the conduct of Board meetings provides adequate time for serious discussion of relevant issues;
  - chairing all meetings of the Board;
  - encouraging full participation, stimulating debate, facilitating consensus and ensuring clarity regarding decision-making;
  - providing an opportunity for the directors to meet in-camera, in conjunction with each meeting of the Board;
  - ensuring that the Board has appropriate administrative support; and
  - addressing complaints, questions and concerns regarding Board matters.
- Communicate with directors between meetings.
- Ensure the Board provides stewardship as well as objective and critical evaluation of management plans. This includes, but is not restricted to, ensuring the Board and all of its committees have adequate resources to fully exercise their duties and responsibilities in compliance with applicable governance and other policies.
- Ensure the Board fully exercises its responsibilities and duties and complies with applicable governance and other policies.

As the Chair is independent, the Company does not have a lead director.

**(g) Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year.**

The Company's Board meets when it is necessary and desirable to transact business of the Company. Each committee of the Company's Board meets at least twice each year or more frequently as deemed necessary by the applicable committee. The Audit and Risk Committee meets every quarter. The frequency of the meetings and the nature of the meeting agendas are dependent upon the nature of the business and affairs which the Company faces from time to time. During the financial year ended December 31, 2023, Company's

Board met twelve times, the Audit and Risk Committee met five times and the Compensation, Corporate Governance, Nominating and ESG Committee met six times. During the year the Compensation, Corporate Governance, Nominating and ESG Committee was split into two separate committees and subsequently the Compensation and Human Resources Committee met one time and the Corporate Governance, Nominating and ESG Committee met one time. The following table provides details regarding director attendance at Board and committee meetings held during each director's tenure on Jetlines' Board and his or her respective committees during the financial year ended December 31, 2023.

<b><u>Director</u></b>	<b><u>Board</u></b>	<b><u>Audit and Risk Committee</u></b>	<b><u>Compensation, Corporate Governance, Nominating and ESG Committee</u></b>	<b><u>Compensation, and Human Resources Committee</u></b>	<b><u>Corporate Governance, Nominating and ESG Committee</u></b>
Eddy Doyle	12 of 12	N/A	N/A	N/A	N/A
Ryan Goepel	10 of 12	N/A	N/A	N/A	N/A
Beth Horowitz	12 of 12	5 of 5	6 of 6	1 of 1	1 of 1
David Kruschell	11 of 12	N/A	6 of 6	1 of 1	N/A
Ravinder Minhas	12 of 12	N/A	6 of 6	1 of 1	1 of 1
Regenold Christian	11 of 12	N/A	N/A	N/A	N/A
Brigitte Goersch	12 of 12	5 of 5	6 of 6	1 of 1	1 of 1
Shawn Klerer	12 of 12	5 of 5	N/A	N/A	N/A
Gurdev Singh <sup>(1)</sup>	N/A	N/A	N/A	N/A	N/A
Gurinderpal Singh <sup>(1)</sup>	N/A	N/A	N/A	N/A	N/A

<sup>(1)</sup> Mr. Gurdev Singh and Mr. Gurinderpal Singh were not appointed as a director until after the financial year ended December 31, 2023.

## **2. BOARD MANDATE**

**Disclose the text of the board's written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.**

The text of Jetlines Board Mandate is attached as Schedule "C" to this Information Circular.

## **3. BOARD OF DIRECTORS**

- (a) Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.**

The Board has developed a written position description for the Chair. The Chair of each Board committee acts within the parameters set by their respective committee charters.

- (b) Disclose whether or not the board and CEO have developed a written position description for the CEO. If the board and CEO have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the CEO.**

The Board has developed a written position description for the Chief Executive Officer.

#### 4. **ORIENTATION AND CONTINUING EDUCATION**

**(a) Briefly describe what measures the board takes to orient new directors regarding**

**(i) the role of the board, its committees and its directors, and**

**(ii) the nature and operation of the issuer's business.**

The Company provides an orientation program to new directors. This program consists of:

- A detailed briefing with the Chair.
- A detailed briefing with the Chief Executive Officer.
- The Company's Legal Counsel providing education regarding directors' responsibilities, corporate governance issues and recent and developing issues related to corporate governance and regulatory reporting.
- Provision of the Company's committee charters and corporate governance policy booklet to the new director.
- Access to the Company's independent directors, as required, for the new director to discuss the operation of the Company and the Board.

**(b) Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.**

The Company encourages senior management to participate in professional development programs and courses and supports Management's commitment to training and developing employees. The Board of Directors provides comprehensive information regarding the Company to new directors and continuing education for directors on an ad hoc basis in respect of issues that are necessary for them to understand to meet their obligations as directors. In addition, commencing during the most recently completed fiscal year, the Company has implemented at least annual corporate governance training (including presentations by third parties) and updates on recent developments for its directors.

As required, directors are briefed on strategic and corporate governance issues affecting the Company, and these briefings include reviews of the competitive environment, the Company's progress and performance relative to its peers, and any other developments that could materially affect the Company's business. The briefings are conducted by the Chair and Chief Executive Officer, Chief Financial Officer, legal counsel and other members of the executive management team. Furthermore, the Corporate Governance, Nominating and ESG Committee is responsible for reviewing, monitoring and making recommendations regarding new director orientation and ongoing development of existing directors.

#### 5. **ETHICAL BUSINESS CONDUCT**

**(a) Disclose whether or not the board has adopted a written code for the directors, officers and employees. If the board has adopted a written code:**

**(i) disclose how a person or company may obtain a copy of the code;**

The Board of Directors expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives. The Board of Directors

has adopted a formal written Code of Business Conduct and Ethics (the “Code”) which is available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com).

**(ii) describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code; and**

Compliance with the Code is based first and foremost on the cooperation and vigilance of all persons subject to the Code. Each director, officer and employee and consultant is provided with a copy of the Code and is required to acknowledge in their employment or consulting contract, as applicable, that they have read, understood and agree to comply with the Code. The Corporate Governance, Nominating and ESG Committee is responsible for monitoring compliance with the Code by ensuring that all directors, officers, consultants and employees receive and become thoroughly familiar with the Code and acknowledge their support and understanding of the Code. Any non-compliance with the Code is to be reported to the Chair of the Board, Chief Executive Officer, Chief Financial Officer, General Counsel or other appropriate person. The Board sets the tone for ethical conduct throughout the Company by considering and discussing ethical considerations when reviewing the corporate transactions of the Company.

The Code requires all employees, officers, directors and consultants of the Company to perform the responsibilities of their positions on the basis of what is in the best interests of the Company and free from the influence of personal considerations and relationships. No material change report has ever been filed that pertains to any conduct of a director or executive officer that constitutes a departure from the Code.

The Company has also adopted a Whistleblower Policy to address Jetlines’ commitment to integrity, ethical behavior, and compliance with the Code by its personnel. The Company’s Whistleblower Policy sets out procedures for directors, officers, consultants and employees of the Company to make good faith complaints concerning a suspicion of unethical behaviour of the Company or any of its personnel. The Board believes that providing a procedure for employees and officers to raise concerns about ethical conduct on an anonymous and confidential basis fosters a culture of ethical conduct within the Company.

**(iii) provide a cross-reference to any material change report filed since the beginning of the issuer’s most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.**

No material change report was filed by the Company since January 1, 2023 regarding departures from the Code by directors or executive officers.

**(b) Describe any steps the board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.**

See response in 5(c).

**(c) Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.**

The Board endeavors to ensure that directors, officers and employees exercise independent judgement in considering transactions and agreements in respect of which a director, officer or employee of the Company has a material interest, which include ensuring that directors, officers and employees are thoroughly familiar with the Code and, in particular, the rules concerning reporting conflicts of interest and obtaining direction from the Compensation, Nominating and Corporate Governance Committee regarding any potential conflicts of interest.

In accordance with the CBCA, if a director is a director or officer of, or has a material interest in, any person who is a party to a transaction or proposed transaction with the Company, that director recuses him or herself

from the substantive discussion of the matter in question and that director is not entitled to vote on any directors' resolutions in respect of such transaction. The Corporate Governance, Nominating and ESG Committee monitors the disclosure of conflicts of interest to the Board by directors and ensures that no director will vote or participate in a discussion on a matter in respect of which such director has a material interest. Committee Chairs perform the same function with respect to meetings of each Board committee.

## **6. NOMINATION OF DIRECTORS**

### **(a) Describe the process by which the board identifies new candidates for board nomination.**

The Corporate Governance, Nominating and ESG Committee is responsible for recommending to the Board, on an annual basis, nominees for election as directors for the next annual meeting of Shareholders and analyzing the needs of the Board and recommending nominees who meet such needs, when vacancies arise on the Board.

### **(b) Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.**

The Company has a Corporate Governance, Nominating and ESG Committee, which is currently comprised of Ravinder Minhas, Brigitte Goersch and Beth Horowitz. Each of Mr. Minhas, Ms. Goersch and Ms. Horowitz is considered an independent director for purpose of application securities laws.

### **(c) If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.**

To encourage an objective nominating process, when considering potential Board nominees the Corporate Governance, Nominating and ESG Committee takes into account a number of factors, which may include the current composition of the Board, independence requirements, the ability of the individual candidate to contribute on an overall basis, the ability of the individual to contribute sufficient time and resources to the Board, the current and future needs of the Company, independence, diversity, competition, the individual's direct experience with public companies in general and airline/travel industry companies in particular as well as the individual's skills and knowledge and the skills and knowledge of existing members of the Board. The Company's current skills matrix includes the following categories: Airline or Travel/Tourism Industry; Financial/Audit & Risk; Legal/Public Policy; Senior Executive; Environmental/Social; Technical/Engineering; Health & Safety; Enterprise Risk Management; Cybersecurity/IT; Communications/Marketing/Customer Service; Compensation and Human Resources; and Corporate Governance.

The overall purpose of the Corporate Governance, Nominating and ESG Committee is to:

- assist the Company in its corporate governance responsibilities under applicable law;
- establish criteria for Board and committee membership;
- recommend composition of the Board and its committees; and
- as circumstances arise, assess directors' performance.

The Corporate Governance, Nominating and ESG Committee uses the following process to identify and nominate highly qualified and dedicated director candidates for election to the Board:

- the Chair of the Board, the Chair of the Corporate Governance, Nominating and ESG Committee or other members of the Board identify the need to add new Board members, with careful consideration of the mix of qualifications, skills and experience represented on the Board;

- the Corporate Governance, Nominating and ESG Committee coordinates the search for qualified candidates with input from management and other Board members;
- the Corporate Governance, Nominating and ESG Committee may engage a candidate search firm to assist in identifying potential nominees, if it deems such engagement necessary and appropriate;
- selected members of Management and the Board will interview prospective candidates;
- the Corporate Governance, Nominating and ESG Committee will recommend a nominee and seek full Board endorsement of the selected candidate, based on its judgment as to which candidate will best serve the interests of the Shareholders;
- the Corporate Governance, Nominating and ESG Committee may, to the extent it deems appropriate or as required pursuant to the terms of contractual nomination rights, consult with significant Shareholders of the Company or other Shareholders as part of the process of nominating new directors; and
- the Corporate Governance, Nominating and ESG Committee will consider any candidates submitted by Shareholders on the same basis as any other candidate.

## 7. COMPENSATION

- (a) Describe the process by which the board determines the compensation for the issuer’s directors and officers.**

Reference should be made to the “Statement of Executive Compensation” attached to this Information Circular as Schedule “B” for details regarding the Company’s process for determining compensation.

- (b) Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.**

Reference should be made to the “Statement of Executive Compensation” attached to this Information Circular as Schedule “B” for details regarding the Company’s Compensation and Human Resources Committee.

- (c) If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.**

Reference should be made to the “*Statement of Executive Compensation*” attached to this Information Circular as Schedule “B” for details regarding the Company’s Compensation and Human Resources Committee.

## 8. OTHER BOARD COMMITTEES

**If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.**

The Company does not have any other committees of the Board, other than the Audit and Risk Committee, the Compensation and Human Resources Committee, and the Corporate Governance, Nominating and ESG Committee.

## 9. ASSESSMENTS

**Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.**

The Board and its committees are subject to an annual written assessment process. To facilitate this annual assessment, the Board has approved an Annual Assessment Report and Questionnaires for the Board and each of its committees. The Corporate Governance, Nominating and ESG Committee is responsible for reviewing the assessments and reporting to the Board on areas where improvements can be made. Any agreed upon improvements required to be made are implemented and overseen by the Corporate Governance, Nominating and ESG Committee.

## 10. TERM LIMITS

**Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanism of board renewal and, if so, include a description of those director term limits or other mechanism of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.**

The Company has not adopted formal term limits for directors because the risk profile of the Company makes it more difficult for the Company to attract and to retain highly qualified board members than other companies. The Company seeks to avoid losing the services of a qualified director with knowledge of its business through the imposition of an arbitrary term limit. In addition no director has served for longer than three years and term limits may be considered in the future based on the Company's growth profile.

## 11. POLICIES REGARDING THE REPRESENTATION OF DESIGNATED GROUPS ON THE BOARD

- (a) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of members of Designated Groups as directors. If the issuer has not adopted such a policy, disclose why it has not done so.**

The Company has not adopted a written policy relating to the identification and nomination of members of Designated Groups as directors. “**Designated Groups**” means women, Aboriginal peoples, persons with disabilities and members of visible minorities. The Corporate Governance, Nominating and ESG Committee generally identifies, evaluates and recommends candidates to become members of the Board with the goal of creating a Board that, as a whole, consists of individuals with various and relevant career experience, industry knowledge and experience, and financial and other specialized expertise. The composition of the Board of Directors is primarily a question of experience and expertise brought by each nominee to the Board of Directors. The Corporate Governance, Nominating and ESG Committee, when searching for nominees to the Board of Directors, also takes diversity, including membership in a Designated Group, into account. Primarily, the Board of Directors needs directors who have the expertise and the skills necessary for an airline. Although the committee does not have a formal diversity policy concerning membership of the Board, it considers diversity in its broadest sense when evaluating candidates, including persons diverse in gender, ethnicity, experience, and background.

- (b) If the issuer has adopted a policy referred to in (a), disclose the following in respect of the policy: (i) a short summary of its objectives and key provisions; (ii) the measures taken to ensure that the policy has been effectively implemented; (iii) annual and cumulative progress by the issuer in achieving the**

objectives of the policy; and (iv) whether and, if so, how the board or its nominating committee measures the effectiveness of the policy.

The Company does not have a written policy relating to the identification and nomination of members of Designated Groups as directors.

**12. CONSIDERATION OF THE REPRESENTATION OF MEMBERS OF DESIGNATED GROUPS IN THE DIRECTOR IDENTIFICATION AND SELECTION PROCESS.**

**Disclose whether and, if so, how the board or nominating committee considers the level of representation of members of Designated Groups on the board in identifying and nominating candidates for election or re-election to the board. If the issuer does not consider the level of representation of members of Designated Groups on the board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.**

The Corporate Governance, Nominating and ESG Committee considers all factors it deems relevant in the process of identifying and nominating candidates for election or re-election to the Board. As noted above, membership in a Designated Group is taken into account but its primary focus to identify directors who have the expertise and the skills necessary for an airline.

**13. CONSIDERATION GIVEN TO THE REPRESENTATION OF MEMBERS OF DESIGNATED GROUPS IN EXECUTIVE OFFICER AND SENIOR MANAGEMENT APPOINTMENTS**

**Disclose whether and, if so, how the issuer considers the level of representation of members of Designated Groups in executive officer and senior management positions when making executive officer and senior management appointments. If the issuer does not consider the level of representation of members of Designated Groups in executive officer and senior management positions when making executive officer and senior management appointments, disclose the issuer's reason for not doing so.**

The Company identifies, evaluates and recommends persons to become executive officers and senior management with the goal of creating an executive officer and senior management team that, as a whole, consists of individuals with various and relevant career experience and industry knowledge and experience. The composition of the executive officer and senior management team is primarily a question of the experience and expertise brought by the officer. Primarily, the Company needs executive officers and senior managers who have the expertise and the skills necessary for the development and operation of an airline. As the Company progresses out of the initial operations phase, it will be able to hire a wider array of potential candidates.

**14. ISSUER'S TARGETS REGARDING THE REPRESENTATION OF MEMBERS OF DESIGNATED GROUPS ON THE BOARD, EXECUTIVE OFFICER AND SENIOR MANAGEMENT POSITIONS**

**For purposes of this item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of members of Designated Groups on the issuer's board or in executive officer or senior management positions of the issuer by a specific date. Disclose whether the issuer has adopted a target regarding members of Designated Groups on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so. Disclose whether the issuer has adopted a target regarding Designated Groups in executive officer and senior management positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so. If the issuer has adopted a target of either type, disclose the target and the annual and cumulative progress of the issuer in achieving the target.**

The Company has not adopted a target regarding members of Designated Group on the Board because the Corporate Governance, Nominating and ESG Committee generally identifies, evaluates and recommends candidates to become members of our Board with the goal of creating a Board that, as a whole, consists of individuals with various and relevant career experience, industry knowledge and experience, and financial and other specialized experience, while



taking membership in a Designated Group into account. The Company has not adopted a target regarding membership in a Designated Group in executive officer and senior management positions because the Company's risk profile and lack of resources deprive it of the ability to make appointments on any basis other than finding, often on short notice, the most qualified person who is willing to accept the risks inherent in the Company's financial situation and early stage operating position. Despite the fact that the Company has not established any targets, it has been successful in recruiting directors and executive officers that are members of Designated Groups.

**15. NUMBER OF MEMBERS OF DESIGNATED GROUPS ON THE BOARD AND IN EXECUTIVE OFFICER AND SENIOR MANAGEMENT POSITIONS**

- (a) **Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are members of a Designated Group**

<b>Designated Groups</b>	<b>Number</b>	<b>Percentage</b>
Women	2	20%
Aboriginal peoples,	0	0%
Persons with disabilities	0	0%
Members of visible minorities	3	30%

- (b) **Disclose the number and proportion (in percentage terms) of executive officers and senior management of the issuer, including all major subsidiaries of the issuer, who are members of Designated Groups.**

<b>Designated Groups</b>	<b>Number</b>	<b>Percentage</b>
Women	1	25%
Aboriginal peoples,	0	0%
Persons with disabilities	0	0%
Members of visible minorities	1	25%

**SCHEDULE “B”**  
**FORM 51-102F6**  
**STATEMENT OF EXECUTIVE COMPENSATION**

**CANADA JETLINES OPERATIONS LTD..**  
**(the “Company” or “Jetlines”)**

**(for the year ended December 31, 2023)**

**DATED MAY 10, 2024**

**Definitions**

For the purpose of this Statement of Executive Compensation:

“**Chief Executive Officer**” or “**CEO**” of the Company means an individual who served as chief executive officer of the Company or acted in a similar capacity during the most recently completed financial year;

“**Chief Financial Officer**” or “**CFO**” of the Company means an individual who served as chief financial officer of the Company or acted in a similar capacity during the most recently completed financial year;

“**Executive officer**” of the Company for the financial year, means an individual who at any time during the year was:

- (a) a chair of the Company;
- (b) a vice-chair of the Company;
- (c) the president of the Company;
- (d) a vice-president of the Company in charge of a principal business unit, division or function, including sales, finance or production; or
- (e) performing a policy-making function in respect of the Company.

“**NEO**” or “**named executive officer**” means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year;

“**equity incentive plan**” means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 Share-based Payment;

“**incentive plan**” means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

“**incentive plan award**” means compensation awarded, earned, paid, or payable under an incentive plan;

“**non-equity incentive plan**” means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

“**option-based award**” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

“**plan**” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons;

“**share-based award**” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock;

“**Voting Shares**” means the common and variable voting shares of the Company.

### **Compensation discussion and analysis**

The Company has a Compensation and Human Resources Committee (the “**Compensation Committee**”) that is responsible for recommending to the Board of Directors all forms of compensation to be granted to the Named Executive Officers and the directors, and for reviewing the CEO’s recommendations respecting compensation of the other officers of the Company. The Company’s Named Executive Officers are compensated through employment agreements.

Compensation for the NEOs is composed of three components: base salary, performance bonuses and equity-based compensation. Performance bonuses are considered from time to time. At the current stage of the Company’s development, the Compensation Committee does not rely on any formula to determine an exact amount of compensation to pay. The establishment of base salary, award of equity compensation securities and performance bonuses are based on subjective criteria including individual performance, level of responsibility, length of service and available market data, and certain objective criteria related to performance-based metrics as it relates to bonus payments. The target is for the total compensation package granted to the NEOs to be approximately in the middle range of other comparably sized airline/travel industry companies; however, while reference is made to executive compensation surveys and publicly available compensation data, there is no fixed formula, or pre-determined set of peer companies that is used for this determination. As the Company has now launched airline operations, the Compensation Committee has implemented a more formal process for executive compensation by hiring an external compensation consultant (Gallagher) to provide benchmarks and recommendation for compensation of NEOs for the year ended December 31, 2024.

Base compensation is determined following a review of comparable compensation packages for that position, together with an assessment of the responsibility and experience required for the position to ensure that it reflects the contribution expected from each NEO taking into consideration a variety of factors. These factors include overall financial and operating performance of the Company and the Board’s overall assessment of each NEO’s individual performance and contribution towards meeting corporate objectives, levels of responsibility, length of service, industry comparable data and performance based metrics. Each of these factors is evaluated on a subjective basis.

#### ***Base Salary***

In determining the base salary of an executive officer, the Compensation Committee begins its analysis with a recommendation from the President and CEO of the Company and also places weight on the following factors: the

particular responsibilities related to the position; the experience level of the executive officer; the difficulties in recruiting new talent; and his or her overall performance.

For the Company's CEO, the Compensation Committee targets total compensation, including base salary, annual cash incentive compensation and long-term incentive compensation of between the 25<sup>th</sup> and 50<sup>th</sup> percentile of the competitive market. For the NEOs other than the CEO, the Compensation Committee's policy is to target compensation relative to the CEO and to use publicly available compensation information on similarly situated executives at relevant companies. The Compensation Committee has established this market positioning policy for total compensation because it believes the Company's success is highly dependent on its executive talent.

During the financial year ended December 31, 2023, the annual base salary for services provided by Eddy Doyle, the President and CEO was \$275,000, the annual base salary for Percy Gyara, the Chief Financial Officer was \$250,000, the annual base salary for services provided by Duncan Bureau, the former Chief Commercial Officer was \$250,000, and the annual base salary for services provided by Brad Warren, Chief Operating Officer was \$225,000. All executive officers had their salaries increased to the current level after the Company began generating revenue from airline operations in 2022. Tim Crits, Director, Flight Ops & Operations Manager, base salary was increased from \$99,000 at the time of hire in March 2022 to \$175,000. Mr. Crits salary was initially at a reduced level while the Company completed the airline licensing process and was increased once flight operations commenced and he took on additional responsibilities.

### ***Bonus Payments***

#### General

The Company's Named Executive Officers are entitled to participate in an annual cash bonus plan that provides the Named Executive Officer with the opportunity to receive a cash-based performance bonus as a certain per cent of his Annual Salary (the "Target Bonus") based on the Named Executive Officer's contribution, as determined by the Board, to the achievement of Company goals established by the Board for the fiscal year and the Company's performance and financial condition. The Company has established a formal set of annual objectives and performance plan for the President & Chief Executive Officer, Chief Financial Officer and Chief Operating Officer.

For the year ended December 31, 2023, the objectives for the President & Chief Executive Officer, Chief Financial Officer and Chief Operating Officer are set out in the table below.

<b>Officer</b>	<b>Performance Metrics</b>
Chief Executive Officer	Organizational leadership; business diversification; revenue growth; fundraising; investor relations; and effective company-wide collaboration.
Chief Financial Officer	Cash conservation and fundraising; financial reporting and analysis; set up of financial systems; business projects financial evaluation and viability; and effective company-wide collaboration.
Chief Operating Officer	Safe operational performance; on-time performance; maintenance and engineering program providing reliable operation; operation personnel recruitment and training; regulatory approvals; and effective company-wide collaboration.

A weighting system has not been implemented with respect to these objectives and as a result the performance of these Named Executive Officers is evaluated based on their attainment each individual objectives as a whole. The performance of each of these Named Executive Officers is evaluated using a percentage factor applied to each objective and then averaged. This evaluation is then used to determine the amount of bonus to be received by the Named Executive Officer relative to their Target Bonus.

The Target Bonus as a percentage of base salary for which these Named Executive Officers was eligible in fiscal 2023 is set forth in the following table:

<b>Named Executive Officer</b>	<b>2023 Bonus Target (% of Base Salary)</b>
President & Chief Executive Officer	50% - 140%
Chief Financial Officer	50% - 140%
Chief Operating Officer	50% - 140%

### 2023 Performance Bonuses

As of the date of this Statement of Executive Compensation the Board has elected to defer the granting of any bonuses for performance during the year ended December 31, 2023. The granting of any bonuses may be evaluated later during the current fiscal year based on the Company's financial resources and operations.

### ***Long-Term Incentives***

The Company believes that granting stock options, RSUs and PSUs to key personnel encourages retention and more closely aligns the interests of executive management with the intent of Shareholders. The inclusion of options, RSUs and PSUs in compensation packages allows the Company to compensate employees while not drawing on cash resources. Further, the Company believes that the option, RSU and PSU component serves to further align the interests of management with the interests of the Company's Shareholders. The amount of options, RSUs or PSUs to be granted is based on the relative contribution and involvement of the individual in question, as well as taking into consideration previous option grants. As an early stage operating airline, there have been no other specific quantitative or qualitative measures associated with option grants and no specific weights are assigned to any criteria individually, rather, the performance of the Company is broadly considered as a whole when determining the number of equity based compensation (if any) to be granted and the Company does not focus on any particular performance metric. During the financial year ended December 31, 2023, the Company granted 389,562 stock options and no restricted share units to its Named Executive Officers. It is the intention of the Compensation Committee to put in place a more formal long-term incentive plan with performance-based criteria during the year ended December 31, 2024 and Gallagher is assisting with this process.

### ***Hedging Restrictions***

The Company does not have any policies that restrict a NEO or director from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that 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 except that NEOs and directors are prohibited from undertaking any of the following activities under the Company's Insider Trading Policy:

- speculating in securities of the Company, which may include buying with the intention of quickly reselling such securities, or selling securities of the Company with the intention of quickly buying such securities (other

than in connection with the acquisition and sale of shares issued under the Company's stock option plan or any other Company benefit plan or arrangement);

- buying the Company's securities on margin;
- short selling a security of the Company or any other arrangement that results in a gain only if the value of the Company's securities declines in the future;
- selling a "call option" giving the holder an option to purchase securities of the Company; and
- buying a "put option" giving the holder an option to sell securities of the Company.

### ***Risk Management and Assessment***

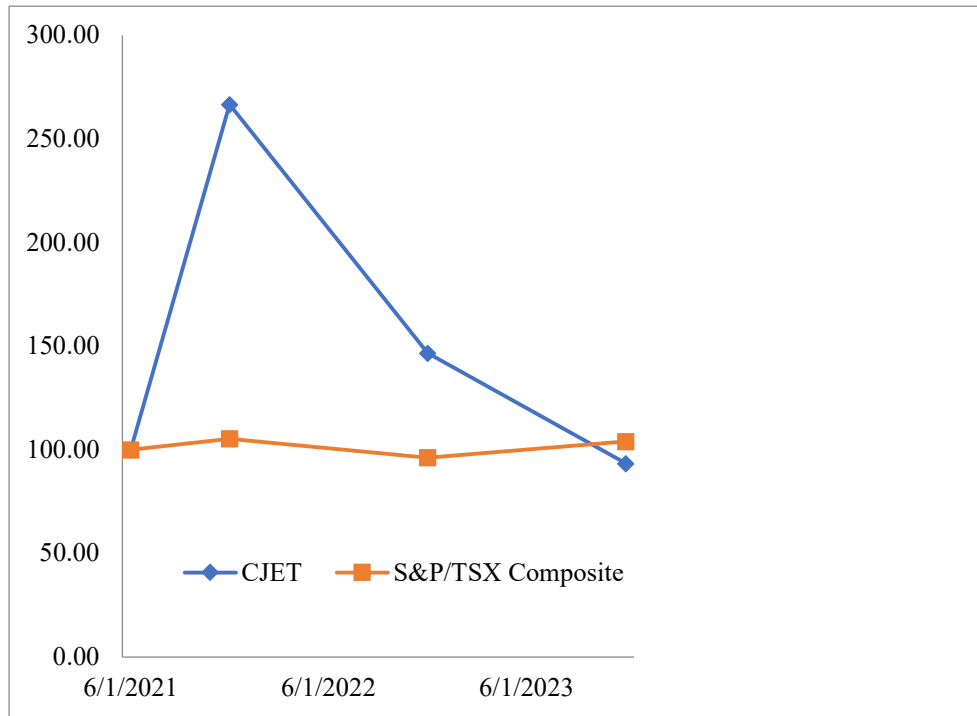
With respect to the management of risk, the Board takes a conservative approach to executive compensation, rewarding individuals with additional performance-based compensation dependent upon the success of the Company and when such success can be demonstrated. The Compensation Committee is responsible for reviewing the Company's compensation program to ensure that risks are identified and mitigated to the extent possible. Care is taken in measuring this success, while ensuring it is achieved within normal operating procedures and standards.

The nature of the business and the competitive environment in which the Company operates requires some level of risk-taking to achieve growth and desired results in the best interest of stakeholders. The Board provides oversight of Management's risk taking on an ongoing basis. The Company's executive compensation program seeks to encourage behaviours directed towards increasing long-term value, while limiting incentives that could reward inappropriate risk taking.

The Company views stock options, RSUs and PSUs as a valuable tool for aligning the interest of management and Shareholders in the long term growth and success of the Company. The Company is aware that stock option, RSU and PSU grants that vest immediately may create an incentive for management to maximize short term gains at the expense of the long term success of the Company. In order to mitigate this risk, option, RSU and PSU grants are generally subject to time based vesting conditions.

### **Performance Graph**

The following graph depicts the Company's cumulative total Shareholder returns to December 31, 2023, assuming a \$100 investment in Voting Shares on June 28, 2021 (the day the Company became a reporting issuer), compared to an equal investment in the S&P/TSX Composite Index. The Company does not currently issue dividends. As the Company's Voting Shares were not trading on a stock exchange prior to commencing trading on the Cboe Canada Exchange until October 13, 2021, the Voting Share performance as set out in the graph reflects the volatility of an early stage company and does not necessarily indicate future price performance.



As described above, the Compensation Committee considers various factors in determining the compensation of the Named Executive Officers and Voting Share performance is one performance measure that is reviewed and taken into consideration with respect to executive compensation. The Voting Share price is affected by factors beyond the Company's control, including general and industry-specific economic and market conditions.

Currently, there is no correlation between the trend of Jetlines' stock price and Jetlines' executive compensation due to the fact that the Jetlines' Voting Shares did not commence trading on a stock exchange until October 13, 2021, and did not commence business operations until June 28, 2021. Prior to June 28, 2021, the Company was a subsidiary of Global Crossing Airlines Group Inc. and pursuant to a Plan of Arrangement, was "spun-out" of Global Crossing Airlines Group Inc. to become a separate entity.

Fiscal 2021 was the first year in which the Company paid executive compensation and its executive compensation was reviewed in fiscal 2022 and fiscal 2023. Therefore, there was an increase in the Company's executive compensation in each of 2021, 2022 and 2023 as further detailed in the Summary Compensation Table below.

## **Compensation Governance**

### **Compensation, Corporate Governance, Nominating and ESG Committee**

#### *Members and Independence*

The Compensation Committee is comprised of David Kruschell, Ravinder Minhas, Beth Horowitz and Brigitte Goersch each of whom is considered an independent director for purpose of application securities laws.

#### *Skills and Experience*

The Board believes that each current and former member of the Compensation Committee possesses skills and experience relevant to the mandate of the Compensation Committee. In addition, the members of the Compensation Committee each have skills and experience that enable them to make decisions on the suitability of the Company's compensation policies and practices.

Committee Member	Relevant Skills and Experience
David Kruschell	Mr. Kruschell is President & CEO at Frontier Lodging Solutions, a workforce and corporate lodging company based in Calgary, Alberta. He has an extensive knowledge of the travel industry having held several key executive positions in this sector over his career. Prior to Frontier Lodging, David was Senior Vice President, Client Management & Consulting at Direct Travel, a leader in travel management in north America, employing over 725 travel professionals in Canada. Mr. Kruschell previously held the role of Vice President, Western Canada from 1996 to 2000. Subsequently, he acted as partner and President of a series of UNIGLOBE branded businesses, growing each business through client acquisition and mergers which, in 2014, culminated in the creation of UNIGLOBE One Travel. By 2018 the company had grown to over 600 corporate clients and over \$300 million in annual sales. In 2018, David and his partners sold Uniglobe One Travel to Direct Travel of Denver, Colorado. Based on his extensive experience with several companies in the travel industry, Mr. Kruschell has developed significant knowledge with respect to executive compensation policies and procedures.
Ravinder Minhas	Mr. Minhas has a Bachelor of Science in Oil & Gas Engineering from the University of Calgary. After completing his degree, he co-founded Minhas Breweries and Distilleries, a company with sales in five Canadian provinces, 41 states and 19 countries. In 2002, Mr. Minhas co-founded Mountain Crest Brewing Company in Alberta to create and sell premium beer at discounted prices. In 2006, he and his sister purchased the Joseph Huber Brewing Company in Wisconsin, which they renamed to "Minhas Craft Brewery". The Minhas Craft Brewery is now ranked in the Top 10 breweries largest breweries in America. In 2012 Mr. Minhas he co-founded Spotlight Television & Film, a company that produces scripted, documentary and reality programs. Based on his extensive business experience, Mr. Minhas has developed significant knowledge with respect to executive compensation policies and procedures.
Beth Horowitz (Chair)	Ms. Horowitz is the former President & CEO, Amex Bank of Canada and former President & General Manager, Amex Canada, Inc. She was a member of the HBCS Bank of Canada Board of Directors from 2009 to 2022, serves as Chair of the AGO Finance Committee, and has over 20 years of non-profit and corporate board experience. Ms. Horowitz has a Bachelor's Degree, History, from Cornell University and an MBA from Harvard Business School.
Brigitte Goersch	Ms. Goersch is the President of Lionheart Enterprises and acts as an aviation industry advisor to a multi-billion EUR global investment organization. During a 14 year period, Ms. Goersch was the Deputy Executive Director, Greater Orlando Aviation Authority, leading the operations of Orlando International Airport – a top 10 US airport. Ms. Goersch has also gained financial literacy through her experience as a Board member of the Florida Board of Medicine, Florida Board of Pharmacy and National Safe Skies Alliance. Ms Goersch holds a Corporate Director Certification from Harvard Business School.

### *Responsibilities, Powers and Operation*

The Compensation Committee's primary function to assist the Board of Directors in fulfilling its oversight responsibilities by:

- Reviewing and approving and then recommending to the Board of Directors salary or consulting fees, bonuses, and other benefits, direct or indirect, and any change-of-control packages of the Company's executive officers;



- Reviewing compensation of the Board of Directors;
- Administration of the Company’s compensation plans, including stock option plans, outside directors’ compensation plans, and such other compensation plans or structures as are adopted by the Company from time to time;
- Research and identification of trends in employment benefits; and
- Establishment and periodic review of the Company’s policies in the area of management benefits and perquisites based on comparable benefits and perquisites in the airline/travel industry.

Meetings of the Compensation Committee are held from time to time as the Compensation Committee or the Chair of the Compensation Committee shall determine. The Compensation Committee may ask members of Management or others to attend meetings or to provide information as necessary. The Compensation Committee is permitted to retain and terminate the services of outside compensation specialists and other advisors to the extent required, and has the sole authority to approve their fees and other retention terms.

#### *Compensation Advisor*

#### Identity and Mandate of Compensation Consultant

During the fourth quarter of the financial year ended December 31, 2023, the Company retained Gallagher Benefit Services (Canada) Group Inc. (“**Gallagher**”) to undertake a review of the Company’s director and executive compensation program. The Committee’s mandate was for Gallagher to provide recommendations regarding director and executive compensation for the fiscal year ended December 31, 2024. As a result, Gallagher services did not have an affect on the compensation provided for the fiscal year ended December 31, 2023. In developing compensation recommendations for the fiscal year ended December 31, 2024, Gallagher provided the following support to the Compensation Committee:

- Review and discuss director and executive compensation related matters and market trends.
- Review director compensation recommendations.
- Review the competitiveness and appropriateness of executive compensation practices and peer groups.
- Review executive compensation recommendations.

The Company does not have a requirement that the Compensation Committee or Board of Directors pre-approve the services that a compensation consultant provides to the Company at the request of Management.

#### Fees Paid to Compensation Consultant

During the two most recently completed financial years, following fees have been billed by Gallagher to the Company:

<b>Financial Year</b>	<b>2023</b>	<b>2022</b>
<b>Executive compensation-related fees</b>	\$10,740	Nil
<b>All other fees</b>	Nil	Nil
<b>Total fees</b>	\$10,740	Nil

## Summary Compensation Table

The following table contains information about the compensation paid to, or earned by, those who were during the fiscal year ended December 31, 2023 the Company's Named Executive Officers. The Company had five Named Executive Officers during the fiscal year ended December 31, 2023, namely Eddy Doyle, Percy Gyara, Duncan Bureau, Brad Warren and Tim Crits.

Name and principal position)	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Eddy Doyle <sup>(1)</sup> CEO & President	2023	275,000	Nil	9,341 <sup>(12)</sup>	75,000	Nil	Nil	Nil	359,341
	2022	187,917	63,000 <sup>(9)</sup>	20,000	20,000	Nil	Nil	Nil	290,917
	2021	112,500	67,500 <sup>(6)</sup>	Nil	Nil	Nil	Nil	Nil	180,000
Percy Gyara <sup>(2)</sup> Chief Financial Officer	2023	250,000	Nil	9,341 <sup>(12)</sup>	75,000	Nil	Nil	Nil	334,341
	2022	143,833	105,500 <sup>(10)</sup>	20,000	20,000	Nil	Nil	Nil	289,333
	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Duncan Bureau <sup>(3)</sup> Former Chief Commercial Officer	2023	250,000	Nil	6,405 <sup>(12)</sup>	Nil	Nil	Nil	Nil	256,405
	2022	185,833	63,000 <sup>(9)</sup>	13,715	13,715	Nil	Nil	Nil	276,263
	2021	105,000	56,260 <sup>(6)</sup>	Nil	Nil	Nil	Nil	7,500 <sup>(8)</sup>	168,760
Brad Warren <sup>(4)</sup> Former Chief Operating Officer	2023	225,000	Nil	7,662 <sup>(12)</sup>	Nil	Nil	Nil	Nil	232,662
	2022	183,750	63,000 <sup>(9)</sup>	16,406	16,406	Nil	Nil	Nil	274,180
	2021	138,462	30,000 <sup>(6)</sup>	Nil	Nil	Nil	Nil	Nil	168,462
Tim Crits <sup>(5)</sup> Director, Flight Ops & Operations Manager	2023	178,908	Nil	Nil	Nil	Nil	Nil	Nil	178,908
	2022	106,615	12,290 <sup>(11)</sup>	Nil	Nil	Nil	Nil	Nil	118,905
	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Pursuant to a consulting agreement dated January 1, 2021 between Mr. Doyle and the Company, Mr. Doyle received annual consulting fees in the amount of \$180,000. Effective September 2, 2022, Mr. Doyle and the Company entered into an employment agreement pursuant to which he currently receive an annual salary of \$275,000. See below under "Termination and Change of Control Benefits" for a description of the employment agreement. Mr. Doyle also serves as a director of the Company, but receives no additional compensation for his services as a director.

(2) Pursuant to a consulting agreement dated March 28, 2022 between Mr. Gyara and the Company, Mr. Gyara received annual consulting fees in the amount of \$180,000. Effective September 2, 2022, Mr. Gyara and the Company entered into an employment agreement pursuant to which he currently receive an annual salary of \$250,000. See below under "Termination and Change of Control Benefits" for a description of the employment agreement.

(3) Pursuant to a consulting agreement dated July 1, 2021 between LorEau, a company owned by Mr. Bureau and the Company, LorEau provided the services of Mr. Bureau as Chief Commercial Officer of the Company and received annual consulting fees in the amount of \$180,000. Effective September 2, 2022, Mr. Bureau and the Company entered into an employment agreement pursuant to which he currently receive an annual salary of \$250,000. Mr. Bureau's employment with the Company was terminated effective June 22, 2023. See below under "Termination and Change of Control Benefits" for a description of the employment agreement.

(4) Pursuant to a consulting agreement dated March 24, 2021 between Mr. Warren and the Company, Mr. Warren received annual consulting fees in the amount of \$180,000. Effective September 2, 2022, Mr. Warren and the Company entered into an employment agreement pursuant to which he currently receive an annual salary of \$225,000. See below under "Termination and Change of Control Benefits" for a description of the employment agreement. Subsequent to year-end, Mr. Warren resigned as Chief Operating Officer in April 2024.

(5) Pursuant to an employment agreement dated March 24, 2022 between Mr. Crits and the Company, Mr. Crits receives an annual salary in the amount of \$175,000. See below under "Termination and Change of Control Benefits" for a description of the employment agreement.

(6) The value of the share-based awards reflects the fair value of RSUs granted on the date of grant, which was June 28, 2021. The value of the RSUs was determined using the price of the Voting Shares determined by the Valuation Report prepared in connection with the Plan of Arrangement dated April 19, 2021 between the Company and Global Crossing Airlines Group Inc.

(7) The value of the share-based awards reflects the fair value of RSUs granted on the date of grant, which was September 7, 2021. The value of the RSUs was determined using the price of the Voting Shares determined by the Valuation Report prepared in connection with the Plan of Arrangement dated April 19, 2021 between the Company and Global Crossing Airlines Group Inc.

- (8) Includes a signing bonus pursuant to the terms of a consulting agreement dated July 1, 2021.
- (9) The value of the share-based awards reflects the fair value of RSUs granted on the date of grant, which was September 2, 2022. The value of the RSUs was determined using the closing price of the Voting Shares on the Cboe Canada Exchange on September 2, 2022 of \$0.315.
- (10) The value of the share-based awards reflects the fair value of RSUs granted on the dates of grant, which were March 30, 2022 (125,000) and September 2, 2022 (200,000). The value of the RSUs was determined using the closing price of the Voting Shares on the Cboe Canada Exchange on March 30, 2022 of \$0.34 and September 2, 2022 of \$0.315.
- (11) The value of the share-based awards reflects the fair value of RSUs granted on the dates of grant, which were May 31, 2022 (28,000) and July 29, 2022 (10,000). The value of the RSUs was determined using the closing price of the Voting Shares on the Cboe Canada Exchange on May 31, 2022 of \$0.33 and July 29, 2022 of \$0.305.
- (12) The value of the option-based awards reflects the fair value of options granted on the date of grant, which was May 18, 2023. The fair value was computed using the Black Scholes option pricing model with the following assumptions: a) average risk-free interest rate of 3.46% (b) expected life of five years; c) the price of the stock on the grant date; d) expected volatility of 66.24% and e) no expected dividend payments. The Black Scholes model was used to compute option fair values because it is the most commonly used option pricing model and is considered to produce a reasonable estimate of fair value.

### **Option-based Awards**

The Company currently has a stock option plan (the “**2022 Option Plan**”) in place. Shareholders approved the 2022 Option Plan at the Company’s Annual General Meeting held June 23, 2022. The purpose of the 2022 Option Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Voting Shares.

During the year ended December 31, 2023, 389,562 stock options were granted and 313,367 stock options were outstanding as of December 31, 2023.

The 2022 Option Plan is an evergreen plan which provides that if any option has been exercised, then the number of Voting Shares into which such option was exercised shall become available to be issued upon the exercise of options subsequently granted under the 2022 Option Plan. The 2022 Option Plan operates in conjunction with the Amended Restricted Share Unit Plan (the “**2022 RSU Plan**”) and Performance Share Unit Plan (the “**2022 PSU Plan**”). The 2022 Option Plan, 2022 RSU Plan and 2022 PSU Plan are collectively referred to as the “**Security-Based Compensation Plans**”.

The key provisions of the 2022 Option Plan can be summarized as follows:

- (a) The maximum aggregate number of Voting Shares issuable at any time pursuant to the 2022 Option Plan, together with all other Security-Based Compensation Plans of the Company, may not exceed a fixed number of 12,000,000 Voting Shares (approximately twenty per cent (20%) of the Company’s issued and outstanding Voting Shares, as of the date of this Information Circular). However, if any option has been exercised, then the number of Voting Shares into which such option was exercised shall become available to be issued under all Security-Based Compensation Plans.
- (b) The exercise price per Voting Share shall be determined by the Board of Directors at the time the option is granted, but such price shall not be less than the closing price of the Voting Shares on the Cboe Canada Exchange on the last trading day preceding the date on which the grant of the option is approved by the Board of Directors.
- (c) The 2022 Option Plan provides that options may be granted to Directors, Officers, employees, corporations that have a right to nominate a director to the Board of Directors, and Consultants of the Company or any of its designated affiliates. There are no limits on the numbers of Voting Securities issuable to Related Persons (as defined in the Cboe Canada Exchange Listing Manual) of the Company, other than the 12,000,000 fixed maximum number of Voting Shares issuable at any time pursuant to the 2022 Option Plan, together with all other Security-Based Compensation Plans of the Company.

- (d) The 2022 Option Plan gives discretion to establish, and modify vesting provisions to the Board of Directors, or a committee established thereby.
- (e) The 2022 Option Plan provides that all outstanding options will immediately vest upon a change of control.
- (f) The 2022 Option Plan provides that where a participant is terminated for any reason other than cause or death, options that have vested may be exercised no later than 90 days after the termination date, in the case of termination by reason of death, no later than 12 months following the date of death or disability, by the legal representative(s) of the estate of the participant, and in the case of termination for cause, options expire immediately.
- (g) Any amendment to any provision of the 2022 Option Plan shall be subject to any necessary approvals by any stock exchange or regulatory body having jurisdiction over the securities of the Company. The 2022 Option Plan will require Shareholder approval of certain amendments in accordance with the policies of the Cboe Canada Exchange, however, the Board of Directors has the discretion to make the following amendments, which it may deem necessary without having to obtain Shareholder approval:
  - (i) for the purposes of making formal minor or technical modifications to any of the provisions of the 2022 Option Plan;
  - (ii) to correct any ambiguity, defective provisions, error or omission in the provisions of the 2022 Option Plan;
  - (iii) to change the persons who qualify as participants under the 2022 Option Plan;
  - (iv) to change any vesting provisions of options;
  - (v) to change the termination provisions of the options or of the 2022 Option Plan which does not entail an extension beyond the original expiry date of the options; and
  - (vi) to add, or amend the terms of, a cashless exercise feature to the Option Plan, providing for the payment in cash or securities on the exercise of options;

provided, however, that:

- (vii) no such amendment of the 2022 Option Plan may be made without the consent of such affected participant (as defined in the 2022 Option Plan) if such amendment would adversely affect the rights of such affected participant under the 2022 Option Plan; and
- (viii) Shareholder approval shall be obtained in accordance with the requirements of the Cboe Canada Exchange for any amendment that results in:
  - 1. an increase to the maximum number of securities issuable where, following the increase, the total number of securities issuable under all Security Based Compensation Arrangements of the Company is equal to or greater than 10% of the Voting Shares of the Company (calculated on a non-diluted basis) outstanding as of the date the Security Based Compensation Arrangement was last approved by shareholders

2. reprice an option benefiting a Related Person (as defined in the 2022 Option Plan) of the Company;
3. extend the term of an option benefiting a Related Person of the Company;
4. extend the term of an Option, where the exercise price is lower than the market price on the Exchange at the date of the extension;
5. remove or to exceed the limits set out in this Plan on option grants available to Related Persons of the Company;
6. a change to amending provision of the Plan.; or
7. any other amendment set out in Section 10.12(7) of the Cboe Canada Exchange Listing Manual.

Additionally, the Plan contains the following provisions:

- (a) The maximum term for stock options issued pursuant to the 2022 Option Plan cannot exceed 10 years, subject to an automatic extension in the event that the expiry of the term of an option falls within a black out period.
- (b) An option is personal to an optionee and non-assignable, subject to limited exceptions as set out in the Plan.
- (c) In the event of a Change in Control (as defined in the 2022 Option Plan), if the surviving Company fails to continue or assume the obligations with respect to each option or fails to provide for the conversion or replacement of each option with an equivalent award, then all options that have not otherwise previously been cancelled shall immediately vest on the date on which a Change in Control occurs.
- (d) The 2022 Option Plan allows the Company to withhold from any remuneration otherwise payable to a participant any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of their participation in the 2022 Option Plan. This provision of the 2022 Option Plan is necessary as a result of certain proposed amendments to the *Income Tax Act* (Canada) relating to the taxation of share options which came into effect on January 1, 2011.
- (e) The 2022 Option Plan contains a cashless exercise feature whereby, at the sole discretion of the Company, an option that is eligible for exercise may be exercised on a cashless basis instead of a participant making a cash payment for the aggregate exercise price of the options. There are two options for a cashless exercise of options that the Company has made available:
  - a. *Broker assisted cashless exercise*: The Company shall issue directly to the participant's broker the number of Voting Shares in respect of such options exercised for cash and the participant's broker shall, at the election of the participant: (i) sell at market, and retain the proceeds of, a sufficient number of Voting Shares to cover the aggregate purchase price of the Voting Shares and any withholding obligations in respect of which the option has been exercised, with any cash balance to be delivered to the participant and any remaining Voting Shares held by the participant's broker in trust for, or delivered as directed by, the participant; or (ii) sell at market all of the Voting Shares in respect of which the option has been exercised and deliver to the participant the cash balance

remaining after deducting the aggregate purchase price of such Voting Shares and any withholding Obligations.

- b. *Exchange for Substituted Rights*: The participant relinquishes his options in return for a substituted right to acquire from the Company a number of Voting Shares determined by the in-the-money amount of option. The in-the-money amount of the option is divided by the market price at the time of exercise and the participant receives a net amount of Voting Shares without any cash payment to the Company, other than for withholding obligations.

As at the date of this Information Circular, the Company has no options outstanding.

### **Restricted Share Unit Plan**

Restricted share units (“RSUs”) are a bookkeeping entry, with each RSU having the same value as a Voting Share. In order to further align the interests of the Company’s senior executives, key employees, consultants and directors with those of the Shareholders, the Company has adopted its 2022 RSU Plan. Shareholders approved the 2022 RSU Plan at the Company’s Annual General and Special Meeting held June 23, 2022.

The number of RSUs awarded is determined by the Board of Directors in its sole discretion and from time to time by resolution. During the year ended December 31, 2023, a total of 1,141,846 RSUs were granted and 1,790,553 RSUs were outstanding as of December 31, 2023. 5,193,139 RSUs vested in 2023.

Upon each vesting date, participants receive (a) the issuance of Voting Shares from treasury equal to the number of RSUs vesting, or (b) a cash payment equal to the number of vested RSUs multiplied by the fair market value of a Voting Share, calculated as the closing price of the Voting Shares on the Cboe Canada Exchange for the trading day immediately preceding such payment date; or (c) a combination of (a) and (b).

### **Description of 2022 RSU Plan**

The description of the 2022 RSU Plan set forth below is subject to and qualified in its entirety by the provisions of the 2022 RSU Plan. Reference should be made to the provisions of the 2022 RSU Plan with respect to any particular provision described below.

#### **Eligibility**

- RSUs may be granted to a person who is a director, officer, employee, or Consultants to, the Company or its related entities, or their permitted assigns (each, a “**Participant**”).

#### **Maximum Number**

- The maximum aggregate number of Voting Shares issuable to Participants at any time pursuant to the 2022 RSU Plan, together with all other Security-Based Compensation Plans of the Company, may not exceed 12,000,000 Voting Shares at the time of a grant of the RSU. However, if any RSU has been vested and redeemed, then the number of Voting Shares into which such RSU was redeemed shall become available to be issued under all Security-Based Compensation Plans.
- There are no limits on the numbers of Voting Securities issuable to Related Persons (as defined in the Cboe Canada Exchange Listing Manual) of the Company, other than the 12,000,000 fixed maximum number of Voting Shares issuable at any time pursuant to the 2022 RSU Plan, together with all other Security-Based Compensation Plans of the Company.

### Fair Market Value

- At any particular date, the market value of a Voting Share at that date will be the closing price of the Voting Shares on the principal stock exchange where the Voting Shares are listed for the trading day immediately preceding such date; provided that if the Voting Shares are no longer listed on any stock exchange, then the fair market value will be the fair market value of the Voting Shares as determined by the Board.

### Vesting

- RSUs shall vest and be subject to the terms and conditions of the 2022 RSU Plan and such other terms and conditions, in each case, as determined in the sole discretion of the Board at the time of grant.
- The Board of Directors may, in its sole discretion, (i) shorten the vesting period of any RSUs or waive any conditions applicable to such RSUs and (ii) determine on the grant date of RSUs that such RSUs may not be satisfied by the issuance of Voting Shares and such RSUs must be satisfied by cash payment only.
- In the event of a Change in Control (as defined in the 2022 RSU Plan), if the surviving Company fails to continue or assume the obligations with respect to each RSU or fails to provide for the conversion or replacement of each RSU with an equivalent award, then all RSUs credited to a Participant's account that have not otherwise previously been cancelled shall immediately vest on the date on which a Change in Control occurs.
- If vesting occurs during a period when a blackout on trading has been imposed, or within ten business days following the end of a blackout, the redemption date of such vested units shall be extended to a date which is the earlier of (i) ten (10) business days following the end of such blackout and (ii) the expiry date, provided that in order to avoid a salary deferral arrangement, in the case of a Participant that is a Canadian taxpayer, any redemption that is effected during a blackout period will be redeemed for cash.

### Termination

- Subject to the terms of any agreement between a Participant and the Company, or unless otherwise determined by the Board of Directors, upon termination of a Participant without cause or death of a Participant: (i) all RSUs credited to the Participant's account which have vested may be redeemed; and (ii) all RSUs credited to the Participant's account which have not yet vested shall be cancelled and no further payments shall be made under the 2022 RSU Plan in relation to such RSUs and the Participant shall have no further rights, title or interest with respect to such RSUs.
- Subject to the terms of any agreement between a Participant and the Company, or unless otherwise determined by the Board of Directors, upon termination of a Participant for cause, all RSUs credited to the Participant's account, whether vested or unvested, shall be cancelled and no further payments shall be made under the 2022 RSU Plan in relation to such RSUs and the Participant shall have no further rights, title or interest with respect to such RSUs.

### Assignability and Transferability

- RSUs are not assignable or transferable and payments with respect to vested RSUs may only be made to the Participant, other than in the case of the death of the Participant.

### Amendments to the 2022 RSU Plan

- The 2022 RSU Plan provides that the Board may amend the 2022 RSU Plan without the approval of Shareholders in the following circumstances: (a) to change the termination or vesting provisions of the RSUs; except for the benefit of a Related Person; or (b) other amendments of a housekeeping nature, including the correction or rectification of any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions and updating provisions to reflect changes in the governing laws, including tax laws, and stock exchange requirements (if applicable).

- Except as otherwise permitted by the Cboe Canada Exchange Inc. (if applicable), Shareholder approval shall be obtained in accordance with the requirements of the Cboe Canada Exchange Inc., for any amendment that results in
  - (i) an increase to the maximum number of securities issuable where, following the increase, the total number of securities issuable under all Security Based Compensation Plans is equal to or greater than 10% of the securities of the Company (calculated on a non-diluted basis) outstanding as of the date the Security Based Compensation Plan was last approved by Shareholders;
  - (ii) an extension of the term of an RSU benefiting a Related Person of the Company;
  - (iii) any amendment to remove or to exceed the limits set out in a Security Based Compensation Plan on RSUs available to Related Persons of the Company; or
  - (iv) amendments to the amending section of the 2022 RSU Plan

### **Performance Share Unit Plan**

Performance share units (“PSUs”) are a bookkeeping entry, with each PSU having the same value as a Voting Share. In order to further align the interests of the Company’s senior executives, key employees, consultants and directors with those of the Shareholders, the Company has adopted its 2022 PSU Plan. Shareholders approved the 2022 PSU Plan at the Company’s Annual General and Special Meeting held June 23, 2022.

The number of PSUs awarded and the target milestones for vesting of PSUs, including performance or time targets, is determined by the Board of Directors in its sole discretion and from time to time by resolution. During the year ended December 31, 2023, the Company did not grant any PSUs and no PSUs are outstanding.

Upon each vesting date, participants receive (a) the issuance of Voting Shares from treasury equal to the number of PSUs vesting, or (b) a cash payment equal to the number of vested PSUs multiplied by the fair market value of a Voting Share, calculated as the closing price of the Voting Shares on the Cboe Canada Exchange for the trading day immediately preceding such payment date; or (c) a combination of (a) and (b).

### **Description of 2022 PSU Plan**

The description of the 2022 PSU Plan set forth below is subject to and qualified in its entirety by the provisions of the 2022 PSU Plan. Reference should be made to the provisions of the 2022 PSU Plan with respect to any particular provision described below.

#### **Eligibility**

- PSUs may be granted to a person who is a director, officer, employee, or Consultants to, the Company or its related entities, or their permitted assigns (each, a “**Participant**”).

#### **Maximum Number**

- The maximum aggregate number of Voting Shares issuable to Participants at any time pursuant to the 2022 RSU Plan, together with all other Security-Based Compensation Plans of the Company, may not exceed 12,000,000 Voting Shares at the time of a grant of the PSU. However, if any PSU has been vested and redeemed, then the number of Voting Shares into which such PSU was redeemed shall become available to be issued under all Security-Based Compensation Plans.
- There are no limits on the numbers of Voting Securities issuable to Related Persons (as defined in the Cboe Canada Exchange Listing Manual) of the Company, other than the 12,000,000 fixed maximum number of Voting Shares issuable at any time pursuant to the 2022 PSU Plan, together with all other Security-Based Compensation Plans of the Company.



### Fair Market Value

- At any particular date, the market value of a Voting Share at that date will be the closing price of the Voting Shares on the principal stock exchange where the Voting Shares are listed for the trading day immediately preceding such date; provided that if the Voting Shares are no longer listed on any stock exchange, then the fair market value will be the fair market value of the Voting Shares as determined by the Board.

### Vesting

- PSUs shall vest and be subject to the terms and conditions of the 2022 PSU Plan and such other terms and conditions, in each case, as determined in the sole discretion of the Board at the time of grant.
- The Board of Directors may, in its sole discretion, (i) alter the applicable target milestones for vesting of any PSUs or waive any other conditions applicable to such PSUs and (ii) determine on the grant date of PSUs that such PSUs may not be satisfied by the issuance of Voting Shares and such PSUs must be satisfied by cash payment only.
- In the event of a Change in Control (as defined in the 2022 PSU Plan), if the surviving Company fails to continue or assume the obligations with respect to each PSU or fails to provide for the conversion or replacement of each PSU with an equivalent award, then all PSUs credited to a Participant's account that have not otherwise previously been cancelled shall immediately vest on the date on which a Change in Control occurs.
- If vesting occurs during a period when a blackout on trading has been imposed, or within ten business days following the end of a blackout, the redemption date of such vested units shall be extended to a date which is the earlier of (i) ten (10) business days following the end of such blackout and (ii) the expiry date, provided that in order to avoid a salary deferral arrangement, in the case of a Participant that is a Canadian taxpayer, any redemption that is effected during a blackout period will be redeemed for cash.

### Termination

- Subject to the terms of any agreement between a Participant and the Company, or unless otherwise determined by the Board of Directors, upon termination of a Participant without cause or death of a Participant: (i) all PSUs credited to the Participant's account which have vested may be redeemed; and (ii) all PSUs credited to the Participant's account which have not yet vested shall be cancelled and no further payments shall be made under the 2022 PSU Plan in relation to such PSUs and the Participant shall have no further rights, title or interest with respect to such PSUs.
- Subject to the terms of any agreement between a Participant and the Company, or unless otherwise determined by the Board of Directors, upon termination of a Participant for cause, all PSUs credited to the Participant's account, whether vested or unvested, shall be cancelled and no further payments shall be made under the 2022 PSU Plan in relation to such PSUs and the Participant shall have no further rights, title or interest with respect to such PSUs.

### Assignability and Transferability

- PSUs are not assignable or transferable and payments with respect to vested PSUs may only be made to the Participant, other than in the case of the death of the Participant.

### Amendments to the 2022 PSU Plan

- The 2022 PSU Plan provides that the Board may amend the 2022 PSU Plan without the approval of Shareholders in the following circumstances: (a) to change the termination or vesting provisions of the PSUs; except for the benefit of a Related Person; or (b) other amendments of a housekeeping nature, including the correction or rectification of any ambiguities, defective or inconsistent provisions, errors, mistakes or

omissions and updating provisions to reflect changes in the governing laws, including tax laws, and stock exchange requirements (if applicable).

- Except as otherwise permitted by the Cboe Canada Exchange Inc. (if applicable), Shareholder approval shall be obtained in accordance with the requirements of the Cboe Canada Exchange Inc., for any amendment that results in
  - (v) an increase to the maximum number of securities issuable where, following the increase, the total number of securities issuable under all Security Based Compensation Plans is equal to or greater than 10% of the securities of the Company (calculated on a non-diluted basis) outstanding as of the date the Security Based Compensation Plan was last approved by Shareholders;
  - (vi) an extension of the term of an PSU benefiting a Related Person of the Company;
  - (vii) any amendment to remove or to exceed the limits set out in a Security Based Compensation Plan on PSUs available to Related Persons of the Company; or
  - (viii) amendments to the amending section of the 2022 PSU Plan

***Outstanding share-based awards and option-based awards***

The following table provides details with respect to outstanding option-based awards and share-based awards, granted to the Named Executive Officers as at the year ended December 31, 2023.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$) <sup>(1)</sup>	Market or payout value of vested share-based awards not paid out or distributed (\$)
Eddy Doyle CEO & President	111,111	\$0.16	2028-05-28	Nil	100,000	\$14,000	Nil
Percy Gyara CFO	111,111	\$0.16	2028-05-28	Nil	100,000	\$14,000	Nil
Duncan Bureau Former CCO	Nil	N/A	N/A	Nil	Nil	Nil	Nil
Brad Warren Former COO	91,145	\$0.16	2028-05-28	Nil	100,000	\$14,000	Nil
Tim Crits Director, Flight Ops & Operations Manager	Nil	N/A	N/A	Nil	33,000	\$4,620	Nil

<sup>(1)</sup> Based on the closing price of the Voting Shares on the Cboe Canada Exchange on December 29, 2023, being \$0.14.

***Incentive plan awards – value vested or earned during the financial year ended December 31, 2023***

The following table provides information regarding value vested or earned through incentive plan awards by the Named Executive Officers during the year ended December 31, 2023:

Name	Option-based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (\$) <sup>(2)</sup>	Non-equity incentive plan compensation – Value earned during the year (\$)
Eddy Doyle CEO & President	Nil	45,500	Nil
Percy Gyara CFO	Nil	27,750	Nil
Duncan Bureau Former CCO	Nil	13,500	Nil
Brad Warren Former COO	Nil	26,500	Nil
Tim Crits Director, Flight Ops & Operations Manager	Nil	575	Nil

(1) This amount is calculated based on the dollar value that would have been realized by determining the difference between the closing market price of the Voting Shares and the exercise price of the options on the vesting date. No Options granted to Named Executive Officers vested during the year ended December 31, 2023.

(2) This amount is calculated by multiplying the number of RSUs vested by the closing price of the Voting Shares on the Exchange on the date on which the RSUs vested.

### **Pension Plan Benefits**

The Company does not have any pension or retirement plans or arrangements for its Named Executive Officers.

### **Termination and Change of Control Benefits**

The following describes the respective consulting agreements currently in effect for the Named Executive Officers:

#### ***Eddy Doyle***

Effective January 1, 2021, Eddy Doyle entered into a consulting agreement with the Company pursuant to which the Company retained Mr. Doyle in the position of CEO and President of the Company. Pursuant to the consulting agreement, Mr. Doyle received annual consulting fees in the amount of \$180,000. The consulting agreement could be terminated by either party on the giving of 30 days' notice of termination with no additional termination payments. There were no change of control provisions in the consulting agreement.

Effective September 2, 2022, Mr. Doyle entered into an employment agreement with the Company (the “**Doyle Agreement**”) pursuant to which the Company employs Mr. Doyle in the position of President and Chief Executive Officer of the Company at an annual base salary of \$275,000.

Pursuant to the Doyle Agreement, Mr. Doyle, may terminate the Doyle Agreement on the giving to the Company at least two months' written notice of the effective date of such termination. The Company may terminate the Doyle Agreement without cause by providing payments or salary continuance equal to:

- (i) for the period until and including January 1, 2024: (i) the Statutory Entitlements (defined below); (ii) six (6) months' of base salary; and (iii) twelve (12) months' of benefits premiums; and
- (ii) for the period after January 1, 2024: (i) the Statutory Entitlements; (ii) twelve (12) months' of base salary; and (iii) twelve (12) months' of benefits premiums.

If, within twelve (12) months following the occurred of a Change of Control (as defined below) (i) the executive is terminated by the Company without just cause; or (ii) the executive resigns for Good Reason (as defined below), then in addition to the termination entitlements detailed above, the Company is required to pay the executive an additional amount equal to twelve (12) months' base salary at the time of termination or resignation.

***Percy Gyara***

Effective March 28, 2022, Percy Gyara entered into a consulting agreement with the Company pursuant to which the Company retained Mr. Gyara in the position of Chief Financial Officer of the Company. Pursuant to the consulting agreement, Mr. Gyara received annual consulting fees in the amount of \$180,000. The consulting agreement could be terminated by either party on the giving of 30 days' notice of termination with no additional termination payments. There were no change of control provisions in the consulting agreement.

Effective September 2, 2022, Mr. Gyara entered into an employment agreement with the Company (the "**Gyara Agreement**") pursuant to which the Company employs Mr. Gyara in the position of Chief Financial Officer of the Company at an annual base salary of \$250,000.

Pursuant to the Gyara Agreement, Mr. Gyara, may terminate the Gyara Agreement on the giving to the Company at least two months' written notice of the effective date of such termination. The Company may terminate the Gyara Agreement without cause by providing payments or salary continuance equal to:

- (i) for the period until and including April 1, 2025: (i) the Statutory Entitlements; (ii) six (6) months' of base salary; and (iii) twelve (12) months' of benefits premiums; and
- (ii) for the period after April 1, 2025: (i) the Statutory Entitlements; (ii) twelve (12) months' of base salary; and (iii) twelve (12) months' of benefits premiums.

If, within twelve (12) months following the occurred of a Change of Control (as defined below) (i) the executive is terminated by the Company without just cause; or (ii) the executive resigns for Good Reason (as defined below), then in addition to the termination entitlements detailed above, the Company is required to pay the executive an additional amount equal to twelve (12) months' base salary at the time of termination or resignation.

***Duncan Bureau***

Effective July 1, 2021, LorEau, a company owned by Mr. Bureau entered into a consulting agreement with the Company pursuant to which the Company retained LorEau to provide the services of Mr. Bureau in the position of Chief Commercial Officer of the Company. Pursuant to the consulting agreement, LorEau received annual consulting fees in the amount of \$180,000, with 50% of the consulting fees being paid until the company receives CTA certification. The consulting agreement could be terminated by either party on the giving of 30 days' notice of termination with no additional termination payments. There were no change of control provisions in the consulting agreement.

Effective September 2, 2022, Mr. Bureau entered into an employment agreement with the Company (the "**Bureau Agreement**") pursuant to which the Company employs Mr. Bureau in the position of Chief Commercial Officer of the Company at an annual base salary of \$250,000.

Pursuant to the Bureau Agreement, Mr. Bureau, may terminate the Bureau Agreement on the giving to the Company at least two months' written notice of the effective date of such termination. The Company may terminate the Bureau Agreement without cause by providing payments or salary continuance equal to:

- (i) for the period until and including April 1, 2024: (i) the Statutory Entitlements; (ii) six (6) months' of base salary; and (iii) twelve (12) months' of benefits premiums; and
- (ii) for the period after April 1, 2024: (i) the Statutory Entitlements; (ii) twelve (12) months' of base salary; and (iii) twelve (12) months' of benefits premiums.

If, within twelve (12) months following the occurred of a Change of Control (as defined below) (i) the executive is terminated by the Company without just cause; or (ii) the executive resigns for Good Reason (as defined below), then in addition to the termination entitlements detailed above, the Company is required to pay the executive an additional amount equal to twelve (12) months' base salary at the time of termination or resignation.

The Bureau Agreement was terminated on June 22, 2023.

### ***Brad Warren***

Effective March 24, 2021, Brad Warren entered into a consulting agreement with the Company pursuant to which the Company retained Mr. Warren in the position of Vice President Maintenance of the Company. Pursuant to the consulting agreement, Mr. Warren received annual consulting fees in the amount of \$180,000. The consulting agreement could be terminated by either party on the giving of 30 days' notice of termination with no additional termination payments. There were no change of control provisions in the consulting agreement.

Effective September 2, 2022, Mr. Warren entered into an employment agreement with the Company (the "**Warren Agreement**") pursuant to which the Company employs Mr. Warren in the position of Chief Operating Officer of the Company at an annual base salary of \$225,000.

Pursuant to the Warren Agreement, Mr. Warren, may terminate the Warren Agreement on the giving to the Company at least two months' written notice of the effective date of such termination. The Company may terminate the Warren Agreement without cause by providing payments or salary continuance equal to:

- (i) for the period until and including April 1, 2024: (i) the Statutory Entitlements; (ii) six (6) months' of base salary; and (iii) twelve (12) months' of benefits premiums; and
- (ii) for the period after April 1, 2024: (i) the Statutory Entitlements; (ii) twelve (12) months' of base salary; and (iii) twelve (12) months' of benefits premiums.

If, within twelve (12) months following the occurred of a Change of Control (as defined below) (i) the executive is terminated by the Company without just cause; or (ii) the executive resigns for Good Reason (as defined below), then in addition to the termination entitlements detailed above, the Company is required to pay the executive an additional amount equal to twelve (12) months' base salary at the time of termination or resignation. Subsequent to year end, Mr. Warren resigned as Chief Operating Officer in April 2024.

### ***Tim Crits***

Effective March 24, 2022, Timothy (Tim) Crits entered into an employment agreement with the Company (the "**Crits Agreement**") pursuant to which the Company currently employs Mr. Crits in the position of Director, Flight Ops & Operations Manager at an annual base salary of \$175,000. Mr. Crits may resign from his employment by providing two (2) weeks' prior notice. The Company may terminate the Crits Agreement without cause by providing payments or salary continuance equal to the Statutory Entitlements plus an additional one (1) week of base salary for each completed year of employment with the Company to a maximum of ten (10) additional weeks. There are no change of control provisions in the Crits Agreement.

### **Definitions**

"**Change of Control**" means any of the following: (i) a change in the direct or indirect ownership of, or control or direction over, voting securities of the Company, as a result of which a person, or a group of persons, acting jointly or in concert, is in a position to exercise effective control over the Company for the first time; (ii) an amalgamation, arrangement, merger, reorganization, or consolidation or other similar event that shifts voting control of the Company or any successor entity to persons other than the persons who had voting control immediately prior to the event; (iii) a change in the composition of the Company's Board of Directors which occurs at a single meeting of the shareholders of the Company or upon the execution of a shareholders' resolution, such that individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority on the Board as constituted immediately prior to such meeting or resolution, without the Board having approved of such change; or (iv) the sale, lease, transfer or other disposition of all or substantially all of the Company's assets.

"**Good Reason**" means the occurrence of any of the following events, unless the event: (i) occurs with the executive's express prior written consent, including a voluntary retirement or resignation, or (ii) is an isolated, insubstantial and inadvertent action or failure to act that was not taken in bad faith and that is remedied by the Company within thirty

(30) days from the date of receipt of written notice of the executive's intention to terminate the executive's employment: (A) the material diminution of the executive's position, authority or scope or scale of duties or responsibilities; (B) a material reduction in the salary; (C) a failure to maintain reasonable and adequate insurance or indemnification in respect of the executive's services as an officer or director of the Company; or (D) the failure of the Company to require any successor (by purchase, merger, consolidation or otherwise) to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

**"Statutory Entitlements"** is defined as the minimum entitlements required under the *Canada Labour Code* ("CLC") on the termination and severance of the executive's employment, including but not limited to, if and as applicable, notice of termination (or pay in lieu thereof), severance pay, vacation pay, unpaid wages, continuation of benefits, benefit plan contributions, and any other entitlement to which the executive may be entitled under the CLC.

### Termination Payments

The following table shows estimated incremental payments triggered pursuant to termination of employment of a Named Executive Officer in the event of a Change of Control in accordance with the termination provisions described above:

Name <sup>(1)</sup>	Eddy Doyle	Percy Gyara	Brad Warren
Severance Period	18 months	18 months	18 months
Severance Payment	\$412,500	\$375,000	\$337,500
Unvested Equity Awards <sup>(2)</sup>	\$14,000	\$14,000	\$14,000
Benefits <sup>(3)</sup>	\$50,737	\$46,125	\$41,512
<b>TOTALS</b>	<b>\$477,237</b>	<b>\$435,125</b>	<b>\$393,012</b>

- (1) The termination value assumes that the triggering event took place on the last business day of the Company's financial year-end (December 31, 2023). Statutory Entitlement amounts are not included in the table but would represent an additional two weeks of salary for Mr. Doyle, Mr. Gyara and Mr. Warren.
- (2) Subject to any resolution of the Board of Directors, if there is a change of control under the terms of the RSU Plan and the surviving corporation does not assume or replace the outstanding RSUs with an equivalent award, all RSUs vest immediately and are redeemed effective on such change of control. This calculation assumes that outstanding RSUs are vested and immediately redeemed and is based on the closing price of the Common Shares on the Cboe Canada Exchange on December 29, 2023, being \$0.14 per share.
- (3) This amount includes health and medical plan premiums.
- (4) Mr. Crits would have received an additional \$4,620 on a change of control due to the acceleration of the vesting of RSUs.
- (5) Mr. Bureau is not included in this table as he was terminated on June 22, 2023 and no Change of Control had occurred at such date.

The following table shows estimated incremental payments triggered pursuant to termination of employment of a Named Executive Officer without cause in accordance with the termination provisions described above:

Name <sup>(1),(2)</sup>	Eddy Doyle	Percy Gyara	Brad Warren	Tim Crits
Severance Period	6 months	6 months	6 months	Three weeks
Severance Payment	\$137,500	\$125,000	\$112,500	\$10,230
Unvested Equity Awards	Nil	Nil	Nil	Nil
Benefits	\$16,912	\$15,375	\$13,837	Nil

Name <sup>(1),(2)</sup>	Eddy Doyle	Percy Gyara	Brad Warren	Tim Crits
<b>TOTALS</b>	\$154,412	\$140,375	\$126,337	\$10,230

- (1) The termination value assumes that the triggering event took place on the last business day of the Company's financial year-end (December 31, 2023). Statutory Entitlement amounts are not included in the table but would represent an additional two weeks of salary for Mr. Doyle, Mr. Gyara and Mr. Warren.
- (2) Mr. Bureau is not included in this table as he was terminated on June 22, 2023. Mr. Bureau was paid a six month salary continuance on termination that was equal to \$125,000. All of Mr. Bureau's unvested equity awards were cancelled except for 100,000 RSUs that vested on October 18, 2023 and had a value of \$13,500 as of the date of vesting.

### **Director Compensation**

Under the Company's director compensation program, non-executive Directors of the Company receive an annual board retainer of \$24,000, which fees are paid quarterly. Non-executive directors who serve on Committees of the Board of Directors receive an additional annual retainer of \$12,000, which fees are also paid quarterly. The directors of the Company are eligible to receive options to purchase Voting Shares pursuant to the terms of the Company's Stock Option Plan, RSUs under the Company's Restricted Share Unit Plan and PSUs under the Company's Performance Share Unit Plan.

The following table contains information about the compensation paid to, or earned by Directors of the Company who were not Named Executive Officers. During the financial year ended December 31, 2023, the Company had eight Directors who were not Named Executive Officers, being Beth Horowitz, David Kruschell, Ravinder Minhas, Ryan Goepel, Regenold Christian, Brigitte Goersch, Shawn Klerer and Rossen Dimitrov.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Beth Horowitz Director	48,500	Nil	Nil	Nil	Nil	Nil	48,500
David Kruschell Director	36,000	Nil	Nil	Nil	Nil	Nil	36,000
Ravinder Minhas Director	39,000	Nil	Nil	Nil	Nil	Nil	24,000
Ryan Goepel Director	24,000	Nil	Nil	Nil	Nil	Nil	24,000
Regenold Christian Director	26,500	Nil	Nil	Nil	Nil	Nil	26,500
Brigitte Goersch Director and Chair	45,500	Nil	Nil	Nil	Nil	Nil	45,500
Shawn Klerer Director	36,000	Nil	Nil	Nil	Nil	Nil	36,000
Rossen Dimitrov Former Director	30,000	15,750 <sup>(1)</sup>	Nil	Nil	Nil	Nil	45,750

- (1) The value of the share-based awards reflects the fair value of RSUs granted on the date of grant, which was March 15, 2023. The value of the RSUs was determined using the closing price of the Voting Shares on the Cboe Canada Exchange on March 15, 2023 of \$0.21.
- (2) Rossen Dimitrov was appointed as a director on February 7, 2023.

### ***Incentive plan awards - Outstanding share-based awards and option-based awards granted to Directors***

The following table provides details with respect to outstanding option-based awards and share-based awards, granted to the Directors of the Company who were not Named Executive Officers as at the year ended December 31, 2023.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$) <sup>(1)</sup>	Market or payout value of vested share-based awards not paid out or distributed (\$)
Beth Horowitz Director	Nil	N/A	N/A	Nil	Nil	Nil	Nil
David Kruschell Director	Nil	N/A	N/A	Nil	Nil	Nil	Nil
Ravinder Minhas Director	Nil	N/A	N/A	Nil	Nil	Nil	Nil
Ryan Goepel Director	Nil	N/A	N/A	Nil	Nil	Nil	Nil
Regenold Christian Director	Nil	N/A	N/A	Nil	Nil	Nil	Nil
Brigitte Goersch Director and Chair	Nil	N/A	N/A	Nil	Nil	Nil	Nil
Shawn Klerer Director	Nil	N/A	N/A	Nil	Nil	Nil	Nil
Rossen Dimitrov Former Director	Nil	N/A	N/A	Nil	Nil	Nil	Nil

(1) Based on the closing price of the Voting Shares on the Cboe Canada Exchange on December 29, 2023, being \$0.14.

***Incentive plan awards – value vested or earned during the financial year ended December 31, 2023***

The following table provides information regarding value vested or earned through incentive plan awards by the Directors of the Company who were not Named Executive Officers during the year ended December 31, 2023:

Name	Option-based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (\$) <sup>(2)</sup>	Non-equity incentive plan compensation – Value earned during the year (\$)
Beth Horowitz Director	Nil	10,500	Nil
David Kruschell Director	Nil	10,500	Nil
Ravinder Minhas Director	Nil	10,500	Nil
Ryan Goepel Director	Nil	42,000	Nil
Regenold Christian Director	Nil	10,500	Nil
Brigitte Goersch Director	Nil	9,375	Nil
Shawn Klerer Director	Nil	9,375	Nil
Rossen Dimitrov Former Director	Nil	Nil	Nil

(1) This amount is calculated based on the dollar value that would have been realized by determining the difference between the closing market price of the Voting Shares and the exercise price of the options on the vesting date. No options have been granted to, or vested for Directors of the Company who are not Named Executive Officers.

(2) This amount is calculated by multiplying the number of RSUs vested by the closing price of the Voting Shares on the Exchange on the date on which the RSUs vested.



## SCHEDULE “C”

### BOARD MANDATE

#### CANADA JETLINES OPERATIONS LTD.

#### BOARD OF DIRECTORS MANDATE

##### 1. PURPOSE

The Board has oversight responsibility for the stewardship of Canada Jetlines Operations Ltd. (“Jetlines” or the “Company”) and its business and is accountable to shareholders for the performance of Jetlines. The Board has clearly delineated its role and the role of management. The role of the Board is to supervise the management of Jetlines’ business and affairs, with the objective of creating value for shareholders and taking into account the interests of other stakeholders. Management’s role is to conduct the day-to-day operations in a way that will meet this objective.

The Board, in consultation with management, establishes and is responsible for the Company’s strategic direction and its overall policies. In doing so, the Board provides governance and stewardship to Jetlines which consists of reviewing corporate strategy, assigning responsibility to management for achievement of that strategy, establishing limitations on the authority delegated to management and overseeing performance against approved objectives. The Board regularly reviews Jetlines’ strategic plan to ensure that it continues to be responsive to the changing business environment in which Jetlines operates.

The Board has decision making responsibility and approves all matters expressly required herein, under the *Canada Business Corporations Act* (“CBCA”) and other applicable legislation and Jetlines’ Articles and By-laws. The Board may assign to Board committees the prior review of any issues it is responsible for, or as required by, applicable laws. The Board can delegate approval of matters to a committee or seek a recommendation from a committee for approval by the Board.

As the Board has all the powers provided to it under the CBCA, this mandate is intended not to limit the powers of the Board but to assist the Board in the exercise of its powers and the fulfillment of its duties.

##### 2. MEETINGS

- **Meetings.** The Board shall meet at least four times a year and as necessary. The Board shall hold such other meetings as they deem necessary to fully execute their fiduciary and oversight responsibilities. Any action of the Board or of a committee may be taken by unanimous consent, in lieu of a meeting.
- **Additional Sessions.** The non-executive Board members may meet at or after every Board meeting without the presence of management. If such group includes directors who are not independent, an executive session including only independent directors may also be held at every Board meeting.
- **Expectations of the Board.** Board members are expected to demonstrate a high level of professionalism in discharging their responsibilities. They are expected to attend the meetings of the Board and of the Board committees on which they sit and to thoroughly prepare for and actively participate in such meetings. They should review all meeting materials in advance. They are also expected to be available to provide advice and counsel to the President and CEO or other executive management of Jetlines upon request.
- **Confidentiality.** The proceedings and deliberations of the Board and its committees are confidential. Each director shall maintain the confidentiality of information received in connection with his or her service as a director.

### 3. RESPONSIBILITIES

In fulfilling its oversight and decision-making responsibilities, the Board shall have unrestricted access to management and authority to select, retain, terminate, and approve the fees of any independent legal, accounting, or other advisor to assist it in fulfilling its responsibilities.

Among its activities that derive from its stewardship and decision-making responsibilities, are the following responsibilities:

#### A. STRATEGIC PLANNING

- **Strategic Planning.** The Board will, in consultation with management, establish and approve Jetlines' strategic direction and objectives. In this regard, the Board will:
  - adopt a strategic planning process and oversee the formulation of Jetlines' strategic direction;
  - review and approve, on at least an annual basis, Jetlines' strategic plan and framework which take into account, among other things, the opportunities and risks of the business, emerging trends, and the competitive environment in the airline industry;
  - develop an in-depth knowledge of the business, understand and question the assumptions underlying Jetlines' strategic and business plans and framework and reach an independent judgment as to the probability that the strategic plan and framework can be realized;
  - review and approve all major initiatives, corporate decisions and transactions, as well as applicable funding transactions;
  - approve strategic and business plans and policies within which management will operate in relation to capital expenditures, acquisitions and dispositions; and
  - monitor the implementation and effectiveness of the execution and fulfillment of Jetlines' approved strategic and business plans and policies.
- **Corporate Performance Evaluation.** Having regard to Jetlines' broad strategic objectives, the Board will review and, if advisable, approve goals or metrics against which corporate performance will be measured. In this regard, the Board will:
  - determine, from time to time, the appropriate criteria, targets and budgets against which to evaluate corporate and executive performance;
  - monitor and evaluate performance against such criteria; and
  - review and approve management's operational plans so that they are consistent with Jetlines' long-term goals.

#### B. EXECUTIVE OVERSIGHT

- **Succession Planning.** The Board shall oversee the succession planning processes of Jetlines and shall choose the President and Chief Executive Officer (the "**President and CEO**") and oversee the process for the selection of the President and CEO and each of the executive officers and their development. The Board shall monitor and review the performance of the President and CEO and of the executive officers who report directly to the President and CEO taking into consideration Board expectations and fixed objectives and is kept informed of the performance of all other executive officers. The Board shall approve the President and CEO's corporate strategic goals and objectives and approve annually the compensation of the President and CEO and each of the executive officers who report directly to the President and CEO.
- **Appointment of Officers.** The Board shall appoint as officers of the Company all the executive officers and, from time to time, such other executive management, as it deems appropriate.
- **Management Incentives.** The Board shall, through the Compensation and Human Resources Committee, ensure that an appropriate portion of the President and CEO and executive management compensation is tied to both the short and longer-term performance of Jetlines and aligned to the Company's strategic goals and objectives.
- **Training and Retention.** The Board shall take all reasonable steps to ensure that processes are in place for the recruitment, training, development and retention of executives who exhibit the highest standards of competence and integrity.

#### C. CORPORATE GOVERNANCE

- **Governance.** The Board shall monitor and review Jetlines' corporate governance policies and practices. In this regard, the Board will:
  - annually review and approve its mandate;

- monitor the size and composition of the Board to favour effective decision-making;
- ensure that a majority of Jetlines' directors are independent pursuant to applicable legislation, regulation and listing requirements;
- develop appropriate qualifications and criteria for the selection of Board members, including criteria for determining director independence;
- approve the list of Board nominees recommended by the Nominating, Corporate Governance and ESG Committee for election by shareholders and fill Board vacancies, as applicable;
- adopt and review orientation and continuing education programs for directors;
- oversee the disclosure of a method for interested parties to communicate directly with the Board Chair or with the non-executive directors as a group;
- ensure a Board succession and renewal plan is in place;
- take all reasonable measures to satisfy itself as to the integrity of management and that management creates a culture of integrity throughout Jetlines;
- monitor and review, as appropriate, Jetlines' approach to governance issues and monitor and review, as appropriate, Jetlines' Corporate Governance Manual and policies and measures for receiving shareholder feedback; and
- take all reasonable steps to ensure the highest quality of ethical standards, including reviewing, on an annual basis, the Code of Business Conduct applicable to Jetlines' directors, its President and CEO, senior financial officers, other executives and employees.
- **Committees.** The Board shall establish such committees as it deems necessary or desirable, to assist it in the fulfillment of its duties and responsibilities. In this regard, the Board will:
  - develop and review as appropriate such mandates as the Board may determine and delegate from time to time to such committees or other persons any of the Board's responsibilities that lawfully may be delegated;
  - appoint the Chair from among the independent directors;
  - appoint members of each committee of the Board, in consultation with the relevant committee chair; and
  - consider recommendations of the Nominating, Corporate Governance and ESG Committee from time to time regarding the composition and mandates of the committees of the Board.
- **Position Descriptions.** The Board shall develop, adopt and regularly review position descriptions for the Chair of the Board and President and Chief Executive Officer.
- **Director Evaluation.** The Board shall develop appropriate qualifications and criteria for the annual performance assessment of the Board, Board committees, Board and committee chairs and individual directors and determine their remuneration.

**D. RISK MANAGEMENT, FINANCIAL MATTERS, INTERNAL CONTROLS**

- **Risk Management.** The Board shall, through the Audit and Risk Committee, ensure that an appropriate risk assessment process is in place to identify, assess and manage the principal risks of Jetlines' business and strategy, including climate change and other environmental, social and governance risks. The Board shall satisfy itself as to the effective oversight of risk management of individual risks, through the receipt of periodic reporting from the Chair of the Audit and Risk Committee and the Chairs of such other Committees of the Board which have been delegated responsibilities for specific risks.
- **Financial Reporting and Internal Controls.** The Board shall, through the Audit and Risk Committee, monitor the quality and integrity of Jetlines' accounting and financial reporting systems, disclosure controls and procedures, internal controls and management information systems, including by overseeing:
  - the integrity and quality of Jetlines' financial statements and other financial information and the appropriateness of their disclosure;
  - the review of the Audit and Risk Committee on external auditors' independence and qualifications;
  - the performance of Jetlines' internal audit function and of Jetlines' external auditors; and
  - Jetlines' compliance with applicable legal and regulatory requirements (including those related to environment, safety and security).
- **Communications.** The Board shall adopt and review a Disclosure Policy and monitor Jetlines' investor relations programs.

E. SUSTAINABILITY, SAFETY AND SECURITY

- **Sustainability, Safety and Security Policies and Practices.** The Board shall monitor and review Jetlines' sustainability, safety and security policies and practices. In this regard, the Board will:
  - evaluate on an ongoing basis, the Company's sustainability strategy, targets, and performance against targets, and whether Jetlines' resources are being managed in a manner consistent with ethical considerations and stakeholder's interests and in order to enhance shareholder value;
  - assess and monitor Jetlines' overall sustainability and environmental, safety and security policies and practices; and
  - as part of the strategic planning process, evaluate and review public issues of significance that may affect Jetlines' business, operations and stakeholders, including social, political and environmental trends and both the opportunities and risks to Jetlines' business that each presents.

Dated: April 25, 2024