

EVERYBODY LOVES LANGUAGES CORP.

**NOTICE OF ANNUAL AND SPECIAL MEETING
TO BE HELD ON MARCH 3, 2026**

AND

MANAGEMENT INFORMATION CIRCULAR

Concerning, in part, a special resolution to approve the proposed amalgamation of

EVERYBODY LOVES LANGUAGES CORP.

and

ELL VENTURES LTD.

January 27, 2026

This document requires your immediate attention. If you are in doubt of how to deal with it, you should consult your investment dealer, broker, bank manager or other professional advisor.

January 27, 2026

Dear Shareholder:

Please find enclosed information regarding the proposed amalgamation of Everybody Loves Languages Corp. ("**ELL**" or the "**Company**") and ELL Ventures Ltd. ("**Privateco**"), a company controlled by Gali Bar-Ziv, the President, CEO and Director of ELL, and Khurram Qureshi, the Chief Financial Officer and Director of ELL (the "**Amalgamation**") to form a new corporation.

On March 3, 2026, ELL will, in conjunction with its Annual Meeting, hold a Special Meeting of Shareholders to vote on the Amalgamation and other matters. The Amalgamation is a mechanism which results in the Shareholders of ELL, other than Privateco, disposing of their interest in ELL for cash proceeds equal to \$0.085 per common share of the Company.

The board of directors of the Company, other than Gali Bar-Ziv and Khurram Qureshi who did not vote on matters concerning the Amalgamation, has determined that the Amalgamation is in the best interests of the Company and is fair, from a financial point of view, to Minority Shareholders and the board of directors, other than Gali Bar-Ziv and Khurram Qureshi who did not vote on matters concerning the Amalgamation, is unanimously recommending that all Shareholders vote in favour of the Amalgamation at the Special Meeting. This recommendation is based upon various factors described more fully in the accompanying Circular, including that the independent committee of independent directors unanimously recommended that the board of directors approve the Amalgamation and that a formal valuation delivered by MNB Valuation Inc. to the independent committee concludes that, as of November 6, 2025 and based upon and subject to the matters described therein, and other such matters it considered relevant, the consideration to be received by Minority Shareholders in connection with the Amalgamation is fair, from a financial point of view, to the Minority Shareholders.

In order to become effective, a special resolution approving the Amalgamation must be passed by a two-thirds majority of the votes cast at the Meeting by Shareholders of ELL, as well as a simple majority of ELL's Minority Shareholders. If Shareholders vote at the Meeting to approve the Amalgamation, it is anticipated that the Amalgamation will become effective on or about March 10, 2026.

You are invited to attend the Meeting of ELL's Shareholders which will be held at 10:00 a.m. (Eastern Time) on Tuesday, March 3, 2026, at the offices of Fogler, Rubinoff LLP located at 40 King Street West, Suite 2400, Toronto, Ontario M5H 3Y2.

Whether or not you plan to attend the Meeting, please take the time to vote your shares by completing and submitting the enclosed form of proxy or following the instructions provided by your broker or financial advisor in whose name your shares may be registered.

The accompanying notice and Circular provide information about the Amalgamation and the Meeting. **Please read this information carefully, and if you require assistance, consult your own legal, tax, financial or other professional advisor.**

Yours truly,

"Laurent Mareschal"

Laurent Mareschal
Chairman of the Independent Committee of the Board of Directors

EVERYBODY LOVES LANGUAGES CORP.

Notice of Annual and Special Meeting of Shareholders

NOTICE IS HEREBY GIVEN that the Annual and Special Meeting of the Shareholders (the "**Meeting**") of Everybody Loves Languages Corp. ("**ELL**" or the "**Company**") will be held at the offices of Fogler, Rubinoff LLP located at 40 King Street West, Suite 2400, Toronto, Ontario M5H 3Y2, on Tuesday, March 3, 2026 at 10:00 a.m. (Eastern Time) for the following purposes:

1. to receive and consider the audited financial statements of the Company for the fiscal years ended December 31, 2024 and 2023, together with the report of the auditors thereon;
2. to elect five directors of the Company, to serve until the close of the next annual meeting of Shareholders or until their successors are elected or appointed;
3. to appoint the auditors of the Company for the ensuing fiscal year and to authorize the directors of the Company to fix the remuneration of the auditors;
4. to consider, and, if deemed appropriate, to approve, with or without amendment, a special resolution, the text of which is attached as Appendix A to the Management Information Circular accompanying this Notice of Meeting (the "**Circular**"), approving the amalgamation of the Company and ELL Ventures Ltd. ("**Privateco**") to form an amalgamated corporation, upon the terms and conditions provided for in the amalgamation agreement attached as Appendix B to the Circular (the "**Amalgamation**");
5. to consider and if deemed advisable, to approve, with or without variation, an ordinary resolution re-approving the Company's Equity Incentive Plan, the details of which are contained under the heading "Business of the Meeting – Re-Approval of Equity Incentive Plan" in the accompanying Circular; and
6. to transact such other business as may properly come before the Meeting, including any adjournment thereof.

The Circular provides additional information relating to the matters to be dealt with at the Meeting and is incorporated into and forms part of this Notice of Meeting.

The ELL Board has fixed 5:00 p.m. (Eastern Time) on Tuesday, January 27, 2026, as the record date for the purpose of determining which Shareholders of the Company are entitled to receive notice of, vote at and attend the Meeting.

It is desirable that as many common shares of ELL as possible be represented at the Meeting. Holders of common shares of ELL who are unable to be present in person at the Meeting are requested to complete, sign and date the enclosed form of proxy, and return it in the envelope provided for that purpose to the office of Computershare Investor Services Inc., Proxy Department (the "**Transfer Agent**") either in person, or by mail or courier, to 320 Bay Street, 14th floor, Toronto, Ontario, M5H 4A6. Shareholders may submit their proxies electronically by following the instructions set out on the form of proxy or voting instruction form, including through the Internet, using the control number provided. Shareholders may also vote by proxy by telephone by calling the toll-free number indicated on the form of proxy or voting instruction form and following the recorded instructions, using the control number provided. To be valid, all proxies must be dated, signed and received by Transfer Agent at its Toronto office no later than 10:00 a.m. (Eastern Time) on Friday, February 27, 2026, or, in the event that the Meeting is adjourned or postponed, at least 48 hours (excluding Saturdays, Sundays and statutory holidays in Ontario) prior to the commencement of the adjourned or postponed Meeting.

In order to receive the cash payable upon the completion of the Amalgamation, registered shareholders (other than Dissenting Shareholders and Privateco) must complete and sign the enclosed ELL Letter of Transmittal and return it, together with their share certificate(s) representing common shares of ELL and any other documents that the Transfer Agent may, in its discretion, request, be sent to the Transfer Agent on or before the second anniversary of the Effective Date (as defined in the Circular) in accordance with the procedure set out in the ELL Letter of Transmittal. If the Amalgamation is not completed, share certificate(s) delivered to the Transfer Agent will be returned to the

Shareholder. Further details regarding the deposit of share certificates with the Transfer Agent and the Transfer Agent's address are set out in the ELL Letter of Transmittal.

Pursuant to section 185 of the Business Corporations Act (Ontario) (the "OBCA"), a registered shareholder may dissent in respect of the special resolution approving the Amalgamation. If the Amalgamation is completed, shareholders who have properly exercised their right of dissent by following the procedures set out in section 185 of the OBCA will be entitled to be paid the fair value of their common shares of ELL. This dissent right is summarized in Appendix E of the Circular, and the full text of section 185 of the OBCA is included as Appendix F of the Circular. Failure to strictly comply with the requirement of section 185 of the OBCA may result in the loss or unavailability of any right of dissent.

A copy of ELL's Audited Financial Statements, the Circular, the form of proxy, the letter of transmittal sent to registered shareholders, and a supplemental mail card are included with this Notice of Meeting pursuant to National Instrument 54-101.

DATED at Toronto, Ontario, this 27th day of January, 2026.

BY ORDER OF THE BOARD OF DIRECTORS

"Laurent Mareschal"

Laurent Mareschal
Chairman of the Independent
Committee of the Board of
Directors

TABLE OF CONTENTS

GLOSSARY OF TERMS	1
INTRODUCTION	1
INFORMATION CONTAINED IN THIS CIRCULAR	1
STATEMENTS REGARDING FORWARD-LOOKING INFORMATION	1
NOTICE TO SHAREHOLDERS IN THE UNITED STATES	1
INFORMATION REGARDING CONDUCT OF MEETING AND VOTING MATTERS	2
Solicitation of Proxies	2
Appointment and Revocation of Proxies	2
Notice to Beneficial Owners	3
Voting of Shares Represented by Proxies and Exercise of Discretion	3
Quorum	4
Interested Persons in Matters to be Acted Upon	4
Voting Securities and Principal Holders of Voting Securities	4
BUSINESS OF THE MEETING	4
1. Annual Financial Statements	4
2. Election of the Board of Directors	5
3. Appointment of Auditor	7
4. Amalgamation of ELL and Privateco	7
5. Re-Approval of the Equity Incentive Plan	8
Other Matters	9
Required Shareholder Approval	9
THE AMALGAMATION	9
Background	9
ELL	9
ELL Ventures Ltd.	10
Background to the Amalgamation	10
Formal Valuation	12
Recommendation of the Independent Committee	14
Reasons for the Recommendation of the Independent Committee	14
Risks	15
Recommendation of the ELL Board	16
Shareholder Approvals Required for Amalgamation	16
Terms of the Amalgamation	16
Funding of Redemption of Amalco Redeemable Preferred Shares	17
Legal Effect of the Amalgamation	18
The BCA	18

Conditions Precedent.....	18
Non-Solicitation and Superior Proposals.....	20
Right to Match.....	21
Directors and Officer's Run-off Insurance.....	21
Additional Purchases of ELL Common Shares by Privateco	21
Termination of BCA.....	21
Required Funds.....	22
Guarantee	22
Support Agreements.....	22
Amalgamation Agreement	22
Name and Registered Office.....	23
By-Laws	23
Directors, Officers and Auditors.....	23
Authorized Capital of Amalco.....	23
Amalco Redeemable Preferred Shares	23
Conversion of Issued Securities.....	24
Stated Capital Accounts and Paid-Up Capital	24
Termination	25
Right to Dissent.....	25
Filing of Articles of Amalgamation	25
ELL Letter of Transmittal	25
Lost Certificates	25
Delivery Requirements.....	26
Payment to Minority Shareholders (other than Dissenting Shareholders).....	26
Prescription Period	27
Expenses of the Amalgamation.....	27
CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS.....	27
Exchange of ELL Common Shares for Amalco Redeemable Preferred Shares on Amalgamation	28
Redemption of Amalco Redeemable Preferred Shares.....	28
Dissenting Shareholders	29
Taxation of Capital Gains and Losses	29
MARKET FOR SECURITIES	29
EFFECT OF AMALGAMATION ON MARKETS AND LISTINGS	30
OWNERSHIP OF SECURITIES OF ELL	30
MATERIAL CHANGES IN THE AFFAIRS OF ELL	31
ARRANGEMENTS WITH SHAREHOLDERS.....	31
PREVIOUS DISTRIBUTIONS.....	31
PRIOR VALUATIONS AND <i>BONA FIDE</i> OFFERS	32
OTHER MATERIAL FACTS	32

STATEMENT OF EXECUTIVE COMPENSATION	32
<i>Named Executive Officers</i>	32
<i>Director and Named Executive Officer Compensation Excluding Compensation Securities</i>	33
<i>External Management Companies</i>	33
<i>Stock Options and Other Compensation Securities</i>	33
<i>Stock Option Plans and other Incentive Plans</i>	35
<i>Oversight and Description of Director and Named Executive Officer Compensation</i>	38
SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS	41
OTHER MATTERS	41
Indebtedness of Directors and Officers	41
Interest of Management and Others in Material Transactions	41
Management Contracts	42
ELL's Dividend Policy	42
STATEMENT OF CORPORATE GOVERNANCE PRACTICES	42
AUDIT COMMITTEE	45
ADDITIONAL INFORMATION	46
DIRECTORS' APPROVAL	46
CONSENT	47
APPENDIX A FORM OF SPECIAL RESOLUTION	
APPENDIX B AMALGAMATION AGREEMENT	
APPENDIX C BUSINESS COMBINATION AGREEMENT	
APPENDIX D FORMAL VALUATION	
APPENDIX E OVERVIEW OF DISSENTING SHAREHOLDERS RIGHTS	
APPENDIX F SECTION 185 OF THE BUSINESS CORPORATIONS ACT (ONTARIO)	
APPENDIX G AUDIT COMMITTEE CHARTER	

GLOSSARY OF TERMS

The following is a glossary of terms and abbreviations used frequently throughout this Circular and Appendices hereto, unless otherwise defined in such Appendices:

"**affiliate**" has the meaning ascribed thereto for the purposes of the *Securities Act* (Ontario), as amended;

"**allowable capital loss**" has the meaning ascribed thereto in "*THE AMALGAMATION – Certain Canadian Federal Income Tax Considerations – Taxation of Capital Gains and Losses*";

"**Amalco**" means Everybody Loves Languages Inc., the corporation resulting from the Amalgamation;

"**Amalco Common Shares**" means the common shares in the capital of Amalco;

"**Amalco Class A Special Shares**" means the class A special shares in the capital of Amalco;

"**Amalco Redeemable Preferred Shares**" means the redeemable preferred shares in the capital of Amalco;

"**Amalgamation**" means the amalgamation of ELL and Privateco to form Amalco, substantially upon the terms and conditions set out in the Amalgamation Agreement;

"**Amalgamation Agreement**" means the amalgamation agreement in the form attached as Appendix B to this Circular;

"**Amended Offer**" has the meaning ascribed thereto in "*THE AMALGAMATION – The BCA – Non-Solicitation and Superior Proposals*";

"**associate**" has the meaning ascribed thereto for the purposes of the *Securities Act* (Ontario), as amended;

"**Balance of the Stated Capital**" has the meaning ascribed thereto in "*THE AMALGAMATION - Stated Capital Accounts and Paid-Up Capital*"

"**BCA**" means the business combination agreement between ELL and Privateco dated December 24, 2025, a copy of which is attached as Appendix C to this Circular;

"**Change in Recommendation**" has the meaning ascribed thereto in "*THE AMALGAMATION – The BCA – Non-Solicitation and Superior Proposals*";

"**Circular**" means this management information circular of the Company dated January 27, 2026;

"**Code**" means the Company's Code of Conduct;

"**Company**" means ELL;

"**Competing Transaction**" means any of the following (other than the Amalgamation): (i) an offer (other than from Privateco) relating to an amalgamation, merger, consolidation, share exchange, business combination, recapitalization, liquidation, dissolution or other similar transaction involving ELL, (ii) an offer (other than from Privateco) relating to the sale, lease, exchange, transfer or other disposition of all or a substantial part of the assets of ELL, or (iii) any takeover bid, tender offer or exchange offer (including a two-step transaction involving a take-over bid, tender offer or exchange offer followed by an amalgamation, a merger or a comparable transaction involving ELL) that, if consummated, would result in any person beneficially owning 10% or more of any class of securities of ELL other than Privateco;

"**CRA**" means the Canada Revenue Agency;

"**Credit Facility**" has the meaning ascribed thereto in "*Source of Funds*";

"Dissenting Holder" has the meaning ascribed thereto in "*CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS*";

"Dissent Rights" means the dissent rights of a Shareholder pursuant to and in the manner set forth in section 185 of the OBCA;

"Dissenting Shareholder" means a Shareholder who, in connection with the Special Resolution, has validly exercised Dissent Rights in strict compliance with section 185 of the OBCA and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the ELL Common Shares in respect of which Dissent Rights are validly exercised by such holder;

"Effective Date" means the date on which the Amalgamation will become effective, which the Company anticipates will be on or about March 10, 2026, or such other date as ELL and Privateco may agree;

"Effective Time" means 12:01 a.m. on the Effective Date;

"ELL" means Everybody Loves Languages Corp.;

"ELL Board" means the board of directors of ELL;

"ELL Common Shares" means the common shares in the capital of ELL;

"ELL Letter of Transmittal" means the letter of transmittal included in the Meeting Materials;

"ELL Options" means the options to purchase common shares in the capital of ELL;

"ELL Representatives" has the meaning ascribed thereto in "*THE AMALGAMATION – The BCA – Non-Solicitation and Superior Proposals*";

"ELL RSUs" means the restricted stock units of ELL;

"Formal Valuation" means the formal valuation dated January 21, 2026, and prepared by MNB Valuation Inc., with a valuation date as of November 6, 2025, a copy of which is attached as Appendix D of this Circular;

"Guidelines" has the meaning ascribed thereto in "*STATEMENT OF CORPORATE GOVERNANCE PRACTICES*";

"Holder" has the meaning ascribed thereto in "*CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS*"; "including" means including without limitation;

"Informed Person" has the meaning ascribed thereto in National Instrument 51-102 – *Continuous Disclosure Obligations*;

"Insider" has the meaning ascribed thereto in the *Securities Act* (Ontario);

"Intermediary" has the meaning ascribed thereto in "*INFORMATION REGARDING CONDUCT OF MEETING AND VOTING MATTERS - Notice to Beneficial Owners*";

"ITA" means the *Income Tax Act* (Canada), as amended;

"ITA Regulations" means the regulation promulgated under the ITA, as amended;

"Majority of the Minority Approval" has the meaning ascribed thereto in "*THE AMALGAMATION – Shareholder Approvals Required for Amalgamation*";

"Management" means the management of the Company;

"mark-to-market rules" means the provisions of the ITA relating to securities held by certain financial institutions;

"Material Adverse Change" has the meaning ascribed thereto in the BCA;

"Meeting" means the annual and special meeting of Shareholders in respect of which this Circular has been issued, including any adjournment or postponement thereof;

"Meeting Materials" means the Meeting Notice, Circular, ELL Letter of Transmittal and form of proxy;

"Meeting Notice" means the notice of annual and special meeting accompanying this Circular;

"MNB Valuation Inc." means MNB Valuation Inc., which acted as an independent financial advisor to the Independent Committee;

"MI 61-101" means Multilateral Instrument 61-101 — *Protection of Minority Security Holders in Special Transactions*;

"Minority Shareholders" means Shareholders other than members of the Privateco Group;

"Minority Shares" means the ELL Common Shares held by the Minority Shareholders;

"Non-Registered Shareholder" has the meaning ascribed thereto in *"INFORMATION REGARDING CONDUCT OF MEETING AND VOTING MATTERS - Notice to Beneficial Owners"*;

"OBCA" means the *Business Corporations Act (Ontario)*, as amended;

"Order" has the meaning ascribed in *"MATTERS RELATING TO DIRECTORS - Cease Trade Orders, Bankruptcies, Penalties or Sanctions"*;

"Equity Incentive Plan" means ELL's stock option plan as approved by Shareholders on February 20, 2024;

"Preliminary Valuation" has the meaning ascribed thereto in *"THE AMALGAMATION – Background to the Amalgamation"*;

"Proposed Action" has the meaning ascribed thereto in *"THE AMALGAMATION – Background to the Amalgamation"*;

"Proposed Agreement" has the meaning ascribed thereto in *"THE AMALGAMATION – The BCA – Non-Solicitation and Superior Proposals"*;

"Proposed Offer Letter" means the expression of interest letter delivered by Privateco to the ELL Board dated October 30, 2025;

"Proposed Transaction" has the meaning ascribed thereto in *"THE AMALGAMATION – Background to the Amalgamation"*;

"Privateco" means ELL Ventures Ltd.;

"Privateco Common Shares" means the common shares in the capital of Privateco;

"Privateco Class A Special Shares" means the class A special shares in the capital of Privateco;

"Privateco Group" has the meaning ascribed thereto in *"THE AMALGAMATION – Background – ELL Ventures Ltd."*;

"Record Date" has the meaning ascribed thereto in *"INFORMATION REGARDING CONDUCT OF MEETING AND VOTING MATTERS - Voting Securities and Principal Holders of Voting Securities"*;

"Redemption Price" means the redemption amount of each Amalco Redeemable Preferred Share, being CAD\$0.085 payable in cash;

"Shareholder Approval" means the approval of the Special Resolution by: (a) at least two-thirds of the votes cast by Shareholders present in person or represented by proxy at the Meeting; and (b) Majority of the Minority Approval;

"Shareholders" means the holders of ELL Common Shares;

"Independent Committee" means the Independent Committee of independent directors of the ELL Board as further described in *"THE AMALGAMATION – ELL's Review of the Amalgamation – Independent Committee Review Process and Recommendations"*;

"Special Resolution" means the special resolution of Shareholders to approve the Amalgamation, a copy of which is attached as Appendix A to this Circular;

"Superior Proposal" means an unsolicited bona fide written offer made by a third party to consummate a Competing Transaction on terms (including conditions to consummation of the contemplated transaction) that the ELL Board determines, in its good faith judgment (after consultation with its financial and legal advisors), (i) would, if consummated in accordance with its terms (but not assuming away the risks set out in (ii) below be, after taking into consideration ELL's obligation to remit the Termination Payment to Privateco, more favourable, from a financial point of view, to the Minority Shareholders than the Amalgamation (including any amendments to the BCA proposed in writing or entered into in accordance with the provision of the BCA described under the heading *"Right to Match"*), (ii) is reasonably capable of being consummated without undue delay having regard to financial, legal, regulatory and other matters, (iii) is not subject to a due diligence condition, and (iv) which, to the extent it offers cash consideration, is fully financed;

"Support Agreement" means agreements between Privateco and certain Shareholders pursuant to which the Shareholders agree, among other things, to vote in favour of the Special Resolution and the Amalgamation, the form of which is attached as Schedule C to the BCA;

"Surrendered Amount" has the meaning ascribed thereto in *"THE AMALGAMATION – Prescription Period"*;

"Tax Proposals" means the specific proposals to amend the ITA and the ITA Regulations that have been publicly announced by the Minister of Finance (Canada) prior to the date of this Circular;

"taxable capital gain" has the meaning ascribed thereto in *"CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS – Taxation of Capital Gains and Losses"*;

"Termination Fee" means the CAD\$250,000 payable by ELL to Privateco in certain circumstances in the event that the BCA is terminated, as further detailed in *"THE AMALGAMATION – Termination of BCA"*;

"Transfer Agent" means the Company's transfer agent and registrar, and depositary in respect to the Amalgamation, Computershare Investor Services Inc.; and

"TSXV" means the TSX Venture Exchange Inc.

INTRODUCTION

This Circular is provided in connection with the solicitation of proxies by Management of ELL to be voted at the Meeting to be held on Tuesday, March 3, 2026 at 10:00 a.m. (Eastern Time) at the offices of Fogler, Rubinoff LLP located at 40 King Street West, Suite 2400, Toronto, Ontario M5H 3Y2 for the purposes set out in the accompanying Meeting Notice.

This Circular describes the matters to be voted on at the Meeting and the voting process. Please see "*INFORMATION REGARDING CONDUCT OF MEETING AND VOTING MATTERS*" for details on how you can vote on the matters to be considered at the Meeting, whether or not you plan to attend.

INFORMATION CONTAINED IN THIS CIRCULAR

Unless otherwise indicated, the information contained in this Circular is given as of January 27, 2026. No person has been authorized to give any information or to make any representations in connection with the Amalgamation other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by the Company. This Circular does not constitute the solicitation of an offer to acquire any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

The information concerning Privateco and the Privateco Group contained in this Circular, including the appendices attached hereto, has been provided by Privateco. The ELL Board has relied upon this information without having made any independent inquiry as to the accuracy thereof. ELL assumes no responsibility for the accuracy or completeness of such information, nor for any omission on the part of Privateco to disclose facts or events which may affect the accuracy of any such information.

Unless otherwise indicated, all dollar references in this Circular are to Canadian dollars.

STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

This Circular, including the Appendices attached hereto, may contain forward-looking statements.

Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of ELL, or the combined entity resulting from the amalgamation, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Although ELL has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Accordingly, readers should not place undue reliance on forward-looking statements. ELL does not undertake any obligation to update forward-looking statements except as otherwise required by law.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

This Circular has been prepared in accordance with disclosure requirements under applicable Canadian laws. Shareholders in the United States should be aware that these requirements may be different from those of the United States or other jurisdictions.

Shareholders in the United States should also be aware that the terms of the Amalgamation, as defined in the Circular, may have tax consequences both in Canada and the United States. This Circular does not describe tax consequences for Shareholders in the United States and all Shareholders are urged to consult their own tax advisors. See section entitled "*Certain Canadian Federal Income Tax Considerations*". A Shareholder in the United States who receives payment pursuant to the Amalgamation may be subject to backup withholding on the gross payments received unless such Shareholder: (i) is a corporation or comes within certain other exempt categories and demonstrates this fact; or (ii) provides a correct taxpayer identification number on an IRS Form W-9, certifies as to no loss of exemption from backup withholding and otherwise complies with applicable requirements of the backup withholding rules.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that ELL and Privateco exist under the laws of Canada, the officers and directors of such entities are residents of Canada, and their respective assets may be located outside of the United States. Shareholders may not be able to sue a Canadian company or its officers or directors in a Canadian court for violations predicated solely on the civil liability provisions of United States federal securities laws. It may be difficult to compel a Canadian company and its affiliates to subject themselves to a judgment by a United States court.

THIS AMALGAMATION (AS DEFINED HEREIN) HAS NOT BEEN APPROVED OR DISAPPROVED BY ANY SECURITIES REGULATORY AUTHORITY, NOR HAS ANY SECURITIES REGULATORY AUTHORITY PASSED UPON THE FAIRNESS OR MERITS OF THIS TRANSACTION OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

INFORMATION REGARDING CONDUCT OF MEETING AND VOTING MATTERS

Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies from Shareholders, by and on behalf of Management for use at the Meeting, including any adjournment or postponement thereof. Subject to any adjournment or postponement, the Meeting will be held at the offices of Fogler, Rubinoff LLP located at 40 King Street West, Suite 2400, Toronto, Ontario M5H 3Y2, on Tuesday, March 3, 2026 at 10:00 a.m. (Eastern Time).

It is expected that the solicitation of proxies will be primarily by mail, but proxies may also be solicited personally or by telephone by employees, officers or directors of the Company. The cost of such solicitation by and on behalf of Management will be borne by the Company.

No remuneration will be paid to any person for soliciting proxies, but ELL may, upon request, pay to certain brokerage firms, fiduciaries or other persons holding ELL Common Shares in their name for others, the charges entailed in sending out the form of proxy to the persons for whom they hold such ELL Common Shares.

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are directors of the Company. **A SHAREHOLDER HAS THE RIGHT TO APPOINT A DIFFERENT PERSON, WHO NEED NOT BE A SHAREHOLDER OF ELL, TO REPRESENT SUCH SHAREHOLDER AT THE MEETING OTHER THAN THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.** Such right may be exercised by striking out the names of the persons designated in the enclosed form of proxy and by inserting such other person's name in the blank space provided in such proxy. Failing any designation, one of the persons named on the form of proxy shall be deemed to have been appointed as the nominee of such Shareholder for the purposes set out in the accompanying Notice of Meeting.

All proxies must be completed, dated and signed and delivered to the Company's Transfer Agent, Computershare Investor Services Inc. at 320 Bay Street, 14th floor, Toronto, Ontario, M5H 4A6 no later than 10:00 a.m. (Eastern Time) on Friday, February 27, 2026, or, in the event that the Meeting is adjourned or postponed, at least 48 hours (excluding Saturdays, Sundays and statutory holidays in Ontario) prior to the commencement of the adjourned or postponed Meeting.

A Shareholder executing the enclosed form of proxy has the right to revoke it under subsection 110(4) of the OBCA. A Shareholder may revoke a proxy as to any matter on which a vote has not already been cast pursuant to the authority conferred by such proxy and may do so: (a) by completing and signing a proxy bearing a later date and depositing it as aforesaid; (b) by depositing an instrument in writing revoking the proxy executed by the Shareholder, or by such Shareholder's attorney authorized in writing (i) at the registered office of ELL at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof at which the proxy is to be used, or (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof; or (c) in any other manner permitted by law.

Only registered Shareholders have the right to revoke a proxy. Non-Registered Shareholders who wish to change their vote must make appropriate arrangements with their respective Intermediaries.

Notice to Beneficial Owners

Generally, only registered Shareholders or the persons they appoint as their proxies are entitled to attend and vote at the Meeting. However, ELL Common Shares may be beneficially owned by a person (a "**Non-Registered Shareholder**") and registered either (a) in the name of an intermediary (an "**Intermediary**"), such as a bank, trust company, securities dealer or broker or trustees of self-administered RRSP's, RRIF's, RESP's and similar plans; or (b) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant.

Pursuant to the requirements of the Canadian Securities Administrators, ELL has distributed copies of the Notice of Meeting, this Circular and the form of proxy to the clearing agencies and Intermediaries for distribution to Non-Registered Shareholders of ELL who have not waived their right to receive such materials. Non-Registered Shareholders may be forwarded a proxy already signed by the Intermediary or a voting instruction form to allow them to direct the voting of the ELL Common Shares that they beneficially own. Should a Non-Registered Shareholder who receives either a proxy or a voting instruction form from an Intermediary wish to attend and vote at the Meeting in person (or have another person attend and vote on their behalf), the Non-Registered Shareholder should strike out the names of the persons named in the proxy and insert their own (or another person's name) in the blank space provided or, in the case of a voting instruction form, follow the appropriate instructions on the form. In either case, Non-Registered Shareholders should carefully follow the instructions provided by the Intermediaries.

These Meeting Materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and ELL or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

Voting of Shares Represented by Proxies and Exercise of Discretion

The persons named in the enclosed form of proxy will vote the ELL Common Shares in respect of which they are appointed or will withhold such shares from voting in accordance with the direction of the Shareholders appointing them on any ballot that may be called for and if such Shareholders specify a choice in respect of any matter to be acted upon, their ELL Common Shares will be voted for, against or withheld accordingly. In the absence of such direction, such ELL Common Shares will be voted:

- (a) IN FAVOUR of the election of those persons listed in this Circular as the nominee directors of the Company for the ensuing year;
- (b) IN FAVOUR of the appointment of AGT Partners LLP, as the auditors of the Company for the ensuing year and the authorization of the directors to fix the remuneration of the auditors;
- (c) IN FAVOUR of the Special Resolution attached as Appendix A approving the Amalgamation of ELL and Privateco on the terms and conditions provided for in the Amalgamation Agreement attached as Appendix B of this Circular; and

- (d) IN FAVOUR of re-approving the Company's Equity Incentive Plan, the details of which are contained under the heading "Business of the Meeting – Re-Approval of Equity Incentive Plan" in the accompanying Circular.

The enclosed form of proxy confers discretionary authority upon the person named therein with respect to amendments to, or modifications of, matters identified in the accompanying Notice of the Meeting, and any other matters that may properly come before the Meeting. At the date of this Circular, the Management of ELL has no knowledge that any business other than that referred to in the accompanying Notice of Meeting will be presented to the Meeting. HOWEVER, IF ANY SUCH AMENDMENTS, MODIFICATIONS OR OTHER MATTERS WHICH ARE NOT NOW KNOWN TO MANAGEMENT SHOULD PROPERLY COME BEFORE THE MEETING, IT IS THE INTENTION OF THE PERSONS NAMED IN THE PROXIES TO VOTE THE PROXIES IN ACCORDANCE WITH THE BEST JUDGEMENT OF SUCH INDIVIDUAL VOTING SUCH PROXIES.

Quorum

The by-laws of ELL provide that a quorum for the transaction of business at any meeting of shareholders shall be two individuals present in person, each being a Shareholder entitled to vote thereat or a duly appointed proxy for an absent Shareholder so entitled, and holding or representing not less than 5% of the outstanding ELL Common Shares entitled to vote at the meeting.

Interested Persons in Matters to be Acted Upon

To the knowledge of ELL, none of ELL's directors or executive officers, nor any proposed nominees for election as directors of the Company, or an associate or affiliate of any such persons, has any material interest in any matters to be acted upon at the Meeting other than Gali Bar-Ziv, the President, CEO and a Director of ELL; and Khurram Qureshi, the CFO and a Director of ELL, all of whom are shareholders of Privateco, which proposes to Amalgamate with the Company or as otherwise disclosed in the Circular.

As at the date of this Circular, together, Gali Bar-Ziv and Khurram Qureshi, control 3,087,562 ELL Common Shares, which represent approximately 8.7% of the issued and outstanding ELL Common Shares, and such shares will be excluded from the Majority of the Minority Approval vote on the Proposed Transaction.

Voting Securities and Principal Holders of Voting Securities

The ELL Board has fixed 5:00 p.m. (Eastern Time) on Tuesday, January 27, 2026 as the record date (the "**Record Date**") for the purpose of determining which Shareholders of the Company are entitled to receive notice of, attend and vote at the Meeting. Entitlement to vote is determined as of the Record Date. Each ELL Common Share carries one vote per share at the Meeting.

As at the date of this Circular, there are 35,642,524 ELL Common Shares issued and outstanding as fully paid and non-assessable.

To the knowledge of the directors and executive officers of the Company, as at the date of this Circular, no person or corporation beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the issued and outstanding ELL Common Shares.

BUSINESS OF THE MEETING

1. Annual Financial Statements

The audited consolidated financial statements of the Company for the financial years ended December 31, 2024 and 2023, together with the report of the auditors thereon, will be placed before the Meeting. These financial statements have been mailed to the Shareholders with the Notice of Meeting and this Circular and are available on SEDAR+ at www.sedarplus.ca.

2. Election of the Board of Directors

The Company's Articles of Continuance provide that the ELL Board shall consist of a minimum of three directors and a maximum of nine directors. The number of directors currently in office is five, each holding office for a term of approximately one year.

There are to be five directors elected at the Meeting, each to hold office until the next annual meeting of shareholders or until his or her successor is elected or appointed, or, in the event that the Amalgamation is approved, until the date that the Certificate of Amalgamation has been issued.

Unless authority to vote on the election of directors is withheld, it is the intention of persons named in the enclosed form of proxy to vote the ELL Common Shares represented thereby in favour of the five individuals who have been nominated by Management, as listed below. The following table sets out each nominee's province of residency, current principal occupation, as well as his or her principal occupation(s) for the past five years, the month and year of his or her first appointment as a director of the Company, membership on any Committees of the ELL Board, as well as the number of ELL Common Shares beneficially owned, directly or indirectly, controlled or directed by such nominee director.

Name, Province and Country of Residence	Principal Occupation During the Previous Five Years	Director Since	ELL Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly at the date of this Circular
Gali Bar-Ziv <i>Ontario, Canada</i>	President and CEO of the Company (2018 – present)	August 2019	1,042,864
Khurram Qureshi <i>Ontario, Canada</i>	CFO of the Company (2010 – present), CFO of Predictiv AI Inc., Partner at CQK LLP, Chartered Professional Accountants (2007 – present)	November 2021	2,044,698
Weibing "Tommy" Gong ⁽²⁾⁽³⁾⁽⁴⁾ <i>Ontario, Canada</i>	Property developer, Shanghai; Chairman, Zysteq North America Corporation, Shanghai Tommy Real Estate Development Co., Ltd, Shanghai Tommy & Jane Property Investment and Management Co., Ltd., and Shanghai Tommy Hotels Investment and Management Co., Ltd.	September 2010	Nil
Robert Martellacci ⁽²⁾⁽³⁾⁽⁴⁾ <i>Ontario, Canada</i>	Founder and CEO, MindShare Learning Technology (2002 – present)	December 2017	Nil
Laurent Mareschal ⁽²⁾⁽³⁾⁽⁴⁾ <i>Ontario, Canada</i>	CFO, Ontario Plants (2025 – 2026), CFO, TruLeaf Sustainable Agriculture (2021 – 2024), COO and CFO, The Group Ventures (2019 – 2021), SVP and Head, Scotiabank – Small Business Banking (2016- 2018), CFO, Scotiabank – Canadian Banking (2012- 2016)	September 2020	Nil

Notes:

- (1) Information about principal occupation, business or employment and number of ELL Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, not being within the knowledge of the Company, has been furnished by respective persons set forth above.
- (2) Member of the Audit Committee. Laurent Mareschal serves as Chair.
- (3) Member of the Compensation Committee. Mr. Robert Martellacci serves as Chair.
- (4) Member of the Corporate Governance and Nominating Committee. Mr. Robert Martellacci serves as Chair.

ELL's Management has no reason to believe that any of the nominees will be unable to serve as a director. **However, if any proposed nominee is unable to serve as a director, the individuals named in the Form of Proxy will be voted in favour of the remaining nominees, and may be voted in favour of a substitute nominee unless the Shareholder has specified in the proxy that the ELL Common Shares represented thereby are to be withheld from voting in respect of the election of directors.**

Independence and other Relationships of Current and Nominee Directors

A director of ELL is considered independent if he or she has no direct or indirect material interest in the Company. The ELL Board has the responsibilities of determining whether a director is independent or not. Without limiting its discretion in this area, a director is not considered to be independent if, currently or within the preceding three years, as applicable, he or she:

- (a) is or was an employee or executive officer of the Company or any of its subsidiaries;
- (b) is or was an immediate family member of an executive officer of the Company or any of its subsidiaries;
- (c) is or was a partner or employee of, or otherwise affiliated with, any of the Company's current or former external auditors;
- (d) is or was an immediate family member of a partner of any of the Company's current or former external auditors;
- (e) is or was an immediate family member of an employee of the Company's external auditor who either (i) participates in its audit, assurance or tax compliance (but not tax planning) practice, or (ii) is or was employed or affiliated with any of the Company's current or former external auditors and personally works or worked on the Company's audit within such time; or
- (f) is or was an executive officer of an entity for which an executive officer of the Company serves or served on the compensation committee of such entity, or an immediate family member of such person;
- (g) has received, or one of their immediate family members has received, more than CAD\$75,000 in direct compensation from the Company and any of its subsidiaries during any twelve month period in the past three fiscal years other than directors and committees fees and pension or other forms of deferred compensation for prior service (provided that such compensation is not contingent in any way on the continued service); or
- (h) beneficially owns, or directs or controls, either directly or indirectly, more than ten percent of the issued and outstanding shares of the Company.

The ELL Board has determined that three of the five current and nominee Directors are "independent", namely, Laurent Mareschal, Robert Martellacci and Weibing "Tommy" Gong. Gali Bar-Ziv and Khurram Qureshi are not independent as they are executive officers of the Company.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as noted below, no current or nominee director is or has been, within the ten years preceding the date of this Circular:

- (a) a director, chief executive officer or chief financial officer of any company that was the subject of a cease trade, or similar order or an order that denied the relevant company or entity access to any exemption under applicable securities legislation, in any case for a period of more than 30 consecutive days (an "Order") while such individual held such position within such company or

after they ceased to hold such position where the Order was the result of any an event that occurred while that individual was acting in such capacity;

- (b) a director or executive officer of any company that, while that individual was acting in that capacity, or within one year of the individual ceasing to act in the 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 has a receiver, receiver manager or trustee appointed to hold such company's assets; or
- (c) become 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 the assets of such individual.

Subsequent to Mr. Qureshi resigning as a director and an officer, Solvbl Solutions Inc. filed an assignment into bankruptcy on December 21, 2023.

In June 2022, the Ontario Securities Commission issued Predictiv AI Inc. a failure to file cease trade order ("FFCTO") due to the company not filing its annual financial statements for the financial year ended January 31, 2022 and the related management's discussion and analysis. The FFCTO was revoked on November 23, 2023. Khurram Qureshi was the Chief Financial Officer of the company at the time of the FFCTO being issued and later became a director of Predictiv AI Inc..

On March 5, 2024, the Alberta Securities Commission issued Pounce Technologies Inc., a company which Khurram Qureshi served as a director, a FFCTO. The FFCTO remains in place, but Mr. Qureshi resigned as a director in August 2024.

None of the proposed directors is, as at the date hereof, or 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 be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

3. Appointment of Auditor

Unless directed by the Shareholder completing the form of proxy to abstain from doing so, the persons named in the enclosed proxy intend to vote for the reappointment of AGT Partners LLP, Chartered Accounts, as the auditors of the Company, to hold office until the next annual meeting of shareholders or until their successor has been duly appointed or, in the event that the Amalgamation is approved, until the date the Certificate of Amalgamation has been issued, and to authorize the directors to fix the remuneration of the auditors as the directors deem reasonable and appropriate. AGT Partners LLP, Chartered Accountants, have been the auditors of the Company since November 22, 2024. To be effective, this resolution must be passed by a majority of the votes cast in respect of this resolution.

Management recommends that Shareholders vote FOR the adoption of the ordinary resolution approving the appointment of the auditors of the Company.

Proxies received in favour of Management will be voted FOR the approval of the above ordinary resolution unless a Shareholder has specified in the proxy that the ELL Common Shares are to be withheld from such ordinary resolution.

4. Amalgamation of ELL and Privateco

Unless otherwise directed by the Shareholder completing the form of proxy, the persons named in the enclosed proxy form intend to vote all ELL Common Shares represented by such proxy in favour of the Special Resolution attached as Appendix A approving the Amalgamation of ELL and Privateco to form an amalgamated corporation on the terms

and conditions provided for in the amalgamation agreement attached as Appendix B. See "*THE AMALGAMATION*" below for full details of the Amalgamation.

As at the date of this Circular, together, Gali Bar-Ziv and Khurram Qureshi, control 3,087,562 ELL Common Shares, which represent approximately 8.7% of the issued and outstanding ELL Common Shares, and such shares will be excluded from the Majority of the Minority Approval vote on the Proposed Transaction.

Management recommends that Shareholders vote FOR the adoption of the Special Resolution approving the Amalgamation of ELL and Privateco.

Proxies received in favour of Management will be voted FOR the approval of the above Special Resolution unless a Shareholder has specified in the proxy that the ELL Common Shares are to be voted against such Special Resolution.

5. Re-Approval of the Equity Incentive Plan

Ratification of Option Plan

The Board adopted a 10% rolling plan in respect of the ELL Options, and a 10% fixed plan in respect of the ELL RSUs (the "**Equity Incentive Plan**") on February 20, 2024. The TSXV requires that the Equity Incentive Plan be submitted for re-approval by the Shareholders at each annual meeting of Shareholders of the Company. Accordingly, Management is seeking the re-approval of the Equity Incentive Plan by the Shareholders.

Purpose of the Option Plan

The purpose of the Equity Incentive Plan is to provide an incentive to the Company's directors, senior officers, employees and consultants to continue their involvement with the Company and to increase their efforts on the Company's behalf. See "*Stock Option Plans and Other Incentive Plans*" below for full details of the Equity Incentive Plan.

Shareholders of the Company will be asked at the Meeting to approve an ordinary resolution in the form below to approve the ratification of the Equity Incentive Plan.

BE IT RESOLVED THAT, as an ordinary resolution:

1. the Equity Incentive Plan be hereby ratified and approved; and
2. any director or officer of the Company be and he or she is hereby authorized and directed, on behalf of the Company, to execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.

In the event that the Equity Incentive Plan is not so ratified no further ELL Options and ELL RSUs may be granted under the Equity Incentive Plan but those currently outstanding shall remain in place in accordance with their terms until their expiry. Such resolution must be approved by a majority of the Company's Shareholders.

Management recommends that Shareholders vote FOR the adoption of the ordinary resolution approving the Equity Incentive Plan.

Proxies received in favour of Management will be voted FOR the approval of the above ordinary resolution unless a Shareholder has specified in the proxy that the ELL Common Shares are to be voted against such ordinary resolution.

Other Matters

Management knows of no other matters to come before the Meeting other than the matters referred to in the Notice of Meeting. If other matters properly come before the Meeting, it is the intention of the persons named in the accompanying form of proxy to vote the ELL Common Shares represented thereby in accordance with such proxyholder's best judgment on such matters.

Required Shareholder Approval

With the exception of the Special Resolution, all matters require the approval of Shareholders holding a majority of the votes cast at the Meeting. In order for the Amalgamation to be approved by the Shareholders in accordance with applicable laws, the Special Resolution must be approved by at least two-thirds of the votes cast at the Meeting by all Shareholders present in person or represented by proxy at the Meeting. In addition, the Special Resolution must also receive Majority of the Minority Approval. As at the date of this Circular, it is expected that 3,087,562 ELL Common Shares, representing approximately 8.7% of the issued and outstanding ELL Common Shares, will be excluded from voting at the Meeting in respect of the Majority of the Minority Approval requirements. The names, and individual shareholdings, of the Shareholders that will be excluded in determining whether the Majority of the Minority Approval has been obtained are listed in the chart found in "*THE AMALGAMATION – Background – ELL Ventures Ltd.*"

THE AMALGAMATION

The discussion of the Amalgamation in this Circular is subject to and qualified in its entirety by reference to the Amalgamation Agreement, a copy of which appears as Appendix B to this Circular, and the BCA, a copy of which appears as **Appendix C** to this Circular. All Shareholders are encouraged to read the Amalgamation Agreement and the BCA in their entirety.

Background

ELL

Everybody Loves Languages Corp. (formerly Lingo Media Corporation) is a publicly listed Canadian company incorporated under the laws of Ontario. ELL is a reporting issuer in each of British Columbia, Alberta, Ontario, Newfoundland and Labrador and Nova Scotia. The Company's common shares are listed on the TSX Venture Exchange under the symbol "ELL," quoted on the OTC Markets under the symbol "LMDCF," and traded on the Frankfurt Stock Exchange under the symbol "LIMA." ELL carries on business through its wholly owned subsidiaries, including Lingo Learning Inc., Everybody Loves Languages Inc., Lingo Group Limited, Vizualize Technologies Corporation, Speak2Me Inc., and Parlo Corporation (collectively, the "Group"). The Company's 100% subsidiary Everybody Loves Languages Inc. holds 51% interest in Everybody Loves Languages Ltd., a subsidiary partnering with Row 9-Digital to develop and sell language learning programs that teach reading, writing, speaking, and listening skills by using Hollywood film clips from popular movies. The consolidated financial statements of the Company for the years ended December 31, 2024 and 2023 reflect the operations of these entities.

Everybody Loves Languages Corp. is an edtech language-learning and content development company empowering language educators to easily transition from traditional teaching methods to digital learning by integrating education, edutainment, and technology.

The company provides online and print-based solutions through two distinct business units: Everybody Loves Languages Inc. and Lingo Learning Inc. Everybody Loves Languages is a state-of-the-art technology platform that delivers personalized learning experiences in classrooms and online. Its programs provide innovative SaaS-based eLearning solutions, including online and offline content, a learning management system, assessments, real-time reports, speech recognition technology, and white-label tools. At the same time, Lingo Learning is the content development arm and co-publishes print-based English language learning materials in China.

The Company empowers language educators to transition seamlessly from traditional teaching methods to digital learning through a course portfolio offering more than 3,000 hours of learning material and proprietary online and

blended-learning content. In September 2022, the Company entered into a strategic partnership with Row 9-Digital to develop Hollywood movie-based lessons and activities tailored to various language groups. The partnership integrates ELL's learning management system with Row 9-Digital's AcadeMe+ interactive lesson program, which uses an innovative AI-enabled film search engine to provide educators with highly engaging, content-rich teaching tools. This new initiative operates through the Company's subsidiary, Everybody Loves Languages Ltd.

Further information regarding ELL can be found in the documents on ELL's profile on SEDAR+ at www.sedarplus.ca.

ELL Ventures Ltd.

Privateco is a corporation existing under the laws of Ontario. Privateco has been established for the sole purpose of completing the Amalgamation.

As at the date of this Circular, the following individuals are shareholders of Privateco: Gali Bar-Ziv, the President, CEO and a Director of ELL, and Khurram Qureshi, Chief Financial Officer and a Director of ELL (collectively, the "**Privateco Group**").

Provided that the Special Resolution is approved, each member of the Privateco Group intends to transfer all of the ELL Common Shares beneficially owned directly or indirectly by them or over which they exercise direction or control, to Privateco. Upon such transfer, Privateco will own 3,087,562 ELL Common Shares, representing approximately 8.7% of all of the issued and outstanding ELL Common Shares. Specifically, the following table sets out the number of ELL Common Shares beneficially owned or over which control or direction is exercised by each member of the Privateco Group as at the date of this Circular:

Name of Privateco Shareholder	Municipality of Residence	No. of ELL Common Shares	% of Outstanding ELL Common Shares
Gali Bar-Ziv	Toronto, Ontario	1,042,864	2.9%
Khurram Qureshi	Toronto, Ontario	2,044,698	5.7%

At this time, other than as noted in this paragraph, none of the individuals named above nor any of the persons described in the chart under the heading "OWNERSHIP OF SECURITIES OF ELL" have any agreements, commitments or understandings with any person to acquire additional ELL Common Shares.

Background to the Amalgamation

In October 2025, Gali Bar-Ziv, the President, CEO and a Director of ELL, and Khurram Qureshi, Chief Financial Officer and a Director of ELL, advised the ELL Board that they might be prepared to propose a going private transaction under which they would, through a company to be incorporated, acquire all of the issued and outstanding ELL Common Shares (the "**Proposed Transaction**") that they do not already own at \$0.07 per ELL Common Share. In response, the ELL Board established a Independent Committee of independent directors (the "**Independent Committee**") comprised of Laurent Mareschal (Chair), Robert Martellacci and Weibing (Tommy) Gong, all of whom are independent of Privateco and its associates and affiliates (other than the Company) and Management, with the objective of ensuring that the Company could respond promptly in the event that Privateco was prepared to proceed with the Proposed Transaction. The mandate of the Independent Committee included: (a) reviewing, considering and evaluating the Proposed Transaction or any alternatives available to the Company other than the Proposed Transaction and any and all actions that may be taken by the Company in response to the Proposed Transaction (each, a "**Proposed Action**"); (b) negotiating or supervising the negotiation of the terms of the Proposed Transaction or any Proposed Action; (c) commissioning and supervising a formal valuation in accordance with MI 61-101; (d) supervising the preparation of any legal agreements or other documentation; and (e) advising the ELL Board as to whether the Proposed Transaction or any Proposed Action or other strategic alternative is in the best interests of the Company

and/or its Shareholders. The Independent Committee engaged Fogler, Rubinoff LLP as its independent legal counsel to advise the Independent Committee on its duties and to assist it in discharging those duties.

The mandate of the Independent Committee authorized it to retain legal and financial advisors, at the expense of the Company, as it deemed appropriate to assist it in performing its mandate. In this regard, the Independent Committee identified potential financial advisors qualified to prepare a formal valuation of the ELL Common Shares and to provide an opinion regarding the value or range of values representing the fair market value of the Company. This valuation and opinion were sought to assist the Independent Committee in determining whether to recommend to the ELL Board that the Proposed Transaction is in the best interests of the Company and is fair, from a financial point of view, to the Minority Shareholders. Following such consideration, the Independent Committee decided to engage MNB Valuation Inc., as its financial advisor based on its expertise and reputation and its ability to commence work on the formal valuation immediately. Based in part upon certain representations made to it by MNB Valuation Inc., the Independent Committee determined that MNB Valuation Inc. is a qualified valuator and is independent of Privateco and Management for the purposes of MI 61-101. The responsibilities of MNB Valuation Inc., among other things, were to prepare a valuation and an opinion as to the value or range of values representing the fair market value of the Company. Pursuant to the terms of its engagement, MNB Valuation Inc. reviewed the Company's business and affairs and conducted interviews with Management in connection with preparing a formal valuation.

On June 5, 2025, the Independent Committee met with Fogler, Rubinoff LLP, who provided an overview of the legal duties and responsibilities of the Independent Committee members in the context of the Proposed Transaction. The Independent Committee also discussed the general nature and structure of the Proposed Transaction.

The Independent Committee met formally and informally on a number of occasions between the date it was established and December, 2025 to consider the Proposed Transaction and certain related matters, including to receive progress reports from MNB Valuation Inc. as to its ongoing valuation work, to receive the results of MNB Valuation Inc.'s analysis, and to consider strategies and tactics that might be appropriate to maximize shareholder value.

In October 2025, the Chair of the Independent Committee entered into discussions with Privateco, to determine if a consensus as to price could be reached with respect to the Proposed Transaction. During the course of those discussions, Mr. Mareschal provided Privateco with a summary of MNB Valuation Inc.'s Preliminary Valuation with a view to persuading Privateco to raise its offer to a price within a range that the Independent Committee could support. After some negotiation, Mr. Mareschal and Privateco left the meeting with the understanding that if Privateco made an offer of \$0.085 per ELL Common Share, the Independent Committee would be likely to support such an offer, subject to the other terms and conditions of the offer being satisfactory to the Independent Committee.

On October 30, 2025, Privateco presented an expression of interest letter (the "**Proposed Offer Letter**") to the Company outlining the certain terms and conditions, including the consideration of \$0.085 per ELL Common Share, of the proposed Amalgamation.

The Independent Committee met with its legal counsel on November 6, 2025, to (i) view MNB Valuation Inc.'s presentation on its preliminary and draft valuation of ELL with a valuation date as at March 31, 2025 (the "**Preliminary Valuation**"); and (ii) to consider Privateco's Proposed Offer Letter, which outlined certain terms of the Proposed Transaction. During the presentation of the Preliminary Valuation, MNB Valuation Inc. described the scope of the review and analysis carried out to date and explained the approaches used to value the ELL Common Shares, including valuation methodologies, metrics and assumptions. The Independent Committee engaged in extensive discussion regarding the Preliminary Valuation and MNB Valuation Inc.'s preliminary findings. MNB Valuation Inc. concluded that, as of the valuation date of the Preliminary Valuation, the fair market value of the Company was in the range of \$2,720,000 and \$3,700,000 or approximately \$0.076 to \$0.104 per ELL Common Share. After extensive discussions with its legal counsel regarding the terms of the proposed Amalgamation, the Independent Committee approved in principle proceeding with the Proposed Offer Letter, with the next steps being the negotiation of the BCA. At the meeting, the Independent Committee also requested that MNB Valuation Inc. update the Preliminary Valuation to reflect the Company's more recent cash position, given the time that has elapsed since the March 31, 2025 valuation date, and to deliver such updated valuation in final form.

On November 10, 2025, the Independent Committee received a draft BCA in connection with the Proposed Transaction. Over the next several weeks, legal counsel for the Independent Committee and Privateco, negotiated various aspects of the BCA applicable to the Amalgamation, including negotiation of the structure of the Amalgamation, conditions to closing and "deal protection" measures.

On December 22, 2025, the Independent Committee, together with its legal counsel, reviewed the terms of the BCA and the related agreements and evaluated the Proposed Offer Letter in light of the Preliminary Valuation. In the course of its review, the Independent Committee reaffirmed its view that Privateco's offer of \$0.085 per ELL Common Share represents a significant opportunity for Shareholders to monetize their shareholdings. The Independent Committee also determined that additional information and further due diligence were required with respect to the Credit Facility in order to assess the adequacy of the proposed funding arrangements for the Proposed Transaction. The Independent Committee directed its members to review the Credit Facility. Following the completion of this review, the Independent Committee confirmed that it had conducted the necessary due diligence and was satisfied with Privateco's financing arrangements. Having completed its review to its satisfaction, the Independent Committee approved the BCA and unanimously resolved to recommend to the Board that the Proposed Transaction be approved.

Following the meeting of the Independent Committee on December 22, 2025, the ELL Board received the recommendation of the Independent Committee. The Proposed Transaction, BCA and related agreements were approved by the ELL Board after receiving such recommendation.

On December 24, 2025, the Company announced by press release that ELL and Privateco executed the BCA which contemplates ELL and Privateco entering into a business combination that would result in all of the shareholders of ELL, other than Privateco, receiving cash for their ELL Common Shares.

On January 21, 2026, the Independent Committee received an updated valuation, representing the formal valuation of the Company in final form, from MNB Valuation Inc., with an effective valuation date as at November 6, 2025 (the "**Formal Valuation**"). The Formal Valuation included updates to the Company's cash position and superseded the Preliminary Valuation previously provided by MNB Valuation Inc. with a valuation date as at March 31, 2025. The Formal Valuation concluded that, as at the effective valuation date of November 6, 2025, the fair market value of the Company was in the range of \$2,440,000 to \$3,380,000, representing approximately \$0.068 to \$0.095 per ELL common share.

Formal Valuation

The following constitutes a summary only of the Formal Valuation. The Formal Valuation has been provided for the use of the Independent Committee and the Board and for inclusion in this Circular. MNB Valuation Inc.'s Formal Valuation does not address the merits of the underlying decision by ELL to engage in the Amalgamation and does not constitute a recommendation to any Shareholder as to how such Shareholder should vote on the Amalgamation or any matter related thereto. **The following summary is qualified in its entirety by the full text of the Formal Valuation attached as Appendix D to this Circular. Shareholders are urged to read the Formal Valuation in their entirety.**

Engagement of MNB Valuation Inc. by the Independent Committee

MNB Valuation Inc. is to be paid a fee by ELL for its services including for the preparation of the Formal Valuation and attendance at related meetings based on time expended. In addition, MNB Valuation Inc. is to be reimbursed for certain out-of-pocket costs, and will be indemnified by ELL under certain circumstances for liabilities arising in connection with the provision of its services under its engagement with the Company in connection with the Amalgamation.

Credentials of MNB Valuation Inc.

Monty Bhardwaj, Managing Director of MNB Valuation Inc. is a Chartered Professional Accountant, Chartered Business Valuator and CPA-designated specialist in investigative and forensic accounting with 25-years of experience in the areas of business valuation, forensic accounting, due diligence, income determination for family law purposes and damage quantification. Mr. Bhardwaj has extensive experience preparing valuation reports for tax and financial

reporting purposes under IFRS and ASPE. He holds a Diploma in Investigative and Forensic Accounting from the Rotman School of Business, University of Toronto. Mr. Bhardwaj has qualified as an expert in the areas of business/asset valuation, and income determination for family law purposes.

Independence of MNB Valuation Inc.

MNB Valuation Inc. has advised that it is not an associated or affiliated entity or issuer insider (as such terms are defined in MI 61-101) of the Privateco Group. MNB Valuation Inc. has not been engaged by ELL or any member of the Privateco Group or any of their respective associates or affiliates, to provide any financial advisory or other services during the past 24-month period preceding the date MNB Valuation Inc. was first contacted in respect of the Formal Valuation. MNB Valuation Inc. is not the external auditor of ELL or Privateco and does not have any agreed upon or contemplated future engagements to provide services to ELL, Privateco or any member of the Privateco Group. MNB Valuation Inc.'s fees for this engagement do not depend in whole or in part on the conclusions reached in the Formal Valuation or on the success of (or the amount of consideration available under) the Proposed Transaction. For the purposes of the foregoing, references to MNB Valuation Inc. include any affiliated entity of MNB Valuation Inc.

Scope of Review

In preparing the Formal Valuation, MNB Valuation Inc. obtained and analyzed information from publicly available sources and from ELL. In addition, MNB Valuation Inc. reviewed and relied upon (without independently verifying the completeness and accuracy thereof) or carried out analysis of, among other things, ELL's publicly filed audited financial statements for the past five fiscal years, the unaudited internal financial statements for the three and nine months ended September 30, 2025, projected financial information prepared by senior management for the years ending December 31, 2025 to December 31, 2028, the corporate income tax return for the year ended December 31, 2023 and the Company's Management Discussion and Analysis for the year ended December 31, 2024. MNB Valuation Inc. also held various discussions with senior management of ELL. To the best of MNB Valuation Inc.'s knowledge, it has not been denied access by ELL to any information requested. MNB Valuation Inc. was provided with signed representations from certain members of senior management wherein they confirmed the certain representations made to MNB Valuation Inc., including a general representation that they have no information or knowledge of any facts or material information not disclosed or made available to MNB Valuation Inc. which, in their view, would reasonably be expected to affect the Formal Valuation.

Major Assumptions and Limitations

The Formal Valuation prepared by MNB Valuation Inc. is an Estimate Valuation Report under Practice Standard 110 of the Canadian Institute of Chartered Business Valuators and does not constitute a Comprehensive Valuation Report. An Estimate Valuation Report is based on limited review and analysis, with minimal corroboration of information provided by management. A Comprehensive Valuation Report would require a broader scope of work, and its conclusions could differ from those contained in the Formal Valuation.

MNB Valuation Inc. did not conduct an audit or independent verification of the financial or business information provided and takes no responsibility for the accuracy, completeness, or reliability of that information. The Formal Valuation is not intended to detect errors, omissions, or fraud. Users are encouraged to consult their own legal, accounting, and other professional advisors to independently verify information.

For purposes of the Formal Valuation, MNB Valuation Inc. did not expose the Company to the open market, nor did it attempt to sell any assets or shares. The analysis was conducted using a notional market, which is theoretical in nature and may not reflect actual market conditions.

MNB Valuation Inc. reserves the right (without being obligated to do so) to review or revise the calculations, assumptions, comments, and conclusions in the Formal Valuation if new information, changing circumstances, or trends become apparent after the valuation date.

The Formal Valuation is not intended for general circulation or for use by any third party, nor may it be reproduced or relied upon for any purpose other than that for which it was prepared without the prior written consent of MNB Valuation Inc. No responsibility or liability is assumed for any losses arising from circulation, use, reproduction, or reliance by unauthorized parties.

The Formal Valuation must be considered in its entirety, including all schedules and appendices. Valuation is a complex process, and it is not appropriate to extract or rely on only certain findings from the report. Selective reading or reliance on isolated components, without considering all information and analyses, may result in a misleading understanding of the conclusions.

Definition of Fair Market Value

For purposes of the Formal Valuation, fair market value means the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm's length with the other and under no compulsion to act. MNB Valuation Inc. has not made any downward adjustment to reflect the liquidity of the Minority Shares, the effect of the Amalgamation on the Minority Shareholders or the fact that the Minority Shares do not form part of a controlling interest.

Valuation of the Minority Shares

MNB Valuation Inc. valued the Minority Shares on a going-concern basis and relied primarily upon the discounted cash flow ("**DCF**") approach to value ELL. Under the DCF approach, fair market value is based on the net present value of expected future cash flows. Specifically, the after-tax cash flow that the asset is expected to generate is projected over an explicit forecast period. The projected cash flows, together with the residual value of the asset at the end of the forecast period, are discounted at an appropriate rate, resulting in the fair market value of the asset.

Valuation Conclusion

Based upon and subject to the scope of MNB Valuation Inc.'s review, analyses, assumptions, restrictions and qualifications set out in the Formal Valuation (the full text of which is attached as Appendix D to this Circular), MNB Valuation Inc. is of the opinion that the fair market value of the Company as at November 6, 2025, was in the range of \$2,440,000 and \$3,380,000 or approximately \$0.068 to \$0.095 per ELL Common Share.

Recommendation of the Independent Committee

On December 22, 2025, the Independent Committee unanimously determined that the Amalgamation is in the best interests of the Company and is fair, from a financial point of view, to the Minority Shareholders and unanimously recommended to the ELL Board that the ELL Board approve the Amalgamation and recommend that Shareholders vote all of their ELL Common Shares in favour of the Special Resolution.

Reasons for the Recommendation of the Independent Committee

In reaching its conclusion and determining to make its recommendations, the Independent Committee considered the following factors which, taken as a whole, support the conclusions and recommendations of the Independent Committee:

- The Preliminary Valuation and Formal Valuation were prepared in accordance with MI 61-101, which required that the Preliminary Valuation and Formal Valuation not include any downward adjustment to reflect:
 - the liquidity of the ELL Common Shares;
 - the effect of the Amalgamation on the ELL Common Shares; or

- the fact that the ELL Common Shares held by Minority Shareholders do not form part of a controlling interest.
- The \$0.085 per ELL Common Share to be offered pursuant to the Amalgamation represents a premium of approximately 112.5% over the \$0.04 price at which the ELL Common Shares most recently closed on the TSXV prior to the announcement of the entry into of the BCA on December 24, 2025, is within the valuation range of the ELL Common Shares determined by MNB Valuation Inc., and will be paid entirely in cash, which provides certainty of value.
- The Independent Committee has taken into account the historical market prices and trading information of the ELL Common Shares on the TSXV, including the lack of liquidity for the ELL Common Shares.
- The required approvals are protective of the rights of Minority Shareholders. The Special Resolution must be approved by: (a) at least two-thirds of the votes cast by Shareholders present in person or represented by proxy at the Meeting; and (b) a majority of the votes cast by Minority Shareholders present in person or represented by proxy at the Meeting.
- Privatizing ELL will permit ELL to reduce significantly the expenses resulting from the reporting and compliance obligations imposed on public companies under applicable securities laws. Given the relatively small size of ELL's public float and the low trading volume for the ELL Common Shares, the Independent Committee determined that its trading price does not reflect its value, nor does the fact the ELL is traded on a public market materially enhance the ELL Common Shares value as a currency to effect acquisitions with, and that it would therefore be in the best interests of ELL to avoid those costs associated with being a public company.
- The Independent Committee conducted arm's length negotiations with Privateco, which resulted in the offer price of \$0.085 per ELL Common Share. After negotiations with representatives of Privateco, the Independent Committee concluded that the \$0.085 per ELL Common Share was the highest price that ELL could obtain from Privateco and further negotiations could have caused Privateco to withdraw its offer, thereby leaving the Minority Shareholders without an opportunity to vote on a transaction which offers them a premium relative to the trading price of the ELL Common Shares prior to the announcement of the signing of the BCA.
- The Independent Committee conducted a thorough process, including retaining independent legal advisors and an independent valuator which ensured that Privateco offer was considered by disinterested directors in a good position to assess the offer.

Risks

In the course of its deliberations, the Independent Committee also identified and considered a variety of risks, including:

- The fact that the Minority Shareholders will not participate in any future earnings or growth of ELL;
- The conditions to the completion of the Amalgamation and the risks to ELL if the Amalgamation is not completed, including the costs to ELL in pursuing the Amalgamation and the diversion of management attention away from the conduct of the ELL's business in the ordinary course; and
- The fact that the Amalgamation will be a taxable transaction for Canadian federal income tax purposes (and may also be a taxable transaction under other applicable tax laws) and, as a result, Minority Shareholders will generally be required to pay taxes on any gains that result from the receipt of the consideration for their ELL Common Shares.

The Independent Committee believed that any possible adverse effects or risks were more than outweighed by the potential benefits of the Amalgamation and therefore that the above factors, taken as a whole, supported its recommendation of the Amalgamation.

The foregoing list of factors considered by the Independent Committee is not intended to be exhaustive. In view of the number of factors considered in connection with its evaluation of the Amalgamation, the Independent Committee did not find it practicable to, and did not, quantify or otherwise attempt to assign relative weight to specific factors in reaching its determinations. In addition, individual members of the Independent Committee may have given different weight to different factors.

In order to arrive at its recommendations, the Independent Committee (a) obtained the advice of MNB Valuation Inc. and examined the Preliminary Valuation and Formal Valuation; (b) in considering the Preliminary Valuation and Formal Valuation, had discussions with Management with respect to, among other things, the business and financial condition of ELL; (c) examined the terms and conditions of the Amalgamation; and (d) examined all other documents and information that the Independent Committee, in consultation with its legal counsel, considered relevant to review in order to make a recommendation to the ELL Board with respect to the Amalgamation.

Recommendation of the ELL Board

The ELL Board, other than Gali Bar-Ziv and Khurram Qureshi who did not vote on matters concerning the Amalgamation, has unanimously approved the terms of the Amalgamation and is unanimously recommending that Shareholders vote all of their ELL Common Shares in favour of the Special Resolution at the Meeting. The ELL Board based its approval upon: (a) the unanimous recommendation of the Independent Committee (including the reasons articulated by the Independent Committee); and (b) the Preliminary Valuation and Formal Valuation.

Shareholder Approvals Required for Amalgamation

In order for the Amalgamation to be approved by the Shareholders in accordance with applicable laws, the Special Resolution must be approved by at least two-thirds of the votes cast at the Meeting by Shareholders present in person or represented by proxy at the Meeting. In addition, the Special Resolution must also be approved by a majority of the votes cast by Minority Shareholders present in person or represented by proxy at the Meeting (the "**Majority of the Minority Approval**").

As at the date of this Circular, it is expected that 3,087,562 ELL Common Shares, representing approximately 8.7% of the issued and outstanding ELL Common Shares, will be excluded from voting at the Meeting in respect of the Majority of the Minority Approval requirements. The names of the Shareholders that will be excluded in determining whether the Majority of the Minority Approval has been obtained, and their respective individual shareholdings, are listed in the chart found in "*THE AMALGAMATION – Background – ELL Ventures Ltd.*".

Terms of the Amalgamation

The Amalgamation, which is being carried out pursuant to Section 174 and 175 of the OBCA, will be effected in accordance with the Amalgamation Agreement, a copy of which is attached as Appendix B to this Circular. Subject to obtaining Shareholder Approval, satisfaction or waiver of all other conditions as provided in the BCA, including Privateco's deposit of the aggregate Redemption Price with Transfer Agent, and the filing of Articles of Amalgamation, the Amalgamation will become effective at 12:01 a.m. on the Effective Date, which is expected to be on or about March 10, 2026.

Pursuant to the Company's Equity Incentive Plan, (i) all ELL Options and ELL RSUs (collectively, "**Awards**") shall terminate, provided that any such outstanding Awards that have vested shall remain exercisable until consummation of the Amalgamation, and (ii) permit Participants to conditionally exercise/redeem their vested ELL Options/ELL RSUs, such conditional exercise/redemption to be conditional upon the consummation of the Amalgamation. If, however, the Amalgamation is not completed: (i) any conditional exercise/redemption of vested ELL Options/ELL RSUs shall be deemed to be null, void and of no effect, and such conditionally exercised Awards shall for all purposes be deemed not to have been exercised/redeemed, (ii) ELL Shares which were issued pursuant to exercise of ELL

Options and redemption of ELL RSUs shall be returned by the Participant to the Corporation and reinstated as authorized but unissued ELL Shares, and (iii) the original terms applicable to Awards which vested shall be reinstated.

At the Effective Time, ELL and Privateco will amalgamate and continue as Amalco and:

- (a) each ELL Common Share, other than those held by Privateco or a Dissenting Shareholder, will be exchanged for one Amalco Redeemable Preferred Share and immediately redeemed for the Redemption Price of \$0.085 cash per share, and each ELL Common Share thus exchanged shall be cancelled;
- (b) each ELL Common Share that is held by Privateco will automatically be cancelled without any repayment of capital in respect thereof; and
- (c) each Privateco Common Share and Privateco Class A Special Share, all of which are held by Gali Bar-Ziv and Khurram Qureshi, will be exchanged for one Amalco Common Share and one Amalco Class A Special Share, respectively, which Amalco Common Shares and Amalco Class A Special Shares will be held by Gali Bar-Ziv and Khurram Qureshi immediately following the Effective Time, and each such Privateco Common Share and Privateco Class A Special Share shall be cancelled.

Immediately following the Effective Time, Amalco shall redeem all, and not less than all, of the outstanding Amalco Redeemable Preferred Shares, without any further notice or formality, at the Redemption Price, being \$0.085 in cash per Amalco Redeemable Preferred Share. As soon as practicable following Transfer Agent's receipt of: (i) a duly completed and executed ELL Letter of Transmittal; (ii) the certificate(s) which formerly represented the ELL Common Shares held by the Minority Shareholder; and (iii) such other documents as Transfer Agent may, in its discretion, reasonably request, Transfer Agent shall pay and deliver or cause to be paid and delivered to the order of the respective holders of the Amalco Redeemable Preferred Shares, by way of cheque, an amount equal to the product of the Redemption Price and the number of Amalco Redeemable Preferred Shares which the ELL Common Shares represented by the certificate(s) so surrendered to Transfer Agent entitle the holder thereof to receive.

ELL Common Shares which are held by a Dissenting Shareholder shall not be exchanged for Amalco Redeemable Preferred Shares on the Effective Date. However, if a Shareholder fails to properly exercise its right of dissent under section 185 of the OBCA or waives its right to make such a claim, or if such Shareholder's rights as a shareholder of ELL are otherwise reinstated, each ELL Common Share held by such ELL Shareholder shall thereupon be deemed to have been exchanged for an Amalco Redeemable Preferred Share on the Effective Date. See "APPENDIX E - OVERVIEW OF DISSENTING SHAREHOLDER RIGHTS" and "APPENDIX F - SECTION 185 OF THE BUSINESS CORPORATIONS ACT (ONTARIO)".

Funding of Redemption of Amalco Redeemable Preferred Shares

Prior to the filing of the Articles of Amalgamation to effect the Amalgamation, Privateco shall have deposited with the Transfer Agent an amount equal to the Redemption Price multiplied by the number of Amalco Redeemable Preferred Shares that would be issued (assuming there are no Dissenting Shareholders), such amount to be utilized by the Transfer Agent to satisfy the Redemption Price arising upon the redemption of Amalco Redeemable Preferred Shares.

Source of Funds

The Privateco Group expects to fund the Redemption Price payable under the Proposed Transaction through a combination of loan proceeds advanced under a credit facility established with the Bank of Montreal ("**BMO**") and cash equity contributions from the Privateco Group and certain of their affiliates. Pursuant to a letter of agreement dated April 14, 2025, BMO has authorized a non-revolving acquisition financing facility (the "**Credit Facility**") in the aggregate amount of \$1,510,000, bearing interest at BMO's prime rate plus 3.20% per annum and repayable on demand, with monthly principal and interest payments required until demand is made.

Advances under the Credit Facility are subject to a number of conditions precedent, including confirmation of an \$850,000 down payment by Privateco Group, delivery of audited financial statements of Everybody Loves Languages Corp. for the 2024 fiscal year, receipt of the executed BCA, receipt of an Export Development Canada guarantee covering 50% of the loan amount, and receipt of the Formal Valuation supporting the acquisition price and confirming a minimum valuation of \$2,000,000, together with other customary documentation and certifications required by BMO.

The Credit Facility is secured by corporate guarantees from Lingo Learning Inc., Everybody Loves Languages Inc. and Everybody Loves Languages Corp., personal guarantees from each of Gali Bar-Ziv, Khurram R. Qureshi, and Urmila Misir-Qureshi, and general security agreements over all present and after-acquired personal property of Privateco and certain guarantors. The Credit Facility may be withdrawn, cancelled or accelerated by BMO at any time.

Legal Effect of the Amalgamation

In accordance with the OBCA, upon the Articles of Amalgamation becoming effective:

- (a) ELL and Privateco shall be amalgamated and continue as Amalco under the terms and conditions prescribed in the Amalgamation Agreement;
- (b) each of ELL and Privateco shall cease to exist as entities separate from Amalco;
- (c) the property of each of ELL and Privateco shall become the property of Amalco;
- (d) Amalco shall continue to be liable for the obligations of each of ELL and Privateco;
- (e) a civil, criminal or administrative action or proceeding pending by or against either ELL or Privateco may be continued to be prosecuted by or against Amalco;
- (f) a conviction against, or ruling, order or judgment in favour of or against, ELL or Privateco may be enforced by or against Amalco; and
- (g) the Articles of Amalgamation are deemed to be the articles of incorporation of Amalco and the Certificate of Amalgamation is deemed to be the certificate of incorporation of Amalco.

The BCA

The BCA was executed on December 24, 2025. The BCA is attached hereto as Appendix C. Shareholders are encouraged to read the BCA in its entirety.

The BCA includes standard terms and conditions of other transactions similar in size and nature. However, given the relationship between the shareholders of Privateco and ELL, the BCA contains limited representations and warranties by ELL.

Conditions Precedent

Under the BCA, the obligation of Privateco and ELL to complete the Amalgamation is subject to the fulfillment or satisfaction, on or before the Effective Date, of certain conditions precedent (any of which may only be waived by the mutual consent of ELL and Privateco), namely:

- (a) the Special Resolution shall have received Shareholder Approval;
- (b) no law being in effect that prohibits the consummation of the Amalgamation;
- (c) no proceeding of a judicial or administrative nature or otherwise in progress (or threatened in writing by a government authority) that relates to or would result from the transactions contemplated by the

BCA that would, if successful, result in an order or ruling that would reasonably be expected to cease trade, enjoin, prohibit or impose material limitations or conditions on the completion of the Amalgamation in accordance with its terms; and

- (d) the BCA not having been terminated in accordance with its terms.

The obligations of Privateco to complete the Amalgamation is subject to the fulfillment or satisfaction, on or before the Effective Date, of the following conditions precedent, each of which is stipulated to be for the benefit of Privateco and any of which can be waived by Privateco:

- (a) ELL having performed and complied with, in all material respects, all covenants, agreements and conditions contained in the BCA that are required to be performed or complied with by ELL prior to or at the Effective Date;
- (b) ELL's representations and warranties contained in the BCA continuing to be true and correct as of the Effective Date in all material respects (provided that any representation and warranty that addresses matters only as of a certain date shall be true and correct as of that certain date);
- (c) ELL shall have furnished Privateco with:
 - (i) certified copies of the minutes of the ELL Board unanimously (other than Gali Bar-Ziv and Khurram Qureshi who did not vote on matters concerning the Amalgamation) approving BCA and the consummation of the transactions contemplated therein; and
 - (ii) a certified copy of the Special Resolution;
- (d) Minority Shareholders representing 10% or more of the issued and outstanding ELL Common Shares shall not have exercised their right of dissent under section 185 of the OBCA; and
- (e) ELL shall not have suffered or incurred a Material Adverse Change since the date of the BCA.

The obligation of ELL to complete the Amalgamation is subject to the fulfillment or satisfaction, prior to or on or before the Effective Date, of the following conditions precedent, each of which is stipulated to be for the benefit of ELL, any of which may be waived by ELL:

- (a) Privateco having performed and complied with, in all material respects, all covenants, agreements and conditions contained in the BCA that are required to be performed or complied with by Privateco prior to or at the Effective Date;
- (b) Privateco's representations and warranties contained in the BCA continuing to be true and correct as of the Effective Date in all material respects (provided that any representation and warranty that addresses matters only as of a certain date shall be true and correct as of that certain date);
- (c) ELL shall have received certain documents relating to the capitalization of Privateco; and
- (d) Privateco shall have deposited, in escrow (the terms and conditions of such escrow to be satisfactory to ELL, Privateco and Transfer Agent, acting reasonably) with Transfer Agent, by way of immediately available funds, the aggregate Redemption Price and Transfer Agent shall have confirmed receipt of same to ELL.

Prior to either party exercising its right to terminate the BCA on the basis of a condition precedent not having been fulfilled or satisfied, such party is required to comply with the notice and cure provisions of the BCA. See "Termination of BCA".

Non-Solicitation and Superior Proposals

Under the BCA, ELL agreed that it and its officers, directors, employees, agents or advisors and other representatives, including, without limitation, any financial advisor or investment banker, attorney or legal counsel or accountant retained by it (collectively, the "**ELL Representatives**") would immediately cease and cause to be terminated any discussions or negotiations with third parties with respect to a Competing Transaction. In addition, ELL agreed that it would not, directly or indirectly, and will instruct all ELL Representatives not to, directly or indirectly, solicit, initiate or, except as and only to the extent permitted by the BCA, encourage (including by way of furnishing non-public information) or take any other action to facilitate any inquiries or the making of any proposal or offer (including any proposal or offer to the Shareholders) that constitutes, or may reasonably be expected to lead to, any Competing Transaction, or, except as and only to the extent permitted by the BCA, enter into or maintain or continue discussions or negotiate with anyone in furtherance of such inquiries or to obtain a Competing Transaction, or agree to or recommend or endorse any Competing Transaction, or authorize or permit any ELL Representative to take any such action. ELL also agreed not to release any third party from, or waive any provision of, any confidentiality or standstill agreement to which it is a party (except to allow such person to confidentially propose to the ELL Board an unsolicited *bona fide* written proposal or offer regarding a Competing Transaction that did not result from a breach of its obligations summarized in this paragraph).

Notwithstanding the non-solicitation provisions of the BCA, at any time prior to the approval of the Special Resolution by the Shareholders, the ELL Board may furnish information to, and/or enter into, participate, facilitate and maintain discussions or negotiations with, and otherwise cooperate with or assist any person who has made an unsolicited and *bona fide* written proposal or offer regarding a Competing Transaction that did not result from a breach of ELL's obligations summarized above, and with respect to which (i) the ELL Board has determined, in its good faith judgment (after consultation with its financial advisor and legal counsel), that such proposal or offer constitutes or is reasonably likely to result in a Superior Proposal, (ii) the ELL Board has determined, in its good faith judgment after consultation with outside legal counsel, that, in light of such Superior Proposal, the failure to furnish such information or to enter into such discussions would result in a breach of its fiduciary obligations under applicable law, (iii) the ELL Board has provided written notice to Privateco of its intent to furnish information to, and/or enter into, participate, facilitate and maintain discussions or negotiations with, and otherwise cooperate with or assist such person prior to taking any such action, and (iv) the ELL Board has obtained from such person an executed confidentiality agreement.

ELL further agreed that, in addition to the obligations described above, immediately upon receipt thereof, ELL shall advise Privateco in writing of any request for non-public information with respect to any Competing Transaction, or any inquiry, discussions or negotiations with respect to any Competing Transaction and the terms and conditions of such request for information, Competing Transaction, inquiry, discussions or negotiations, and ELL agreed to immediately provide to Privateco copies of any written materials received by ELL in connection with any of the foregoing and the identity of the person or group making any such request for information, Competing Transaction or inquiry or with whom any discussions or negotiations may be taking place. ELL also agreed to keep Privateco informed of the status, terms and material details (including amendments or proposed amendments) of any such request for information, Competing Transaction or inquiry and keep Privateco informed as to the details of any information requested of or provided by ELL and as to the status and material terms of all substantive discussions or negotiations with respect to any such request, Competing Transaction or inquiry. In addition, ELL agreed to promptly provide to Privateco any non-public information concerning ELL that may be provided to any other person or group in connection with any Competing Transaction which was not previously provided to Privateco.

Notwithstanding the other provisions of the BCA described under the heading "Non-Solicitation and Superior Proposals", but subject to the provision of the BCA described under the heading "*Right to Match*":

- (a) prior to obtaining the approval of ELL's Shareholders for the Amalgamation, ELL may enter into an agreement, other than a confidentiality agreement as contemplated by the BCA, (a "**Proposed Agreement**") with any person providing for or to facilitate any Superior Proposal; and
- (b) prior to obtaining the approval of ELL's Shareholders for the Amalgamation, if the ELL Board determines, in its good faith judgment (after considering the Formal Valuation and consultation with outside legal counsel), that a Competing Proposal constitutes a *bona fide* Superior Proposal, the ELL Board may (and may publicly propose to) approve, endorse, agree to or recommend such Superior

Proposal and withdraw, amend, modify or qualify, in a manner adverse to Privateco, the approval or recommendation of the ELL Board in relation to the Amalgamation (a "**Change in Recommendation**" it being understood that publicly taking no position or a neutral position with respect to a Competing Transaction for a period of not more than 10 days following the public announcement thereof shall not be considered a ELL Change in Recommendation),

provided in both cases, that such Superior Proposal did not result from violation by ELL of the provisions of the BCA described in the first paragraph under the heading "*Non-Solicitation and Superior Proposals*".

Right to Match

ELL has agreed that prior to ELL entering into a Proposed Agreement or making an ELL Change in Recommendation it shall have delivered written notice to Privateco of its intention to do so (together with a copy of any Proposed Agreement (if applicable)) not less than 10 business days prior to its entering into such Proposed Agreement or making such proposed Change in Recommendation. During such 10-business day period, ELL acknowledged and agreed that Privateco shall have the right, but not the obligation, to offer to amend the terms of the BCA in order to provide for terms at least equivalent, from a financial point of view for the Minority Shareholders, to those included in the applicable Superior Proposal. The ELL Board agreed to review any offer by Privateco to amend the terms of the BCA (an "**Amended Offer**") to determine, acting in good faith and in accordance with its fiduciary duties, whether the Amended Offer would be at least as favourable, from a financial point of view, to the Minority Shareholders as the Superior Proposal. If the ELL Board so determines, ELL agreed to enter into an amended agreement with Privateco reflecting the Amended Offer. If the ELL Board continues to believe, acting in good faith and in the proper discharge of its fiduciary duties that the Superior Proposal continues to be a Superior Proposal and therefore rejects the Amended Offer, or if Privateco does not amend the terms of the BCA within the specified period, ELL is permitted (provided that it has otherwise complied with its obligations described under this heading) to enter into the Proposed Agreement or make the proposed Change in Recommendation (as the case may be), provided that, prior to entering into the Proposed Agreement or making the proposed Change in Recommendation, ELL: (a) terminates the BCA in accordance with its terms; and (b) pays the Termination Fee.

Directors and Officer's Run-off Insurance

As it is intended that Amalco will become a private company following the Amalgamation and that none of the current directors of ELL, other than Gali Bar-Ziv and Khurram Qureshi, will be directors of Amalco, the parties agreed in the BCA that ELL may or Amalco will purchase "run-off" directors' and officers' insurance, that will cover a 6 year period following the Amalgamation, the cost of which shall not exceed \$50,000.

Additional Purchases of ELL Common Shares by Privateco

The BCA includes a provision restricting Privateco from acquiring ownership of, or control or direction over, directly or indirectly, any ELL Common Shares or other securities of ELL (other than those owned, directly or indirectly, or over with control or direction is exercised by the members of the Privateco Group which have been disclosed to ELL at the time that the BCA was entered into), provided that Privateco was permitted to enter into Support Agreements with certain named Shareholders, including any Directors of ELL who own ELL Common Shares, up until the day before the date the Circular was completed. See "*ARRANGEMENTS WITH SHAREHOLDERS*".

Termination of BCA

In addition to the termination of the BCA upon the mutual agreement of ELL and Privateco, either party may terminate the BCA in accordance with its terms in the following circumstances: (i) if the Amalgamation is not completed by March 31, 2026 (or such later date as the parties may agree), provided that no party may terminate the BCA if the Amalgamation does not occur by such date as a result of such party's breach or failure to fulfill any of its obligations under the BCA; (ii) if a governmental authority issues any final order prohibiting the completion of the Amalgamation or a law is enacted making the consummation of the Amalgamation illegal or otherwise prohibited; or (iii) if the Special Resolution does not receive Shareholder Approval.

ELL may terminate the BCA if: (i) Privateco breaches any of its representations, warranties or obligations under the BCA and such breach would cause a condition of closing for the benefit of ELL not to be satisfied (subject to Privateco's right to cure certain breaches within 20 days of notice of such breach); or (ii) prior to Shareholder Approval, ELL, in compliance with ELL's obligations described under the headings "*Non-Solicitation and Superior Proposals*" and "*Right to Match*", enters into a Proposed Agreement or makes a Change in Recommendation, provided that, concurrently with such termination, ELL pays the Termination Fee to Privateco.

Privateco may terminate the BCA if (i) ELL breaches any of its representations, warranties or obligations under the BCA would cause a condition of closing for the benefit of Privateco not to be satisfied (subject to ELL's right to cure certain breaches within 20 days of notice of such breach); (ii) prior to Shareholder Approval, the ELL Board makes a Change of Recommendation or proposes publicly to do so, or (iii) ELL breaches any of its obligations described under the headings "*Non-Solicitation and Superior Proposals*" and "*Right to Match*" in a manner materially adverse to Privateco. In the event of termination pursuant to (ii) or (iii) above, ELL is required to pay the Termination Fee to Privateco within two business days.

Upon the termination of the BCA at any time prior to the issuance of the Certificate of Amalgamation, the Amalgamation Agreement shall immediately and automatically terminate and be of no further force or effect, without further notice or delay. If the Amalgamation is not implemented, ELL intends to continue to operate in the same manner as it is currently operating and to continue to be a reporting issuer in each of British Columbia, Alberta, Ontario, Newfoundland and Labrador, and Nova Scotia.

Required Funds

Privateco has represented that at the time required under the BCA and the Amalgamation Agreement, that Privateco shall have the required funds to carry out its obligations under the BCA and the Amalgamation Agreement and the transactions contemplated under the BCA and the Amalgamation Agreement, including the payments of the Aggregate Redemption Price under the Amalgamation Agreement and the payment of all fees and expenses incurred by Privateco in connection with the BCA and the Amalgamation Agreement.

Guarantee

As Privateco has been created for the sole purpose of completing the Amalgamation and will not have any material assets until immediately prior to the Amalgamation, all of the obligations of Privateco under the BCA, including the obligations to deposit the aggregate Redemption Price with Transfer Agent prior to the completing of the Amalgamation and Privateco's obligation to complete the Amalgamation pursuant to the terms of the BCA, have been personally and irrevocably guaranteed, on a joint and several basis, by Gali Bar-Ziv and Khurram Qureshi, as required under the BCA. A copy of the guarantee is attached as Schedule D to the BCA (the "**Guarantee**").

The Guarantee is a continuing guarantee and will terminate only upon the earlier of (i) the issuance of the Certificate of Amalgamation for Amalco and (ii) the termination of the BCA in accordance with its terms other than as a result of any failure on the part of Privateco in respect of the breach of any covenant, representation or warranty contained in the BCA prior to such termination.

Support Agreements

Privateco has reported to ELL that it has not entered into any Support Agreements.

Amalgamation Agreement

For all of the terms and conditions provided for in the Amalgamation Agreement (including the Schedules thereto), you should read the complete text of this agreement, a copy of which is attached as Appendix B to this Circular. Shareholders are encouraged to read the Amalgamation Agreement in its entirety.

Name and Registered Office

The name of Amalco will be "Everybody Loves Languages Inc." and its registered office will be 20 Bay St. 11th Floor, Toronto, Ontario, M5J 2N8 until otherwise changed in accordance with the OBCA.

By-Laws

The by-laws of Amalco will be in the form of those attached as Schedule B to the Amalgamation Agreement.

Directors, Officers and Auditors

Pursuant to the Amalgamation Agreement, the Board of Directors of Amalco will consist of a minimum of one director and a maximum of 11 directors. The initial directors of Amalco will be Gali Bar-Ziv and Khurram Qureshi.

Gali Bar-Ziv will be the President and CEO of Amalco and the Chairman of its board of directors. Khurram Qureshi will be Chief Financial Officer of Amalco.

AGT Partners LLP, Chartered Professional Accountants will be Amalco's auditors.

Authorized Capital of Amalco

The Amalgamation Agreement provides that the authorized capital of Amalco will consist of an unlimited number of Amalco Common Shares, an unlimited number of Amalco Class A Special Shares and an unlimited number of Amalco Redeemable Shares.

A summary of the rights, privileges, restrictions and conditions attached to the Amalco Redeemable Preferred Shares is set out below. Such summary is qualified in its entirety by the full text of the attributes of such shares set out in Schedule A to the Amalgamation Agreement. Shareholders are also advised to review Schedule A of the Amalgamation Agreement in respect of the rights, privileges, restrictions and conditions attached to the other classes of Amalco shares.

Amalco Redeemable Preferred Shares

Voting - Except as required under the OBCA, the holders of Amalco Redeemable Preferred Shares shall not have any voting rights, nor shall they be entitled to receive notice of or to attend any meetings of the shareholders of Amalco.

Dividends - The holders of the Amalco Redeemable Preferred Shares are not entitled to receive dividends.

Redemption - Subject to any prohibition imposed by law, immediately after the Effective Time, Amalco shall be deemed to have redeemed and cancelled each Amalco Redeemable Preferred Share for an amount equal to the Redemption Price of \$0.085, payable in cash.

Prior to the Effective Time, Privateco shall deliver or cause to be delivered to the Transfer Agent an amount equal to the aggregate Redemption Price of all of the Amalco Redeemable Preferred Shares redeemable by it assuming that no Minority Shareholder exercises such Shareholder's right of dissent under section 185 of the OBCA. As soon as practicable following the Transfer Agent's receipt of: (i) a duly completed and executed ELL Letter of Transmittal (printed on blue paper and accompanying this Circular) (ii) the certificate(s) which formerly represented the ELL Common Shares held by the Minority Shareholder that were exchanged into Amalco Redeemable Preferred Shares upon the Amalgamation; and (iii) such other documents as the Transfer Agent may, in its discretion, reasonably request, the Transfer Agent shall pay and deliver or cause to be paid and delivered to the order of the respective holders of the Amalco Redeemable Preferred Shares, by way of cheque, an amount equal to the product of the Redemption Price and the number of Amalco Redeemable Preferred Shares which the ELL Common Shares represented by the certificate(s) so surrendered to the Transfer Agent entitle the holder thereof to receive.

From and after the Effective Time, the holders of the Amalco Redeemable Preferred Shares shall not be entitled to exercise any of the rights of shareholders in respect thereof, except to receive the Redemption Price of such shares, provided that if payment of the Redemption Price for any Amalco Redeemable Preferred Share is not duly made by or on behalf of Amalco as required herein, then the rights of such holders shall remain unaffected. Under no circumstances shall interest on the Redemption Price be paid by Amalco or the Transfer Agent, whether as a result of any delay in paying the Redemption Price or otherwise.

Any certificate that immediately prior to the Effective Time represented outstanding ELL Common Shares (other than such ELL Common Shares held by Dissenting Shareholders or Privateco), that is not deposited with the Transfer Agent, together with all other required instruments, on or prior to the second anniversary of the Effective Date shall cease to represent a claim or interest of any kind or nature as a shareholder or creditor of Amalco. Immediately following the second anniversary of the Effective Date, a former holder of Amalco Redeemable Preferred Shares shall be deemed to have surrendered to Amalco, for no consideration, an amount equal to the Redemption Price multiplied by the number of Amalco Redeemable Preferred Shares formerly represented by such certificate. See also "Prescription Period" below.

Conversion of Issued Securities

The Amalgamation Agreement provides that, at the Effective Time:

- (a) each Privateco Common Share, all of which are held by Gali-Bar-Ziv and Khurram Qureshi, shall be exchanged for one fully-paid and non-assessable Amalco Common Share and the Privateco Common Share thus exchanged shall be cancelled;
- (b) each Privateco Class A Special Share, all of which are held by Gali-Bar-Ziv and Khurram Qureshi, shall be exchanged for one fully-paid and non-assessable Amalco Class A Special Share and the Privateco Class A Special Share thus exchanged shall be cancelled;
- (c) each ELL Common Share, other than a ELL Common Share held by a Dissenting Shareholder or Privateco, shall be exchanged for one fully-paid and non-assessable Amalco Redeemable Preferred Share and thereafter immediately redeemed for the Redemption Price of \$0.085 in cash per share, and the ELL Common Shares thus exchanged shall be cancelled;
- (d) each ELL Common Share held by Privateco shall be cancelled without any repayment of capital thereof; and
- (e) no fractional securities will be issued by Amalco and no cash will be paid in lieu thereof; any fraction resulting from the exchange of shares set out above will be rounded to the nearest whole number with fractions of one half or greater being rounded to the next higher whole number and fractions of less than one half being rounded to the next lower whole number.

Stated Capital Accounts and Paid-Up Capital

The Amalgamation Agreement stipulates that the stated capital of the Amalco Redeemable Preferred Shares will be equal to the aggregate Redemption Price of these shares.

The aggregate stated capital of the Amalco Class A Special Shares and Amalco Common Shares will be equal to the aggregate paid up capital (as defined in the ITA) attributable to the shares of each of ELL and Privateco, other than the ELL Common Shares held by Privateco or the Dissenting Shareholders, less the amount allocated to the stated capital for the Amalco Redeemable Preferred Shares which shall be the aggregate redemption price thereof. Such aggregate stated capital (herein referred to as the "**Balance of the Stated Capital**") will be allocated as follows:

- (a) the stated capital of the Amalco Class A Special Shares will be equal to the lesser of (A) the stated capital of the Privateco Class A Special Shares and (B) the Balance of the Stated Capital; and

- (b) the stated capital of the Amalco Common Shares shall be equal to the lesser of (A) the stated capital of the Privateco Common Shares and (B) the Balance of the Stated Capital less the stated capital attributable to the Amalco Class A Special Shares as determined in accordance with subsections (a) above.

Termination

The Amalgamation Agreement provides that the Amalgamation Agreement will immediately and automatically be terminated in the event that the BCA is terminated in accordance with its terms prior to the filing of the Articles of Amalgamation without further notice or delay.

If the Amalgamation is not implemented, ELL intends to continue to operate in the same manner as it is currently operating and to continue to be a reporting issuer in each of British Columbia, Alberta, Ontario, Newfoundland and Labrador, and Nova Scotia.

Right to Dissent

A Dissenting Shareholder is entitled to be paid the fair value for such Dissenting Shareholder's ELL Common Shares in accordance with section 185 of the OBCA. This right of dissent is summarized in Appendix E to this Circular, and section 185 of the OBCA is set out in its entirety in Appendix F to this Circular. **Failure to comply strictly with the requirements set forth in section 185 of the OBCA may result in the loss of any right to dissent.**

In the event that a Minority Shareholder fails to properly exercise such Shareholder's right of dissent under section 185 of the OBCA and such right is lost, the Minority Shareholder will be deemed to have participated in the Amalgamation, and such Shareholder's ELL Common Shares shall be deemed to have been exchanged for Amalco Redeemable Preferred Shares upon the Amalgamation and immediately redeemed thereafter for the Redemption Price.

Filing of Articles of Amalgamation

Assuming that Shareholder Approval is obtained and the other conditions precedent set out in the BCA are satisfied or waived, including Privateco's deposit of the aggregate Redemption Price with Transfer Agent, ELL and Privateco intend to file Articles of Amalgamation under the OBCA having an effective date on or about March 10, 2026. The Amalgamation will be deemed to have taken place at 12:01 a.m. on the date shown on the Certificate of Amalgamation as endorsed by the Director appointed under the OBCA.

The Amalgamation Agreement provides that the Amalgamation Agreement will immediately and automatically be terminated in the event that the BCA is terminated in accordance with its terms prior to the filing of the Articles of Amalgamation without further notice or delay.

ELL Letter of Transmittal

The ELL Letter of Transmittal (printed on blue paper) is enclosed with copies of this Circular sent to registered Shareholders for use by such Shareholders for the deposit of share certificates representing their ELL Common Shares. The details for the deposit of such share certificates to Transfer Agent and Transfer Agent's addresses are set out in the ELL Letter of Transmittal. Registered Shareholders (other than Dissenting Shareholders and Privateco) must duly complete, execute and deliver to Transfer Agent the ELL Letter of Transmittal, together with the certificate(s) representing their ELL Common Shares, and such other additional documents as Transfer Agent may in its discretion, reasonably request on or before the second anniversary of the Effective Date in order to receive payment of the Redemption Price for the Amalco Redeemable Preferred Share represented by such share certificates.

Lost Certificates

In the event that any certificate which, immediately prior to the Effective Time, represented outstanding ELL Common Shares that are being exchanged into Amalco Redeemable Preferred Shares shall have been lost, stolen or destroyed, then, upon the holder of same delivering to the Transfer Agent an affidavit of that fact, an indemnity bond satisfactory

to Amalco and the Transfer Agent and indemnifying Amalco and the Transfer Agent in a manner satisfactory to Amalco and Transfer Agent against any claim that may be made against either of them with respect to the certificate alleged to have been lost, stolen, or destroyed, the Transfer Agent shall pay to such holder the Redemption Price in respect of each Amalco Redeemable Preferred Share into which the ELL Common Shares previously represented by such lost, stolen or destroyed certificate were exchanged.

Delivery Requirements

The method of delivery of certificates representing ELL Common Shares, the ELL Letter of Transmittal and all other required documents is at the option and risk of the person surrendering them. ELL recommends that such documents be delivered by hand to Transfer Agent at its office noted in the ELL Letter of Transmittal and below and a receipt obtained therefore, or if mailed, that registered mail, with return receipt requested, be used, and that proper insurance be obtained. The address to which certificates and ELL Letters of Transmittal should be directed is:

By Hand or by Courier

320 Bay Street 14th Floor
Toronto, Ontario
M5H 4A6

By Mail

P.O. Box 7021
31 Adelaide St E
Toronto, ON M5C 3H2
Attention: Corporate Actions

Beneficial owners of ELL Common Shares which are registered in the name of a broker, investment dealer, bank, trust company or other nominee must contact their nominee holder to arrange for the surrender of their ELL Common Shares.

Payment to Minority Shareholders (other than Dissenting Shareholders)

Prior to the Effective Time, Privateco shall deliver or cause to be delivered to the Transfer Agent an amount equal to the aggregate Redemption Price of all of the Amalco Redeemable Preferred Shares to be issued upon the Amalgamation, assuming that no Minority Shareholder exercises such Shareholder's right of dissent under section 185 of the OBCA. As soon as practicable following the Transfer Agent's receipt of (i) a duly completed and executed ELL Letter of Transmittal (printed on blue paper and accompanying this Circular); (ii) the certificate(s) which formerly represented the ELL Common Shares that were exchanged into Amalco Redeemable Preferred Shares upon the Amalgamation; and (iii) such other documents as the Transfer Agent may, in its discretion, reasonably request, Transfer Agent shall pay and deliver or cause to be paid and delivered to the order of the respective holders of the Amalco Redeemable Preferred Shares, by way of cheque, an amount equal to the product of the Redemption Price and the number of Amalco Redeemable Preferred Shares which the ELL Common Shares represented by the certificate(s) so surrendered to Transfer Agent entitle the holder thereof to receive.

The payments to Shareholders will be made in Canadian dollars unless the Shareholder depositing the certificate(s) with Transfer Agent elects to receive payment in U.S. dollars by checking the appropriate box in the ELL Letter of Transmittal, in which case such Shareholder will have acknowledged and agreed that the exchange rate for one Canadian dollar expressed in U.S. dollars will be based on the exchange rate available to the Transfer Agent at its typical banking institution on the date the funds are converted. Shareholders electing to have the payment for their Amalco Redeemable Shares paid in U.S. dollars will have further acknowledged and agreed that any change to the currency exchange rates of the United States or Canada will be at the sole risk of the Shareholder.

If a Shareholder wishes to receive cash payable in U.S. dollars, the box captioned "Currency Election" in the ELL Letter of Transmittal must be completed and returned to the Transfer Agent prior to the Effective Date. Otherwise, the consideration will be paid in Canadian dollars.

The mailing or delivery by the Transfer Agent of any cheques or other means of payment acceptable to the holder shall satisfy and discharge the payment obligations of each of ELL, Privateco, Amalco and the Transfer Agent under the Amalgamation Agreement or otherwise.

Under no circumstances will interest accrue or be paid by Amalco or the Transfer Agent on the Redemption Price to persons depositing ELL Common Shares regardless of any delay in making such payment. The Transfer Agent will act as the agent of persons who have deposited ELL Common Shares in acceptance of the redemption for the purpose of receiving payment from Amalco and transmitting such payment to such persons, and payment by the Transfer Agent will be deemed to constitute receipt of payment by persons depositing ELL Common Shares. Unless otherwise directed in the ELL Letter of Transmittal, the cheque to be issued in consideration of the Redemption Price will be issued in the name of the registered holder of ELL Common Shares so deposited. Settlement with persons who deposit ELL Common Shares will be effected by the Transfer Agent forwarding cheques payable in Canadian funds by first class mail, postage prepaid or, if the appropriate box is checked on the ELL Letter of Transmittal, holding the cheque for pick-up.

Prescription Period

As at the Effective Time, each holder of ELL Common Shares will be removed from ELL's register of shareholders and until validly surrendered, the ELL Common Share certificate(s) held by such former holders (other than Dissenting Shareholders or Privateco) will represent only the right to receive on or before the second anniversary of the Effective Date, upon such surrender, the Redemption Price of the Amalco Redeemable Preferred Shares issued to such holder in exchange for their ELL Common Shares upon the Amalgamation.

Any certificate that immediately prior to the Effective Time represented outstanding ELL Common Shares (other than such ELL Common Shares held by Dissenting Shareholders or Privateco), that is not deposited with the Transfer Agent, together with all other required instruments, on or prior to the second anniversary of the Effective Date shall cease to represent a claim or interest of any kind or nature as a shareholder or creditor of Amalco. Immediately following the second anniversary of the Effective Date, a former holder of Amalco Redeemable Preferred Shares shall be deemed to have surrendered to Amalco, for no consideration, an amount equal to the Redemption Price multiplied by the number of Amalco Redeemable Preferred Shares formerly represented by such certificate (the "Surrendered Amount").

Neither the Transfer Agent nor Amalco shall be liable to any person in respect of the payment of the Surrendered Amount, or any portion thereof, including any public official pursuant to any applicable abandoned property, escheat or similar law. At any time after the second anniversary of the Effective Date, Transfer Agent shall pay to Amalco any portion of the aggregate Redemption Price which relates to Amalco Redeemable Preferred Shares in respect of which the holder thereof has not submitted the required documents.

Expenses of the Amalgamation

ELL, Privateco, and Amalco, as applicable, shall pay their respective costs incurred in respect of the Amalgamation, including legal, accounting, and other professional services fees and disbursement, as well as filing fees and meeting and printing costs, including the preparation costs of this Circular. The amount of such costs attributable to ELL is expected to be approximately \$200,000.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Fogler, Rubinoff LLP, counsel for ELL, the following summary fairly presents the principal Canadian federal income tax consequences under the ITA and the ITA Regulations of the exchange of ELL Common Shares for Amalco Redeemable Preferred Shares upon the Amalgamation and the redemption of the Amalco Redeemable Preferred Shares immediately thereafter as are generally applicable to the Minority Shareholders, who, for the

purposes of the ITA and at all relevant times, hold their ELL Common Shares and Amalco Redeemable Preferred Shares as capital property, are resident in Canada and deal at arm's length with, and are not affiliated with ELL or Privateco ("**Holder**s"). Generally, such ELL Common Shares and Amalco Redeemable Preferred Shares will constitute capital property to a Holder unless the Holder holds such shares in the course of carrying on a business of trading or dealing in securities or has acquired such shares in a transaction or transactions considered to be an adventure or concern in the nature of trade. Certain Holders whose ELL Common Shares or Amalco Redeemable Preferred Shares might not otherwise qualify as capital property may be entitled, in certain circumstances, to obtain such qualification by making the irrevocable election permitted by subsection 39(4) of the ITA. All Shareholders, including Holders, should consult their own tax advisors with respect to their particular circumstances.

This summary is based on ELL's representation that the paid-up capital of the ELL Common Shares for tax purposes immediately prior to the Amalgamation will be equal to or greater than the aggregate Redemption Price of all of the Amalco Redeemable Preferred Shares and ELL and Privateco's agreement contained in the BCA and the Amalgamation Agreement that, on the Amalgamation, the amount of stated capital and paid up capital attributable to the Amalco Redeemable Preferred Shares shall be equal to the aggregate Redemption Price of such shares.

This summary is based on the current provisions of the ITA and the ITA Regulations and on the current understanding of the administrative and assessing practices of CRA published in writing prior to the date hereof. This summary takes into account all Tax Proposals, but does not otherwise take into account or anticipate any changes in law, whether by judicial, governmental or legislative decision or action, or changes in administrative practices of the CRA. No assurances can be given that the Tax Proposals will be enacted as proposed, if at all. This summary does not take into account the tax legislation of any province or territory of Canada or any non-Canadian jurisdiction. Provisions of provincial income tax legislation vary from province to province in Canada and in some cases differ from federal income tax legislation.

This summary does not take into account the mark-to-market rules and Holders that are financial institutions for the purpose of those rules should consult their own tax advisors.

This summary is not exhaustive of all Canadian federal income tax considerations. The following summary is of a general nature only and is not intended to be, nor should it be construed to be, legal, business or tax advice or representations to any particular Holder. Accordingly, Holders should consult their own legal and tax advisors with respect to their particular circumstances, including the application and effect of the income and other tax laws of any country, province, territory, state or local tax authority.

Exchange of ELL Common Shares for Amalco Redeemable Preferred Shares on Amalgamation

A Holder who, on the Amalgamation, exchanges their ELL Common Shares for Amalco Redeemable Preferred Shares will realize neither a capital gain nor a capital loss as a result of the exchange. The Holder will be considered to have disposed of the ELL Common Shares for proceeds of disposition equal to such Holder's adjusted cost base of the ELL Common Shares immediately before the Amalgamation and to have acquired the Amalco Redeemable Preferred Shares at an aggregate cost equal to those proceeds of disposition. There will, however, be income tax consequences to the Holder on the redemption of the Holder's Amalco Redeemable Preferred Shares, as discussed below.

Redemption of Amalco Redeemable Preferred Shares

On the redemption of Amalco Redeemable Preferred Shares received by a Holder on the Amalgamation, the Holder will be considered to have disposed of such shares for proceeds of disposition equal to the Redemption Price paid per share and will realize a capital gain (or capital loss) to the extent that those proceeds of disposition exceed (or are less than) the aggregate of the Holder's adjusted cost base of the Amalco Redeemable Preferred Shares, determined as described above and any reasonable costs of disposition. The income tax treatment of such capital gain or capital loss is discussed below. No deemed dividend will arise on the redemption of a Holder's Amalco Redeemable Preferred Shares as the paid up capital of each Amalco Redeemable Preferred Share will be equal to the Redemption Price.

Dissenting Shareholders

Under the current administrative practice of the CRA, Holders who exercise their right of dissent in respect of the Amalgamation (herein, a "**Dissenting Holder**") should be considered to have disposed of such Dissenting Holder's ELL Common Shares for proceeds of disposition equal to the amount paid to such person for such shares less the amount of any interest awarded by the court, and will realize a capital gain (or capital loss) to the extent that those proceeds of disposition exceed (or are less than) the aggregate of the Dissenting Holder's adjusted cost base of such shares immediately before the Amalgamation, and any reasonable costs of disposition. Any interest awarded to a Dissenting Holder will be included in the Dissenting Holder's income. Because of uncertainties under the relevant legislation, Dissenting Holders should consult their own tax advisors in this regard.

Taxation of Capital Gains and Losses

A Holder or a Dissenting Holder who, as described above, realizes a capital gain or a capital loss on the disposition of the Amalco Redeemable Preferred Shares or ELL Common Shares, as applicable, will generally be required to include in such person's income one half of any such capital gain ("**taxable capital gain**") and may apply one half of any such capital loss ("**allowable capital loss**") against taxable capital gains in accordance with the detailed rules in the ITA. Generally, allowable capital losses in excess of taxable capital gains may be carried back and deducted in any of the three preceding years or carried forward and deducted in any following year against taxable capital gains realized in such year in accordance with the detailed rules of the ITA.

If the Holder is a corporation or a partnership or trust of which a corporation is a partner or a beneficiary, any capital loss realized on the disposition of any Amalco Redeemable Preferred Share may be reduced by the amount of certain dividends which have been received, or are deemed to have been received, on the share or in the case of a disposition of a share received on the Amalgamation, on the share exchanged therefore, in accordance with detailed provisions of the ITA. Holders should consult their tax advisors for specific information regarding the application of these provisions.

A "Canadian controlled private corporation" (as defined in the ITA) and a "substantive CCPC" (as defined in the ITA) may be liable to pay an additional refundable tax on certain investment income, including amounts of interest and taxable capital gains. The realization of a capital gain or loss by an individual (including most trusts) may affect the individual's liability for alternative minimum tax under the ITA. Holders should consult their own tax advisors with respect to alternative minimum tax provisions.

MARKET FOR SECURITIES

The ELL Common Shares are currently listed and posted for trading on the TSXV, which is the principal market for the ELL Common Shares, under the symbol "ELL." The combined volume and price ranges of the ELL Common Shares are set forth in the following table for the periods indicated:

Period	High	Low	Trading Volume
June 2025	\$0.055	\$0.04	223,296
July 2025	\$0.045	\$0.035	338,038
August 2025	\$0.045	\$0.035	504,214
September 2025	\$0.065	\$0.045	1,187,436
October 2025	\$0.065	\$0.055	1,608,829
November 2025	\$0.06	\$0.05	599,074

December 2025	\$0.08	\$0.04	2,145,708
January 1, 2026 - January 27, 2026	\$0.08	\$0.075	2,634,437

The Closing Price of the ELL Common Shares on the TSXV on December 24, 2025, being the last date on which the ELL Common Shares traded prior to the announcement of the signing of the BCA, was \$0.04 per ELL Common Share.

EFFECT OF AMALGAMATION ON MARKETS AND LISTINGS

As soon after the Effective Time as possible, it is intended that the ELL Common Shares will be delisted from the TSXV and no shares of Amalco will be listed on the TSXV or any other stock exchange or over the counter market. Amalco intends to apply to the relevant securities regulators for an order pursuant to which Amalco will cease to be a reporting issuer in British Columbia, Alberta, Ontario, Newfoundland and Labrador, and Nova Scotia, and to operate as a "private" company. As a result, Amalco will not be subject to the ongoing continuous disclosure and reporting obligations currently imposed on the Company as a reporting issuer under such laws.

OWNERSHIP OF SECURITIES OF ELL

The following table sets out the names and positions with ELL of each of its directors and officers and the number and percentage of outstanding securities of ELL beneficially owned or over which control or direction is exercised by each such person and, where known after reasonable enquiry, by (a) each associate or affiliate of an Insider of ELL, (b) each associate or affiliate of ELL, (c) an Insider of ELL, other than a director or officer of ELL, and (d) each person acting jointly or in concert with ELL.

Name and Position	Positions with ELL	No. of ELL Common Shares	% of Outstanding ELL Common Shares	No. of ELL Options	% of Outstanding ELL Options	No. of ELL RSUs	% of Outstanding ELL RSUs
Gali Bar-Ziv ⁽¹⁾	President, CEO and Director	1,042,864	2.9%	1,250,000	37%	650,000	33%
Khurram Qureshi ⁽²⁾	Chief Financial Officer and Director	2,044,698	5.7%	500,000	15%	395,000	20%
Weibing "Tommy" Gong	Director	-	-	150,000	4%	40,000	2%
Robert Martellacci	Director	-	-	190,000	6%	50,000	3%
Laurent Mareschal	Director	-	-	200,000	6%	50,000	3%

Notes:

- (1) Number of ELL Common Shares held includes the 1,024,864 ELL Common Shares held by Busy Babies Inc. All references to the ELL Common Shares held by Gali Bar-Ziv are to the consolidated holdings of both Gali Bar-Ziv and Busy Babies Inc.
- (2) Number of ELL Common Shares held includes the 59,575 ELL Common Shares held by Urmila Misir. All references to the ELL Common Shares held by Khurram Qureshi are to the consolidated holdings of both Khurram Qureshi and Urmila Misir.

Each of the persons named above who beneficially owns or controls or directs ELL Common Shares has indicated that he or she intends to vote in favour of the amalgamation.

Provided that the Amalgamation is completed, each of Weibing "Tommy" Gong, Robert Martellacci and Laurent Mareschal will be entitled to receive the Redemption Price for each ELL Common Share held by them. As shareholders of Privateco, and assuming that Gali Bar-Ziv and Khurram Qureshi transfer their ELL Common Shares to Privateco immediately prior to the Amalgamation being effected as contemplated in the BCA, these individuals will be entitled to have their shares in Privateco exchanged into an equal number of shares in Amalco.

MATERIAL CHANGES IN THE AFFAIRS OF ELL

At this time, Management knows of no proposals for any material changes in the affairs of ELL, or following the Amalgamation, of Amalco, other than Privateco's stated intention to apply to have the ELL Common Shares delisted from the TSXV and cease to be a "reporting issuer" under the applicable securities laws of British Columbia, Alberta, Ontario, Newfoundland and Labrador, and Nova Scotia. As a result, Amalco will not be subject to the ongoing continuous disclosure and reporting obligations currently imposed on the Company as a reporting issuer under such laws.

ARRANGEMENTS WITH SHAREHOLDERS

At this time, there are no agreements, commitments or understandings between ELL and any Shareholder in respect of the proposed Amalgamation.

The ELL Board granted Privateco the right, up until the day before the date the Circular was completed, to seek Support Agreements with Shareholders under which such Shareholders agreed, among other things, to vote their ELL Common Shares in favour of the Special Resolution and the Amalgamation. The form of the Support Agreements is attached as Schedule C to the BCA.

ELL is not aware of any agreements, commitments or understandings between Privateco and any Shareholder in respect of the proposed Amalgamation at this time.

PREVIOUS DISTRIBUTIONS

Over the past five fiscal years, the Company has distributed ELL Common Shares as detailed below:

Year of Distribution	Number of Common Shares Issued	Distribution Price per Common Share	Aggregate Proceeds
Fiscal year ended December 31, 2021	-	\$-	\$-
Fiscal year ended December 31, 2022 ⁽¹⁾	113,332	\$0.06	\$6,800
Fiscal year ended December 31, 2023	-	\$-	\$-
Fiscal year ended December 31, 2024	-	\$-	\$-
Fiscal year ended December 31, 2025	-	\$-	\$-

Notes:

- (1) On March 31, 2022, 80,000 stock options were exercised at an exercise price of \$0.06 for the gross proceeds of \$4,800. On September 13, 2022, 33,332 stock options were exercised at an exercise price of \$0.06 for the gross proceeds of \$2,000.

Except as disclosed in the Circular, the Company has not purchased or sold any of its securities in the past 12 months.

PRIOR VALUATIONS AND *BONA FIDE* OFFERS

Other than the Preliminary Valuation, which was updated from draft to final form and superseded by the Formal Valuation, which reflects ELL's updated cash position and has an effective valuation date of November 6, 2025, to the knowledge of the ELL Board and executive officers of ELL, after reasonable inquiry, there have been no prior valuations (within the meaning of MI 61-101) in respect of ELL within the 24-month period preceding the date of the Circular.

No *bona fide* prior offer (within the meaning of MI 61-101) has been received by ELL that relates to the ELL Common Shares or is otherwise relevant to the Amalgamation during the 24 months before the BCA was agreed to.

OTHER MATERIAL FACTS

ELL is not aware of any material facts concerning the ELL Common Shares or of any other matter not disclosed in this Circular or otherwise generally previously disclosed that would reasonably be expected to affect the decision of any Shareholder to approve or reject the Special Resolution and the Amalgamation.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officers

For the purposes of this Circular, a named executive officer ("**NEO**") of the Company means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer ("**CEO**"), including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer ("**CFO**"), including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V – Statement of Executive Compensation – Venture Issuers; and
- (d) each individual who would be a NEO under paragraph (c) above 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.

During the financial year ended December 31, 2024, the Company had the following NEOs: Gali Bar-Ziv, President and CEO, and Khurram Qureshi, Chief Financial Officer.

Director and Named Executive Officer Compensation Excluding Compensation Securities

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or its subsidiaries, to each NEO and director, in any capacity, during the financial years ended December 31, 2024 and 2023.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Principal Position	Year Ended December 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	All Other Compensation (\$)⁽³⁾	Total Compensation (\$)
Gali Bar-Ziv ⁽²⁾ President, CEO and Director	2024	186,000	43,282	Nil	11,417	Nil	240,699
	2023	186,000	49,253	Nil	8,887	Nil	244,140
Khurram Qureshi ⁽³⁾ CFO and Director	2024	78,000	8,243	Nil	10,158	Nil	96,401
	2023	78,000	7,100	Nil	7,562	Nil	92,662
Laurent Mareschal Director	2024	Nil	Nil	12,000	Nil	Nil	12,000
	2023	Nil	Nil	12,000	Nil	Nil	12,000
Robert Martellacci ⁽⁴⁾ Director	2024	Nil	Nil	12,000	Nil	Nil	12,000
	2023	Nil	Nil	12,000	Nil	Nil	12,000
Weibing "Tommy" Gong Director	2024	Nil	Nil	12,000	Nil	Nil	12,000
	2023	Nil	Nil	12,000	Nil	Nil	12,000

Notes:

- (1) Perquisites and other personal benefits, securities or property that do not in the aggregate exceed the lesser of \$15,000 and 10% of the total of the annual salary and bonus for any NEO for the financial year, if any, are not disclosed.
- (2) Fees for Mr. Bar-Ziv's services as President and CEO are paid to Busy Babies Inc., a company he controls.
- (3) Fees for Mr. Qureshi's services as CFO are paid to 2240525 Ontario Inc., a company he controls.
- (4) Fees for Mr. Martellacci's services as Director are paid to Mindshare Learning Technology., a company he controls.

External Management Companies

None of the NEOs or Directors have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Company to provide executive management services to the Company, directly or indirectly.

Stock Options and Other Compensation Securities

The following table sets forth all compensation securities granted or issued to each NEO and directors by the Company in the financial year ended December 31, 2024 for services provided directly or indirectly to the Company.

Compensation Securities

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Gali Bar-Ziv President, CEO and Director	RSU	650,000	2024-07-23	N/A	\$0.04	\$0.03	2026-07-23
Khurram Qureshi ⁽³⁾ CFO and Director	RSU	395,000	2024-07-23	N/A	\$0.04	\$0.03	2026-07-23
Laurent Mareschal Director	RSU	50,000	2024-07-23	N/A	\$0.04	\$0.03	2026-07-23
Robert Martellacci Director	RSU	50,000	2024-07-23	N/A	\$0.04	\$0.03	2026-07-23
Weibing "Tommy" Gong Director	RSU	40,000	2024-07-23	N/A	\$0.04	\$0.03	2026-07-23

The following table sets forth each exercise by a director or NEO of compensation securities during the financial year ended December 31, 2024.

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Expiry date
Gali Bar-Ziv President, CEO and Director	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
Khurram Qureshi ⁽³⁾ CFO and Director	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
Laurent Mareschal Director	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
Robert Martellacci Director	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil

Weibing "Tommy" Gong Director	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
Gali Bar-Ziv President, CEO and Director	RSU	Nil	Nil	Nil	Nil	Nil	Nil
Khurram Qureshi (3) CFO and Director	RSU	Nil	Nil	Nil	Nil	Nil	Nil
Laurent Mareschal Director	RSU	Nil	Nil	Nil	Nil	Nil	Nil
Robert Martellacci Director	RSU	Nil	Nil	Nil	Nil	Nil	Nil
Weibing "Tommy" Gong Director	RSU	Nil	Nil	Nil	Nil	Nil	Nil

Stock Option Plans and other Incentive Plans

The Company's Equity Incentive Plan provides that the ELL Board may from time-to-time grant ELL Options to purchase ELL Common Shares ("**ELL Options**") to directors, officers, employees, consultants of the Company and its subsidiaries (collectively, "**Eligible Persons**").

The Equity Incentive Plan is a 10% rolling plan in respect of ELL Options and a 10% fixed plan in respect of ELL RSUs.

The purpose of the Equity Incentive Plan is to advance the interests of the Company by (i) providing optionee directors, officers, employees and consultants with additional performance incentives; (ii) encouraging share ownership by optionees and recipients; (iii) increasing the proprietary interest of the optionees in the success of the Company; (iv) encouraging the optionees to remain with the Company; and (v) attracting new directors, officers, employees and consultants.

The following are summaries of certain provisions of the Equity Incentive Plan, which are qualified in their entirety by the full text of the Equity Incentive Plan, and which are available on the Company's SEDAR+ profile at www.sedarplus.ca.

- (a) *Number of ELL Common Shares reserved.* The number of ELL Common Shares available to be reserved for issuance under the Equity Incentive Plan is equal to 10% of the issued and outstanding at any point in time in respect of ELL Options and 3,564,252 shares in respect of ELL RSUs, less any ELL Common Shares reserved pursuant to the Company's other share compensation arrangements, if any, at the time of reservation.
- (b) *Administration.* The Equity Incentive Plan is to be administered by the ELL Board, or any duly authorized committee thereof.
- (c) *Eligible Persons.* ELL Options and ELL RSUs under the Equity Incentive Plan may only be issued to: directors, officers, employees and consultants of the Company and its affiliated entities ("**Eligible Persons**").
- (d) *Award Types:* ELL Options and ELL RSUs (collectively, "**Awards**").
- (e) *Terms of ELL Options and ELL RSUs.* The Equity Incentive Plan provides that the exercise price,

vesting provisions, the extent to which such Option is exercisable, acceleration of vesting in connection with a take-over bid or other specified event, and other terms and conditions relating to such ELL Options and ELL RSUs shall be determined by the ELL Board or applicable committee thereof, as applicable, and subject to compliance with the policies of the TSXV.

- (f) *Maximum Term of ELL Options.* ELL Options granted under the Equity Incentive Plan will be for a term not exceeding 10 years from the date of grant.
- (g) *Limitations on Grants to Certain Persons.* The number of ELL Common Shares reserved for issuance to any one consultant, and to all service providers conducting investor relations activities, pursuant to ELL Options and under any other share compensation arrangement, during any 12-month period, may not exceed 2% of the outstanding ELL Common Shares at the time of grant. ELL RSUs may not be granted to consultants performing investor relations activities. The number of ELL Common Shares reserved for issuance to any one person and his or her Nominees, other than a consultant or service provider conducting investor relations activities, pursuant to Awards granted under the Equity Incentive Plan, together with all other share compensation arrangements of the Company, during any 12-month period may not exceed 5% of the outstanding ELL Common Shares at the time of grant, unless disinterested shareholder approval is obtained.
- (h) *Effect of Termination on Awards*
 - (i) *Voluntary Resignation:* All unvested Awards are immediately forfeited on the termination date and any vested Awards remain exercisable until the earlier of up to 12 months following the termination date and the expiry date of the Award.
 - (ii) *Termination for Cause:* All vested and unvested ELL Options immediately terminate and all unvested ELL RSUs are immediately forfeited on the termination date.
 - (iii) *Termination not for Cause:* All unvested ELL Options immediately terminate, and any vested ELL Options remain exercisable until the earlier of up to 12 months following the termination date and the expiry date of the option. All ELL RSUs as of such date remain outstanding and in effect pursuant to the terms of the applicable RSU Agreement for up to 12 months, which may be cancelled or accelerated by the ELL Board in its discretion.
 - (iv) *Termination Due to Disability or Retirement:* The ELL RSUs continue to vest as provided for in (c) above. Any vested Awards remain exercisable until the earlier of up to 12 months following the vesting date of the option and the expiry date of the Option.
 - (v) *Termination Due to Death:* The ELL RSUs continue to vest in accordance with (c) above. Any vested Awards remain exercisable by the optionee's beneficiary until the earlier of twelve months following the termination date and the expiry date of the Award.
 - (vi) *Termination in Connection with a Change of Control:* If, after a Change of Control (as defined in the Equity Incentive Plan), a participant who was also an officer or employee of, or a consultant to, the Company prior to the Change of Control, has their position, employment or consulting agreement terminated, or the participant is constructively dismissed, on or during the 12-month period immediately following a change in control, then all of the participant's unvested Awards are immediately vested and any vested ELL Options remain exercisable until the earlier of twelve months following the termination date and the expiry date of the Option.

- (i) *Conditions of exercise of ELL Options.* The Company will not issue ELL Common Shares pursuant to the exercise of ELL Options unless and until the ELL Common Shares have been fully paid for, all applicable regulatory approvals have been received, and any applicable withholding tax obligations have been satisfied.
- (j) *Method for determining the exercise price of ELL Options.* The exercise price for ELL Common Shares that are the subject of any Option shall be determined and approved by the ELL Board when such Option is granted but shall not be less than the Market Value of such ELL Common Shares at the time of the grant.
- (k) *Reduction of exercise price.* Subject to any required regulatory and shareholder approvals and the consent of the optionee affected thereby, the ELL Board may amend or modify any outstanding Option in any manner, including to change the vesting provisions, expiry date, or exercise price, provided that the consent of the optionee shall not be required where the rights of the optionee are not adversely affected. A decrease in the exercise price or extension of the term of ELL Options granted to Insiders may not be affected without disinterested shareholder approval.
- (l) *Vesting of ELL Options.* The ELL Board shall determine any vesting provisions for ELL Options. However, ELL Options granted to any person retained to provide Investor Relations Activities must vest in a period of not less than 12-months from the date of grant and with no more than 25% of the ELL Options vesting in any three- month period.
- (m) *Vesting of ELL RSUs.* ELL RSUs may not vest before the date that is one year following the date they are granted, except in the case of an acceleration for a participant who dies or who ceases to be an eligible participant in connection with a change of control, take-over bid, reverse takeover or other similar transaction. Except as set forth herein, the ELL Board shall have sole discretion to determine if any performance criteria and/or other vesting conditions with respect to a RSU have been met. The ELL Board shall determine the period during which a vested RSU may be redeemed by either the Company or the participant, and may determine the maximum period, during which any vested RSU may remain outstanding prior to settlement, but in all cases shall end no later than three (3) years after the performance period.
- (n) *Acceleration of Vesting.* The ELL Board has the right to accelerate the date upon which any Award becomes exercisable notwithstanding the vesting schedule set forth for such Award, regardless of any adverse or potentially adverse tax consequence resulting from such acceleration. There is no accelerated vesting allowed for persons completing Investor Relations Activities without prior TSXV approval.
- (o) *Dividends for ELL RSUs.* Dividend equivalents may, as determined by the ELL Board in its sole discretion, be awarded in respect of unvested ELL RSUs in a participant's account on the same basis as cash dividends declared and paid on ELL Common Shares as if the participant was a shareholder of record of ELL Common Shares on the relevant record date. Dividend equivalents, if any, will be credited to the participant's account in additional ELL RSUs, the number of which shall be equal to a fraction where the numerator is the product of:
 - (i) the number of ELL RSUs in such participant's account on the date that dividends are paid multiplied by
 - (ii) the dividend paid per Share and the denominator of which is the Market Value of one Share calculated on the date that dividends are paid. Any additional ELL RSUs credited to a participant's account as a dividend equivalent shall be subject to the same terms and conditions (including vesting and restriction periods) as the ELL RSUs in respect of which such additional ELL RSUs

are credited. Any ELL RSUs credited to a participant's account pursuant to dividend equivalents are also subject to the limits set forth in Sections 2.4 and 2.5 of the Equity Incentive Plan. If the Company is unable to credit a participant additional ELL RSUs pursuant to dividend equivalents due to the restrictions in Sections 2.4 and 2.5 then the Company may pay the participant the equivalent cash amount that they may otherwise be entitled to.

- (p) *No assignment.* ELL Options may not be assigned or transferred.
- (q) *Amendments.* Generally, the ELL Board may amend the Equity Incentive Plan, subject to any necessary regulatory approval.
- (r) *Termination of Equity Incentive Plan.* The Equity Incentive Plan may be discontinued by the ELL Board, provided that such termination will not alter the terms or conditions of any Award or impair any right of any optionee pursuant to any Award granted prior to the date of such termination, which will continue to be governed by the provisions of the Equity Incentive Plan.

Oversight and Description of Director and Named Executive Officer Compensation

The ELL Board reviews the compensation of the directors and executive officers of the Company. The ELL Board also administers the Equity Incentive Plan. The compensation committee of the ELL Board (the "**Compensation Committee**") is responsible for assisting the ELL Board in setting director and executive compensation, and for developing and submitting to the ELL Board recommendations with respect to other employee benefits.

Compensation of Executive Officers

At least annually, the Compensation Committee reviews the cash compensation, performance and overall compensation package for each executive officer. It then submits to the ELL Board recommendations with respect to the basic salary, cash bonus, perquisites, and participation in stock option compensation arrangements for each executive officer. The ELL Board reviews each recommendation and decides whether to accept, reject or alter such recommendation. Typically, the ELL Board, acting upon recommendation of the Compensation Committee, determines executive compensation in May of each year for the 12-month period from January 1 to December 31. The Company does not use benchmarking in establishing compensation.

NEO compensation is based primarily on corporate performance which includes achievement of the Company's strategic objective of growth and the enhancement of shareholder value through increases in the market price of the Common Shares price resulting from increases in sales, revenues and enhanced annual cash flow. In determining compensation, the Compensation Committee and the ELL Board are guided by the goals of offering competitive compensation to attract, retain and motivate qualified executives in order for the Company to meet its goals, while advancing the interests of the Company and its Shareholders by acting in a fiscally responsible manner.

Fixed salary or consulting fees comprises the total cash-based compensation offered by the Company to executive officers. The Compensation Committee recommends, and the ELL Board determines, the salary or consulting fee for each NEO. The salary/consulting fee review for each executive officer is also based on assessment of factors such as the particular responsibilities related to the position, the experience level of the executive officer, and his or her past performance at the Company. In determining the base salary or consulting fees of an executive officer, the ELL Board considers the recommendations of the Compensation Committee, as well as the previous year's remuneration paid to executives with similar titles at a comparative group of companies in the marketplace. To date, the ELL Board has chosen to provide executive officers with base salaries and consulting fees that are typically on the lower end of the comparator group, and bonuses, if any, and equity compensation that are typically on the higher end of the comparator group.

Annual performance-based cash bonuses are a variable component of compensation designed to reward the Company's executive officers for maximizing annual operating performance. Any bonus paid to the executive officers is entirely within the discretion of the ELL Board, following consideration by the Compensation Committee. In making bonus

determinations, the ELL Board reviews corporate and individual performance, considering sales performance against budget, expense control, relative change in cash flow, performance factors, relative performance of the Common Shares, and other exceptional or unexpected factors.

Decisions with respect to the number of ELL Options granted and vesting periods are based upon the particular executive officer's level of responsibility and their contribution towards the Company's goals and objectives, and additionally may be awarded in recognition of the achievement of a particular goal or extraordinary service. To date, no specific formulae have been developed to assign a specific weighting to each of these components. Previous grants and their status are taken into consideration to ensure the entire compensation program is adequate in light of the individual's position, ongoing responsibilities and prevailing market conditions. The ELL Board considers the overall number of ELL Options that are outstanding relative to the number of outstanding Common Shares in determining whether to make any new grants of ELL Options and the size of such grants.

The Company also offers perquisites in the form of an executive employee benefit program, which includes a health plan and automobile allowance.

Executive Officer Employment Agreements

Gali Bar-Ziv, President and Chief Executive Officer

The Company entered into a consulting agreement (the "**Bar-Ziv Consulting Agreement**") dated as of June 1, 2009, as amended, with Busy Babies Inc. to provide the services of Gali Bar-Ziv as Chief Operating Officer of the Company. On December 11, 2018, Gali Bar-Ziv was appointed as President and Chief Executive Officer of the Company. Busy Babies Inc. is a Company wholly-owned and controlled by Mr. Bar-Ziv.

The Bar-Ziv Consulting Agreement provided for an initial term of 12 months to begin on June 1, 2009, and automatically renews for subsequent one-year terms unless terminated in accordance with its terms.

Pursuant to the Bar-Ziv Consulting Agreement, the Company pays to Busy Babies Inc. a base fee of \$15,500 per month plus HST (\$10,500 from January 1, 2014 through May 31, 2015, and increased to \$12,500 per month as of June 1, 2015, and increased to \$15,500 per month on December 1, 2018) for Mr. Bar-Ziv's services. Mr. Bar-Ziv is eligible to receive performance bonus based on 3% of Company's revenue from \$1 million to \$5 million; 5% of Company revenue from \$5 million and above. In addition, Mr. Bar-Ziv also receives a bonus based on 3% of Company consolidated EBITDA from \$250,001 to \$1 million and 4% from \$1 million to \$5 million. Mr. Bar-Ziv is eligible to receive grants of stock options pursuant to the Equity Incentive Plan from time to time, in each case at the discretion of the ELL Board.

Busy Babies Inc. may terminate the Bar-Ziv Consulting Agreement upon 4-months' written notice to the Company and the Company shall pay to Busy Babies Inc. all amounts due and owing up to the effective date of termination. Busy Babies Inc. may also terminate the Bar-Ziv Consulting Agreement for the following reasons: (i) a material change in the position, duties and responsibilities of Mr. Bar-Ziv; (ii) if Mr. Bar-Ziv ceases to be a senior officer of the Company; and (iii) any material reduction in the compensation. If Busy Babies Inc. terminates the Bar-Ziv Consulting Agreement for any of the foregoing reasons, the Company shall pay to Busy Babies Inc. all amounts due and owing up to the effective date of termination, and a settlement amount equal to nine months' compensation at the rate of compensation payable immediately prior to the effective date of termination.

The Company may terminate the Bar-Ziv Consulting Agreement for convenience by giving written notice to Busy Babies Inc., and payment by the Company of all amounts due and owing up to the effective date of termination plus a settlement amount equal to nine months' compensation at the rate of compensation payable to Busy Babies Inc. immediately prior to the effective date of termination.

In the event of a change of control, the Company elects to terminate the Bar-Ziv Consulting Agreement, the Company shall pay Busy Babies Inc. all amounts due and owing up to the effective date of termination and a settlement amount equal to 12 months' compensation at the rate of compensation payable immediately prior to the effective date of such voluntary termination.

Mr. Bar-Ziv is subject to a nine-month non-compete period following the termination of the Bar-Ziv Consulting Agreement.

Khurram Qureshi, Chief Financial Officer and Director

The Company entered into a consulting agreement, as amended, dated August 1st, 2018, with 2240525 Ontario Inc. to provide the services of Khurram Qureshi as Chief Financial Officer of the Company (the "**Qureshi Consulting Agreement**").

The Qureshi Consulting Agreement provided for an initial term of 12 months and automatically renews for subsequent one-year terms unless terminated in accordance with its terms. Pursuant to the Qureshi Consulting Agreement, the Company pays 2240525 Ontario Inc. a base fee of \$5,000 per month and increased to \$6,500 on January 1st, 2022, plus applicable HST. Mr. Qureshi is eligible for reimbursement for certain expenses properly incurred in connection with the Company's business. Mr. Qureshi is eligible to receive annual incentive bonuses and grants stock of options pursuant to the Equity Incentive Plan from time to time, in each case at the discretion of the ELL Board. The Qureshi Consulting Agreement also provides that the Company will provide to Mr. Qureshi extended health benefits.

Mr. Qureshi may terminate the Qureshi Consulting Agreement upon 90 days' written notice to the Company, and the Company shall pay to 2240525 Ontario Inc. all amounts due and owing up to the effective date of termination. The Company shall pay to 2240525 Ontario Inc. all amounts due and owing up to the effective date of termination, and a settlement amount equal to three months' compensation at the rate of compensation payable within 30 days of the termination date.

The Company may terminate the Qureshi Consulting Agreement for convenience by giving written notice to 2240525 Ontario Inc. and payment by the Company of all amounts due and owing up to the effective date of termination plus a settlement amount equal to three months compensation at the rate of compensation payable to 2240525 Ontario Inc. within 30 days of the termination date.

In the event of a change of control, the Company elect to terminate the Qureshi Consulting Agreement upon three (3)-month notice, and the Company shall pay 2240525 Ontario Inc. all amounts due and owing up to the effective date of termination and a settlement amount equal to 12 months' compensation at the rate of compensation payable immediately prior to the effective date of such voluntary termination.

Estimated Incremental Payment on Change of Control or Termination

The following table provides details regarding the estimated incremental payments that would be triggered by, or result from, a change of control, severance, termination or constructive dismissal of a NEO, assuming a triggering event occurred on December 31, 2024.

NEO and Agreement	Severance Period (# of months)	Base Salary (Fees) (\$)	Bonus Target Value (\$)	Benefits (\$)	Total Incremental Payment (\$)
Gali Bar-Ziv	9	186,000	nil	nil	139,500
Khurram R. Qureshi	3	78,000	nil	nil	19,500

Compensation of Directors

Compensation for Directors is determined by the ELL Board on the recommendations of the Compensation Committee. The ELL Board has adopted a cash compensation program for directors with respect to general directors' duties, meeting attendance or for additional service on board committees. Directors are also reimbursed for travel and other out-of-pocket expenses incurred in attending board, committee and shareholder meetings.

Directors may receive option grants pursuant to the Equity Incentive Plan. ELL Options are granted at the discretion of the ELL Board.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the number of ELL Common Shares to be issued pursuant to equity compensation plans, the weighted average exercise price of such outstanding ELL Options and the number of ELL Common Shares remaining available for future issuance under equity compensation plans of the Company as of December 31, 2024.

Plan Category	No. of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	No. of securities remaining available for future issuance under equity compensation plans (excl. securities reflected in column (a)) (c)
Equity compensation plans approved by shareholders	3,350,000	\$0.07	214,252
Equity compensation plans approved by shareholders	2,000,000	N/A	1,564,252
Equity compensation plans not approved by shareholders	N/A	N/A	N/A
Total	5,350,000	NA	1,778,504

Pursuant to the BCA, ELL has agreed not to grant any options under the Equity Incentive Plan until the earlier of the completion of the Amalgamation and the termination of the BCA.

For further information on the Equity Incentive Plan, refer to the heading "*Stock Option Plans and other Incentive Plans.*"

OTHER MATTERS

Indebtedness of Directors and Officers

No executive officer, director, or employee of the Company, past or present, nor any proposed nominee for election as a director of the Company, nor any associate of any of the foregoing persons, at any time during the financial year ended December 31, 2024, and as at the date of this Circular, is or was indebted to the Company in connection with the purchase of securities or otherwise, nor is any such individual indebted to another entity with such debt being the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

Interest of Management and Others in Material Transactions

No Informed Person, director or executive officer of the Company, or any associate or affiliate of such person, has any material interest, direct or indirect, in any material transactions since the commencement of the last financial year or in any proposed transaction which has materially affected or may materially affect the Company, other than (i) Gali Bar-Ziv, the President and CEO of ELL; and (ii) Khurram Qureshi, ELL's Chief Financial Officer, all of whom are shareholders of Privateco (see "*AMALGAMATION-Background-ELL Ventures Ltd.*"); or (iii) as otherwise disclosed in this Circular.

Management Contracts

ELL is not a party to any management contracts, nor were any payments made on account of services rendered by any management company in the last fiscal year.

ELL's Dividend Policy

Subject to the restrictions contained in the OBCA, the ELL Board has full discretion to declare and pay dividends based on all relevant circumstances, including the Company's results of operations, cash requirements and surplus, financial condition and contractual restrictions; the desirability of financing further growth of the Company and other factors that the ELL Board may consider material at the relevant time. No dividends have been declared or paid on the ELL Common Shares in the previous five fiscal years. Dividends are not expected to be paid on the ELL Common Shares in the near or medium-term future.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 – *Corporate Governance Guidelines* ("**NP 58-201**") of the Canadian Securities Administrators sets out a series of guidelines for effective corporate governance (the "**Guidelines**"). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires the disclosure by each listed corporation of its approach to corporate governance with reference to the Guidelines as it is recognized that the unique characteristics of individual corporations will result in varying degrees of compliance.

Set out below is a description of the Company's approach to corporate governance in relation to the Guidelines in accordance with NI 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)*.

Board of Directors

The ELL Board facilitates its exercise of independent supervision over the Company's management through frequent discussions with management and regular meetings of the ELL Board.

NI 58-101 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "independent" directors. NI 58-101 defines an "independent director" as a director who has no direct or indirect material relationship with the Company. A "material relationship" is in turn defined as a relationship which could, in the view of the ELL Board, be reasonably expected to interfere with such member's independent judgment.

The ELL Board is currently composed of five directors, namely Gali Bar-Ziv, Weibing "Tommy" Gong, Mr. Robert Martellacci, Laurent Mareschal and Khurram Qureshi.

Messrs. Gong, Martellacci and Mareschal are considered independent within the meaning of NI 58-101. Messrs. Bar-Ziv and Qureshi are not considered independent within the meaning of NI 58-101 because they are "executive officers" (as such term is defined in NI 52-110) of the Company, and are thereby considered to have material relationship with the Company.

Directorships

The following table sets forth the directors of the Company who currently hold directorships with other reporting issuers:

Director	Reporting Issuer's Name	Name of Stock Exchange or Market
Khurram Qureshi	Everybody Loves Languages Corp.	TSXV
	Predictiv AI Inc.	CSE

Orientation and Continuing Education

The ELL Board does not have a formal orientation or education program for its members. When new directors are appointed, the existing ELL Board members ensure that they receive orientation, commensurate with their previous experience, on the Company's business, and industry and on the responsibilities of directors.

The ELL Board's continuing education is typically derived from correspondence with the Company's legal counsel to remain up to date with developments in relevant corporate and securities law matters. Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

Ethical Business Conduct

The ELL Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the ELL Board in which the director has an interest have been sufficient to ensure that the ELL Board operates independently of management and in the best interests of the Company.

In addition, the ELL Board has adopted a Code of Business Conduct, a Whistleblower Policy, an Insider Trading and Blackout Policy; and Corporate Disclosure Policy and Practices with respect to maintaining the highest standards of integrity and ethical behaviour in the conduct of its business.

Nomination of Directors

The Corporate Governance and Nomination Committee is responsible for identifying individuals believed to be qualified to become board members, consistent with criteria approved by the ELL Board. In recommending candidates, the Corporate Governance Committee shall take into consideration the criteria approved by the ELL Board, including any set forth in the *Charter of the Board of Directors* and the *Corporate Governance Committee Charter*, and such other factors as it deems appropriate. These factors shall include judgment, skill, integrity, independence, diversity, experience with business and organizations of comparable size, the interplay of a candidate's experience with the experience of other board members, willingness to commit the necessary time and energy to serve as director, and a genuine interest in the Company's business, and the extent to which a candidate would be a desirable addition to the ELL Board or any committees of the ELL Board.

Board Committees

The ELL Board has three committees: the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee.

Audit Committee

The Audit Committee has been established to assist the ELL Board in fulfilling its oversight responsibilities with respect to the Company's external audit function, internal controls and management information systems, accounting and financial reporting requirements, legal and regulatory compliance, risk management, such other

functions as may be delegated to the Audit Committee by the ELL Board. Further disclosure with respect to the Audit Committee is attached to this Circular as **Schedule "B"**.

The Audit Committee currently consists of three directors, namely Laurent Mareschal (Chair), Tommy Gong, and Robert Mertallacci.

Compensation Committee

The Compensation Committee assists the ELL Board in fulfilling its obligations relating to human resource and compensation matters of the Company and its subsidiaries and to establish a plan for the continuity and development of senior management. The Compensation Committee is responsible for assisting the ELL Board in setting director and senior executive compensation and to develop and submit to the ELL Board recommendations with respect to other employee benefits as they see fit.

The Compensation Committee currently consists of three directors, namely, Robert Martellacci (Chair), Tommy Gong and Laurent Mareschal.

Corporate Governance and Nomination Committee

The Corporate Governance and Nomination Committee assists the ELL Board by: (i) developing, reviewing and planning the Corporation's approach to corporate governance issues, including developing a set of corporate governance principles and guidelines specifically applicable to the Company; (ii) identifying and recommending to the ELL Board potential new nominees to the ELL Board; (iii) monitoring management's succession plan for the CEO and other senior management; and (iv) overseeing enforcement of and compliance with the Company's Code of Business Conduct.

The Corporate Governance and Nomination Committee currently consists of three directors, namely Robert Martellacci (Chair), Laurent Mareschal, and Tommy Gong.

Compensation

The ELL Board reviews the compensation of the directors and executive officers of the Company, including the CEO. The Compensation Committee is responsible for assisting the ELL Board in setting director and executive compensation, and for developing and submitting to the ELL Board recommendations with respect to other employee benefits.

For more information about the Company's compensation practices and procedures, including the Compensation Committee's powers and responsibilities, please refer to "*Statement of Executive Compensation – Oversight and Description of Director and Named Executive Officer Compensation*" in the Circular.

Other Board Committees

Except as disclosed herein, the ELL Board has no other committees other than the Audit Committee, Compensation Committee and the Corporate Governance and Nomination Committee.

Assessments

The ELL Board will consider the ELL Board, committee, and individual director performance from time to time, as required.

AUDIT COMMITTEE

The Audit Committee's Charter

The full text of the charter of the Audit Committee (the "**Audit Committee Charter**") is attached as Appendix "G" to this Circular.

Composition of the Audit Committee

The Audit Committee members are currently Laurent Mareschal (Chair), Robert Martellacci, and Tommy Gong. Messrs. Mareschal, Martellacci and Gong are not executive officers, employees, or control persons of the Corporation or any of its affiliates, and each of them is considered independent within the meaning of NI 52-110.

Each member of the Audit Committee is considered to be "financially literate" within the meaning of NI 52-110, which includes the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the Company's financial statements.

Relevant Education and Experience

For more information about the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with (a) an understanding of the accounting principles used by the Company to prepare its financial statements, (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves, (c) experience preparing, auditing, analyzing or evaluating financial statements, and (d) an understanding of internal controls and procedures for financial reporting, please see the biographical notes on the directors set out at "*Matters to be Acted Upon at the Meeting – Election of Directors*" in the Circular.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the ELL Board.

Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable by the Audit Committee, on a case-by-case basis.

External Auditor Service Fees

The following table provides details in respect of audit, audit related, tax and other fees billed by the Company's external auditor in each of the last two financial years:

Nature of Services	Fees paid to external auditor during financial year ended December 31, 2024 (\$)	Fees paid to external auditor during financial year ended December 31, 2023 (\$)
Audit Fees ⁽¹⁾	80,250	90,950

Audit-Related fees ⁽²⁾	14,700	5,250
Tax Fees ⁽³⁾	5,500	4,000
Other Fees ⁽⁴⁾	-	-
Total:	100,450	100,200

Notes:

- (1) Includes fees billed for professional services rendered by the auditor for the audit of the Company's annual financial statements, and any reviews of the Company's unaudited interim financial statements.
- (2) Includes fees billed for professional services rendered by the auditor consisting of employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews, review of subsidiary financials, and audit or attestation services not required by legislation or regulation.
- (3) Includes fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) No other fees were billed by the auditor of the Company other than those listed in the other columns.

Exemption

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

ADDITIONAL INFORMATION

Additional information relating to the Company is available under the Company's issuer profile on SEDAR+, which can be accessed at www.sedarplus.ca.

Financial information of the Company is provided in the comparative financial statements and management discussion and analysis of the Company for the most recently completed financial year, which are also available on SEDAR+. Inquiries, including requests for copies of Company's financial statements and management discussion and analysis, may be directed to the Company at 20 Bay Street, 11th Floor, Toronto, Ontario M5J 2N8, attention: Chief Financial Officer, by telephone at (416) 927-7000, or by email at investors@everybodyloveslanguages.com. Copies of these documents will be promptly provided free of charge to Shareholders on request. ELL may require the payment of a reasonable charge from any person or company who is not a Shareholder of ELL, who requests a copy of any such document.

DIRECTORS' APPROVAL

The contents and sending of this Circular have been approved by the ELL Board.

DATED at Toronto, Ontario, this January 27, 2026.

"Laurent Mareschal" (signed)

Laurent Mareschal
Chairman of the Independent Committee of the Board of Directors

CONSENT

To: The Board of Directors of Everybody Loves Languages Corp. (the "**Company**")

We refer to the formal valuation dated as of November 6, 2025 (the "**Formal Valuation**") included in the Management Information Circular of the Company dated January 27, 2026 (the "**Circular**") which we prepared for the Independent Committee of the board of directors (and the board of directors) of the Company in connection with the Amalgamation (as defined in the Circular). We consent to the filing of the Formal Valuation with the securities regulatory authorities and the inclusion of the Formal Valuation, as well as to the references to our names and to the references and description of the Formal Valuation contained, in the Circular.

Toronto, Ontario

"MNB Valuation Inc."

January 27, 2026

(Signed)

**APPENDIX A
FORM OF SPECIAL RESOLUTION**

RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the amalgamation (the "**Amalgamation**"), pursuant to the provisions of the *Business Corporations Act* (Ontario), of ELL Ventures Ltd. ("**Privateco**") and Everybody Loves Languages Corp. ("**ELL**") upon the terms and conditions set forth in the business combination agreement (the "**Business Combination Agreement**") among Privateco and ELL as it may have been amended in accordance with its terms, and which agreement is attached as Appendix "A" of the management proxy circular (the "**Information Circular**") dated January 27, 2026, as the Amalgamation may be modified or amended, is hereby authorized and approved and adopted;
2. the amalgamation agreement (the "**Amalgamation Agreement**") between Privateco and ELL attached as Schedule "B" to the Business Combination Agreement, which is attached as Appendix "B" to the Information Circular, and the entering into of the Amalgamation Agreement, as the same may have been amended in accordance with its terms, and the actions of the directors of ELL in approving the Amalgamation Agreement, and the actions of the directors and officers of ELL in executing and delivering the Amalgamation Agreement and any amendments thereto, in accordance with its terms, are hereby ratified, authorized and approved;
3. the Business Combination Agreement between Privateco and ELL which is attached as Appendix "C" to the Information Circular, as the same may have been amended in accordance with its terms, and the entering into of the Business Combination Agreement, and the actions of the directors of ELL in approving the Business Combination Agreement, and the actions of the directors and officers of ELL in executing and delivering the Business Combination Agreement and any amendments thereto, in accordance with its terms, and the other transactions between Privateco and ELL contemplated by the terms of, or relating to, the Business Combination Agreement as described in the Information Circular, are hereby ratified, authorized and approved;
4. notwithstanding that this Special Resolution has been duly passed by the shareholders of ELL, the board of directors of ELL may, in their sole discretion and without further approval of, or notice to, the shareholders of ELL (a) amend or terminate the Business Combination Agreement to the extent permitted thereby; (b) amend or terminate the Amalgamation Agreement to the extent permitted thereby; or (c) not proceed with the Amalgamation, at any time prior to the issue of a certificate giving effect to the Amalgamation;
5. any director or officer of ELL is hereby authorized and directed for and on behalf of and in the name of ELL to execute, under the corporate seal of ELL or otherwise, and to deliver to the Director acting under the *Business Corporations Act* (Ontario) for filing the articles of amalgamation and such other documents as are necessary or desirable to give effect to or carry out the intent of the foregoing resolutions; and
6. any director or officer of ELL is hereby authorized and directed for and on behalf of and in the name of ELL, to do all acts and things and to execute, whether under the corporate seal of ELL or otherwise, and deliver all such documents and instruments as they may be considered necessary or desirable to give effect to or carry out the intent of the foregoing resolutions and the matters authorized thereby such determination to be conclusively evidenced by the execution of such documents or instruments or the doing of any such act or thing.

**APPENDIX B
AMALGAMATION AGREEMENT**

See Next Page

SCHEDULE "A"
AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT made as of ►, 2026.

B E T W E E N :

ELL VENTURES LTD., a corporation existing under the Laws of Province of Ontario.

(hereinafter called "**Privateco**")

EVERYBODY LOVES LANGUAGES CORP., a corporation existing under the Laws of Province of Ontario.

(hereinafter called "**ELL**")

W H E R E A S :

- A. Privateco was incorporated under the Laws of Province of Ontario by articles of incorporation dated April 16, 2025;
- B. The authorized capital of Privateco consists of an unlimited number of common shares, and, will immediately prior to the filing of Articles of Amalgamation also consist of an unlimited number of Class A Special Shares;
- C. ELL was incorporated under the Laws of Province of Ontario by articles of incorporation dated April 4, 1996; and
- D. The authorized capital of ELL consists of an unlimited number of common shares and an unlimited number of preferred shares.

NOW THEREFORE in consideration of the foregoing and the mutual covenants and agreements herein contained and for other good and valuable consideration. the receipt and adequacy of which are acknowledged, the parties agree as follows:

1. Definitions

Capitalized terms not otherwise defined in this Agreement shall have the meaning attributed to them in the Business Combination Agreement.

In addition, for the purpose of this Agreement:

- (a) "**Agreement**", "**this Agreement**", "**herein**", "**hereby**", "**hereof**" "**hereunder**" and similar expressions mean or refer to this amalgamation agreement.
- (b) "**Amalco**" means the continuing corporation to be formed upon completion of the Amalgamation.

- (c) "**Amalco Class A Special Shares**" means the class A special shares in the capital of Amalco, having the rights, privileges, restrictions and conditions set forth in Exhibit A hereof.
- (d) "**Amalco Common Shares**" means the common shares in the capital of Amalco, having the rights, privileges, restrictions and conditions set forth in Exhibit A hereof.
- (e) "**Amalco Redeemable Preferred Shares**" means the redeemable preferred shares in the capital of Amalco having the rights, privileges, restrictions and conditions set forth in Exhibit A hereof.
- (f) "**Amalgamation**" means the amalgamation of Privateco and ELL pursuant to section 174 of the OBCA, subject to any variations made in accordance with the Business Combination Agreement.
- (g) "**Amalgamating Corporations**" means Privateco and ELL.
- (h) "**Business Combination Agreement**" means the Business Combination Agreement made December 24, 2025 between Privateco and ELL.
- (i) "**Business Day**" means any day other than a Saturday or Sunday or a day when banks in the City of London, Ontario are not generally open for business.
- (j) "**Certificate of Amalgamation**" means the Certificate of Amalgamation for the Amalgamation issued by the Director in accordance with section 178(1) of the OBCA.
- (k) "**Closing**" means the completion of the Amalgamation.
- (l) "**Depository**" means Computershare Investor Services Inc.
- (m) "**Director**" means the director appointed under section 278 of the OBCA.
- (n) "**Dissent Rights**" means the dissent rights of a ELL Shareholder pursuant to and in the manner set forth in section 185 of the OBCA.
- (o) "**Dissenting Shareholder**" means a holder of ELL Common Shares who, in connection with the ELL Special Resolution, has validly exercised Dissent Rights in strict compliance with section 185 of the OBCA and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the ELL Common Shares in respect of which Dissent Rights are validly exercised by such holder.
- (p) "**Effective Date**" means the effective date of the Amalgamation, which shall be the date of the Certificate of Amalgamation.

- (q) "**Effective Time**" means 12:01 a.m. (Eastern Time) on the Effective Date or such other time as Privateco and ELL each acting reasonably, may agree to in writing by amending this Agreement in accordance with its terms.
- (r) "**ELL**" has the meaning set forth in the preamble of this Agreement.
- (s) "**ELL Common Shares**" means the issued and outstanding common shares in the capital of ELL.
- (t) "**including**" means including without limitation.
- (u) "**OBCA**" means the Business Corporations Act (Ontario), as now in effect and as from time to time amended or re-enacted and includes any regulations promulgated thereunder.
- (v) "**Person**" means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, authority or entity however designated or constituted.
- (w) "**Privateco**" has the meaning set forth in the preamble of this Agreement.
- (x) "**Privateco Class A Special Shares**" means the issued and outstanding class A special shares in the capital of Privateco.
- (y) "**Privateco Common Shares**" means the issued and outstanding common shares in the capital of Privateco.
- (z) "**Privateco Letter of Transmittal**" means the letter of transmittal to be used by Privateco Shareholder for the purpose of surrendering certificates representing outstanding Privateco Common Shares and exchanging them for certificates representing Amalco Common Shares following the Closing.
- (aa) "**Tax Act**" means the *Income Tax Act* (Canada), as now in effect and as it may be amended from time to time prior to the Effective Date.

2. Amalgamation

Upon the terms and conditions of this Agreement and the Business Combination Agreement, Privateco and ELL hereby agree to amalgamate on the Effective Date pursuant to sections 174 and 175 and related provisions of the OBCA, and to continue as one corporation upon the terms and conditions herein set out.

3. Name

The name of Amalco shall be "EVERYBODY LOVES LANGUAGES INC."

4. Registered Office

The registered office of Amalco shall be situated at 20 Bay St. 11th Floor, Toronto, Ontario, M5J 2N8

5. Authorized Capital

Amalco shall be authorized to issue an unlimited number of Amalco Common Shares, an unlimited number of Amalco Class A Special Shares, and an unlimited number of Amalco Redeemable Preferred Shares, each of which shall have the rights, privileges and restrictions set forth in Exhibit A hereof.

6. Restriction on Share Transfer

The transfer of securities of Amalco shall not be subject to any restrictions unless and until the securities regulator in every jurisdiction in which Amalco is a reporting issuer within the meaning of the securities laws of such jurisdiction makes, or is deemed to have made, an order or such securities laws provide that, for the purposes of the securities laws of each such jurisdiction, Amalco is not a reporting issuer in such jurisdiction, whereupon the transfer of securities of Amalco, other than a non-convertible debt security, shall not be completed without the consent of:

- (a) the board of directors of Amalco, expressed by a resolution duly passed at a meeting of the directors;
- (b) a majority of the directors of Amalco, expressed by an instrument or instruments in writing signed by such directors;
- (c) the holders of the voting shares of Amalco, expressed by a resolution duly passed at a meeting of the holders of voting shares; or
- (d) the holders of the voting shares of Amalco representing a majority of the votes attached to all the voting shares, expressed by an instrument or instruments in writing signed by such holders.

7. Number of Directors

The minimum number of directors of Amalco shall be one and the maximum number of directors of Amalco shall be 11 The directors may appoint one or more additional directors, who shall hold office for a term expiring not later than the close of the next annual meeting of shareholders, provided that, the total number of directors so appointed may not exceed one third of the number of directors elected at the previous annual meeting of shareholders.

8. Initial Directors

The number of initial directors of Amalco shall be two. The initial directors of Amalco shall be the individuals whose names, addresses and country of residence are set forth below:

Name	Address	Residence
Gali Bar-Ziv	Toronto, Ontario	Canadian
Khurram Qureshi	Toronto, Ontario	Canadian

The initial directors shall hold office until the first annual meeting of the shareholders of Amalco or until their successors are duly appointed or elected. The subsequent directors shall be elected each year thereafter as provided for in the OBCA, in the Articles of Amalgamation and in the by-laws of Amalco, although the board of directors of Amalco may, between annual meetings of the shareholders, appoint one or more additional directors of Amalco to serve until the next annual meeting, but the number of such additional directors shall not at any time exceed one-third of the number of directors who held office at the last annual meeting of Amalco.

9. Initial Officers

The initial officers of Amalco and their respective offices shall be the individuals whose names are set forth below and the office(s) set opposite their names. Such persons shall hold office until the first meeting of the Board of Directors of Amalco or until their successor is appointed.

Name	Office
Gali-Bar Ziv	President
Khurram Qureshi	Secretary/Treasurer.

10. First Auditors

The first auditors of Amalco shall be _____, from its offices located at Toronto, Ontario. The first auditors of Amalco shall hold office until the first annual meeting of shareholders of Amalco following the Amalgamation or until its successor is appointed.

11. Fiscal Year

The fiscal year end of Amalco shall be December 31st, unless and until otherwise changed by the Board of Directors of Amalco.

12. Restrictions on Business

There shall be no restrictions on the business that Amalco may carry on.

13. By-laws

The by-laws of Amalco shall be in the form attached hereto as Exhibit B.

14. Effect of Certificate of Amalgamation

At the Effective Time, ELL and Privateco shall be amalgamated and shall continue as one company, Amalco, pursuant to the provisions of the OBCA.

15. Manner of Conversion of Issued Securities

At the Effective Time:

- (a) each Privateco Common Share shall be exchanged for one fully-paid and non-assessable Amalco Common Share and the Privateco Common Share thus exchanged shall be cancelled;
- (b) each Privateco Class A Special Share shall be exchanged for one fully-paid and non-assessable Amalco Class A Special Share and the Privateco Class A Special Share thus exchanged shall be cancelled;
- (c) each ELL Common Share, other than an ELL Common Share held by a Dissenting Shareholder or Privateco, shall be exchanged for one fully-paid and non-assessable Amalco Redeemable Preferred Share and thereafter immediately redeemed in accordance with Section 17, and the ELL Common Shares thus exchanged shall be cancelled;
- (d) each ELL Common Share held by Privateco shall be cancelled without any repayment of capital thereof, or at the discretion of Privateco exchanged for one fully-paid and non-assessable Amalco Common Share; and
- (e) no fractional securities will be issued by Amalco and no cash will be paid in lieu thereof; any fraction resulting from the application of this Section 15 will be rounded to the nearest whole number with fractions of one half or greater being rounded to the next higher whole number and fractions of less than one half being rounded to the next lower whole number.

16. Stated Capital Accounts of Amalco Shares

The stated capital maintained for each class of shares in the capital of Amalco shall be determined as follows:

- (a) the stated capital of the Amalco Redeemable Preferred Shares shall be the aggregate redemption price thereof;
- (b) the aggregate stated capital of the Amalco Class A Special Shares and Amalco Common Shares shall be equal to the aggregate paid up capital (as defined in the Tax Act) attributable to the shares of the Amalgamating Corporations (other than shares of an Amalgamating Corporation held by another Amalgamating Corporation or by a Dissenting Shareholder) less the amount allocated to the stated capital for the Amalco Redeemable Preferred Shares in accordance with subsection

(a) and shall be allocated among the said Amalco Class A Special Shares and Amalco Common Shares in the following manner and priority:

- (i) the stated capital of the Amalco Class A Special Shares shall be equal to the lesser of (A) the stated capital of the Privateco Class A Special Shares and (B) the aggregate stated capital of the shares in the capital of the Amalgamating Corporations (other than shares of an Amalgamating Corporation held by another Amalgamating Corporation or by a Dissenting Shareholder) less the stated capital attributable to the Amalco Redeemable Preferred Shares as determined in accordance with subsection (a) above; and
- (ii) the stated capital of the Amalco Common Shares shall be equal to the lesser of (A) the stated capital of the Privateco Common Shares and (B) the aggregate stated capital of the shares in the capital of the Amalgamating Corporations (other than shares of an Amalgamating Corporation held by another Amalgamating Corporation or by a Dissenting Shareholder) less the stated capital attributable to the Amalco Redeemable Preferred Shares and the Amalco Class A Special Shares as determined in accordance with subsections (a) and paragraph (b)(i) above.

17. Issuance and Redemption of Amalco Redeemable Preferred Shares

No share certificates shall be issued in respect of the Amalco Redeemable Preferred Shares and such shares shall be evidenced by the certificates representing ELL Common Shares (other than certificates representing ELL Common Shares held by Dissenting Shareholders and Privateco). Following the Effective Time, the former holders of ELL Common Shares (other than those held by Privateco or by the Dissenting Shareholders) shall be entitled to receive cheques representing the aggregate Cash Consideration payable in respect of the Amalco Redeemable Preferred Shares into which their ELL Common Shares were converted upon surrender of the certificate(s) evidencing such shares held by them or on providing other satisfactory evidence of their entitlement thereto, together with such other documents as provided in Exhibit "A", Section 3(c)(iii).

At the Effective Time, share certificates evidencing ELL Common Shares shall cease to represent any claim upon or interest in ELL, Privateco or Amalco, as the case may be, other than the right of the holder to receive that which is provided for in Section 15 and Section 19 hereof.

18. Issuance of Amalco Common Share Certificates and Amalco Class A Special Share Certificates

On the Effective Date, the registered holders of the Privateco Common Shares and the Privateco Class A Special Shares shall cease to be holders of Privateco Common Shares and Privateco Class A Special Shares, respectively, and shall be deemed to be the registered holders of Amalco Common Shares and Amalco Class A Special Shares to which they are entitled in accordance with Section 15 hereof, and the share certificates evidencing Privateco Common Shares, Privateco Class A Special Shares shall cease to represent any claim upon or interest in Privateco or Amalco other

than the right of the holders thereof to receive, pursuant to the terms hereof, a certificate representing an equal number of Amalco Common Shares and Amalco Class A Special Shares, as applicable.

The registered holder of certificates representing Privateco Common Shares or Privateco Class A Special Shares will surrender such certificates representing such shares to the Depository, together with a completed Privateco Letter of Transmittal and, upon such surrender, shall be entitled to receive a certificate representing the number of Amalco Common Shares or Amalco Class A Special Shares, as applicable, to which such holder is entitled in accordance with Section 15 hereof as soon as possible, but in any event no later than 5 Business Days following the date of receipt of the certificates representing the shares of Privateco being exchanged, the completed Privateco Letter of Transmittal, together with such other documents as the Depository may, in its discretion, reasonably request.

19. Dissent Rights

ELL Common Shares which are held by a Dissenting Shareholder shall not be exchanged for Amalco Redeemable Preferred Shares on the Effective Date. However, if a ELL Shareholder fails to properly exercise its right to make a claim under Section 185 of the OBCA or waive, its right to make such a claim, or if such ELL Shareholder's rights as a shareholder of ELL are otherwise reinstated, each ELL Common Share held by such ELL Shareholder shall thereupon be deemed to have been exchanged for an Amalco Redeemable Preferred Share on the Effective Date.

20. Registrar and Transfer Agent

The Depository, at its offices in the City of Toronto, Province of Ontario, shall be the registrar and transfer agent for the Amalco Common Shares and the Amalco Class A Special Shares.

21. Termination

Without prejudice to any other rights or recourse of the parties, and notwithstanding any other provision hereof or the approval of the Amalgamation by the ELL Shareholders, upon the termination of the Business Combination Agreement in accordance with its terms at any time prior to the filing with the Director of the Articles of Amalgamation, this Agreement shall immediately and automatically terminate and be of no further force or effect, without further notice or delay.

22. Filing of Articles of Amalgamation

Upon the satisfaction or waiver of the conditions set forth in the Business Combination Agreement, and provided that this Agreement is not otherwise terminated in accordance with its terms, a director of Privateco shall file with the Director the Articles of Amalgamation and such other documents as may be required under the OBCA to give effect to the Amalgamation.

23. Interpretation Not Affected by Headings, etc.

The division of this Agreement into Sections and Exhibits is for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "herein", and "hereunder" and similar expressions refer to this Agreement and not to

any particular Section. Exhibit or other portion hereof and include any Exhibit, agreement or instrument supplementary or ancillary hereto.

24. Amendment

This Agreement may not be modified, amended, altered or supplemented except in accordance with the Business Combination Agreement.

25. Waiver

No waiver, whether by conduct or otherwise, of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provisions (whether or not similar) nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in an instrument duly executed by the parties to be bound thereby.

26. Binding Effect

This Agreement shall be binding upon and enure to the benefit of the parties and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

27. Assignment

No party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of the other party.

28. Counterparts and Facsimile Copies

This Agreement may be executed in separate counterparts, and all such counterparts when taken together shall constitute one agreement. This Agreement may be transmitted by facsimile or such other device as permits the reproduction of signatures, and the reproduction of signatures by such device shall be legally effective to create a valid and binding Agreement.

(The remainder of this page has intentionally been left blank)

29. Governing Laws

This Agreement shall be governed in all respects, including validity, interpretation and effect, by the Laws of the Province of Ontario and the federal laws of Canada applicable therein, without giving effect to any principles of conflict of Laws thereof which would result in the application of the Laws of any other jurisdiction, and all actions and proceedings arising out of or relating to this Agreement shall be heard and determined exclusively in the courts of the Province of Ontario.

IN WITNESS WHEREOF the parties have executed this Amalgamation Agreement as of the date first above written.

ELL VENTURES LTD.

**EVERYBODY LOVES
LANGUAGES CORP.**

By:

By:

Name: Gali Bar-Ziv

Name: Laurent Mareschal

Title: Director

Title: Chairman of the Independent
Committee of the Board of Directors

EXHIBIT "A"
SHARE PROVISIONS

The following are the rights, privileges, restrictions and conditions attaching to the Common Shares, Class A Special Shares and to the Redeemable Preferred Shares of Amalco.

1. Common Shares

The Common Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

(a) Voting Rights

The holders of the Common Shares shall be entitled to receive notice of and to attend any meetings of the shareholders of the Corporation and, at any meeting of the shareholders of the Corporation, shall be entitled to one vote in respect of each Common Share held.

(b) Dividends

The holders of the Common Shares shall, in the absolute discretion of the directors of the Corporation, be entitled to receive such dividends as may be declared by the Corporation, from time to time, in respect of the Common Shares.

(c) Liquidation, Dissolution or Winding Up

In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs (whether voluntary or involuntary), the holders of the Common Shares shall, subject to the rights of the holders of any other class of shares of the Corporation entitled to receive the property or assets of the Corporation upon such distribution in priority to or rateably with the holders of the Common Shares, be entitled to receive the remaining property and assets of the Corporation.

2. Class A Special Shares

The Class A Special Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

(a) Voting Rights

Except as otherwise provided by law, the holders of the Class A Special Shares shall not be entitled to receive notice of or to attend any meeting of the shareholders of the Corporation or to vote at any such meeting.

(b) Dividends

The holders of the Class A Special Shares shall be entitled to receive dividends and the Corporation shall pay dividends thereon, as and when declared by the Board of Directors out of monies properly applicable to the payment of dividends, in such amounts and in such form as the Board of Directors may determine from time to time, it being expressly acknowledged that the Board of Directors may declare and pay dividends on the Class A Special Shares to the exclusion of any other class of shares.

(c) **Class A Redemption Amount**

The redemption amount for each Class A Special Share (the "**Class A Redemption Amount**") shall be \$1.00.

(d) **Redemption by Corporation**

The Corporation may redeem at any time, in whole or in part, the outstanding Class A Special Shares on payment for each share to be redeemed of the Class A Redemption Amount, together with an amount equal to any declared but unpaid dividends thereon (the aggregate amount to be paid for each Class A Special Share to be redeemed being hereinafter called the "**Class A Redemption Price**") upon giving not less than 10 days written notice to the holders thereof at their last known address, which notice may be waived. The redemption notice shall set out the Class A Redemption Price and the date on which the redemption is to take place and, if only some of the shares held by the person to whom such notice is addressed are to be redeemed, the number thereof to be so redeemed: provided that, where there is more than one holder of the Class A Special Shares to be redeemed in part, than, unless otherwise agreed by such holders, such Class A Special Shares shall be redeemed *pro rata*.

On or after the date specified for the redemption, the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Class A Special Shares to be redeemed the Class A Redemption Price on presentation and surrender at the head office of the Corporation, or any other place designated in such notice, of the certificates representing the Class A Special Shares called for redemption and such Class A Special Shares shall thereupon be redeemed. If only some of the Class A Special Shares represented by any certificate are being redeemed, a new certificate for the balance of the Class A Special Shares which have not been redeemed shall be issued by the Corporation. From and after the date specified in any such redemption notice, the Class A Special Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Class A Redemption Price has not been made upon presentation of certificates in accordance with this section, in which case the rights of the holders thereof shall remain unaffected. In the event that the holder of any Class A Special Shares to be redeemed in accordance with this section does not surrender the certificates representing such shares on or before the date specified for redemption, then the Corporation shall have the right, at any time on or after such date, to redeem such

Class A Special Shares by depositing the Class A Redemption Price of such shares so called for redemption into a separate account at the Corporation's financial institution, and upon such deposit, such Class A Special Shares called for redemption shall be deemed to have been redeemed. Upon presentation and surrender of the certificates representing such Class A Special Shares so redeemed, the holder thereof shall be entitled to the release of the principal only on the amount held on deposit, less any costs incurred to maintain such account. Any interest accruing on such account shall be released to the Corporation.

(e) **Redemption by Holder**

A holder of Class A Special Shares shall be entitled to require the Corporation to redeem, at any time or times, some or all of the Class A Special Shares registered in the holder's name on the books of the Corporation by tendering to the Corporation at its head office written notice specifying the number of Class A Special Shares that the holder would like redeemed, the business day that the holder would like such shares to be redeemed, which in no event shall be earlier than 30 days following the Corporation's receipt of such notice unless otherwise agreed by the Corporation, and the share certificate representing the Class A Special Shares which the holder wishes to have the Corporation redeem.

Subject to any restrictions imposed by the Act, upon receipt of such request and the share certificate representing the Class A Special Shares which the holder wishes to have the Corporation redeem, the Corporation shall, on the date requested for the redemption of the Class A Special Shares, redeem such Class A Special Shares by paying to the holder an amount equal to the aggregate Class A Redemption Price for each Class A Special Share being redeemed. Upon such payment, the said Class A Special Shares shall be redeemed, and from and after such time, such shares shall cease to be entitled to dividends and the holder thereof shall not be entitled to exercise any of the rights of holders thereof.

(f) **Priority**

In the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs following the payment of the Redemption Price to the holders of Redeemable Preferred Shares, the holders of the Class A Special Shares shall be entitled to receive the Class A Redemption Price in priority to payment of any amounts to the holders of any other class of shares. Upon full payment of the Class A Redemption Price, the Class A Special Shares shall not be entitled to participate further in the distribution of assets of the Corporation.

3. Redeemable Preferred Shares

The Redeemable Preferred Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

(a) **Voting Rights**

Except as otherwise required by the Act, the holders of Redeemable Preferred Shares shall not have any voting rights for the election of directors or for any other purpose and shall not be entitled to receive notice of, or to attend any meetings of the shareholders of the Corporation.

(b) **Dividends**

The holders of the Redeemable Preferred Shares shall not be entitled to receive dividends.

(c) **Redemption**

(i) *Deemed Redemption*

Subject to the requirements of the Act, immediately after 12:01 a.m. (the "**Redemption Time**") on date of the Certificate of Amalgamation (the "**Effective Date**"), the Corporation shall be deemed to have redeemed and cancelled, as of the Redemption Time, each Redeemable Preferred Share then issued and outstanding, for an amount equal to \$0.085 per Redeemable Preferred Share in cash (the "**Redemption Price**"). Save as otherwise provide herein, no notice or other act or formality on the part of the Corporation shall be required to redeem the Redeemable Preferred Shares.

(ii) *Deposit of Redemption Price*

Prior to the Effective Time, the Corporation shall deliver or cause to be delivered to Computershare Investor Services Inc. (the "**Depositary**"), at its principal office in Toronto, Ontario, an amount equal to the aggregate Redemption Price of the Redeemable Preferred Shares redeemed by it pursuant to Section 3(c)(i). Delivery of such amount in such a manner shall be a full and complete discharge of the Corporation's obligations to pay the Redemption Price to the holders of the Redeemable Preferred Shares.

(iii) *Payment of Redemption Price*

The Depositary shall as soon as practicable after receipt by the Depositary, at its principal office in Toronto, Ontario, of:

- (A) a duly completed and executed letter of transmittal for use by the shareholders, in the form accompanying the notice of meeting and accompanying management information circular and form of proxy, sent to the shareholders of Everybody Loves Languages Corp. (a predecessor of the Corporation) in connection with the meeting of its shareholders held on March 3, 2026, as may be amended from time to time;

- (B) the certificate(s) which formerly represented common shares of Everybody Loves Languages Corp. which were converted into Redeemable Preferred Shares upon the Amalgamation; and
- (C) such other documents as the Depositary may, in its discretion reasonably request, pay and deliver or cause to be paid and delivered to the order of the respective holders of the Redeemable Preferred Shares, by way of cheque in an amount equal to the product of the Redemption Price and the number of Redeemable Preferred Shares represented by the certificate(s) so surrendered to the Depositary.

(d) **Rights**

From and after the Redemption Time, the holders of the Redeemable Preferred Shares shall not be entitled to exercise any of the rights of shareholders in respect thereof, except to receive the Redemption Price therefore; provided that if payment of the Redemption Price for any Redeemable Preferred Share is not duly made by or on behalf of the Corporation in accordance with the provisions hereof, then the rights of such holders shall remain unaffected. Under no circumstances shall interest on the Redemption Price be paid by the Corporation or the Depositary, whether as a result of any delay in paying the Redemption Price or otherwise.

(e) **Priority**

In the event of the liquidation, dissolution or winding-up of the Corporation or any other distribution of the property or assets of the Corporation among its shareholders for the purpose of winding-up its affairs, and subject to the extinguishment of the rights of holders of Redeemable Preferred Shares upon satisfaction of the Redemption Price in respect of each Redeemable Preferred Share as provided under Section 4(c), the holders of Redeemable Preferred Shares shall be entitled to receive and the Corporation shall pay to such holders, before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of Common Shares or any other class of shares ranking junior to the Redeemable Preferred Shares as to such entitlement, an amount equal to the Redemption Price for each Redeemable Preferred Share held by them respectively and no more. After payment to the holders of Redeemable Preferred Shares of the amounts so payable to them as herein provided, they shall not be entitled to share in any further distribution of the property or assets of the Corporation.

(f) **Certificate and Settlement Procedures**

Any certificate which is deemed, in accordance with the foregoing paragraph, to evidence Redeemable Preferred Shares, that is not deposited with all other instruments required by Section 3(c)(iii) hereof, on or prior to the second anniversary of the date the Certificate of Amalgamation was issued (the "**Surrender Date**") shall cease to represent a claim or interest of any kind or nature

as a shareholder or creditor of the Corporation. On such date, the former holder of the certificate referred to in the preceding sentence shall be deemed to have surrendered to the Corporation, for no consideration, an amount equal to the Redemption Price multiplied by the number of Redeemable Preferred Shares formerly represented by such certificate (the "**Surrendered Amount**"). The Corporation shall not be liable to any person in respect of the payment of the Surrendered Amount, or any portion thereof, including any public official pursuant to any applicable abandoned property, escheat or similar law. At any time after the Surrender Date, the Depositary shall pay to the Corporation any portion of the aggregate Redemption Price which relates to Redeemable Preferred Shares in respect of which the holder thereof has not submitted the documents required by Section 3(c)(iii) hereof. Any interest earned on the aggregate Redemption Price shall be paid by the Depositary to the Corporation.

APPENDIX C
BUSINESS COMBINATION AGREEMENT

See Next Page

NOTE: The Special Resolution and Amalgamation Agreement, which are schedules to the BCA, are not attached to the BCA attached as **Appendix C** as they are independent appendices to the Circular.

BUSINESS COMBINATION AGREEMENT

by and between

ELL VENTURES LTD.

and

EVERYBODY LOVES LANGUAGES CORP.

December 24, 2025

TABLE OF CONTENTS

Article 1 INTERPRETATION	2
1.1 Definitions.....	2
1.2 Currency.....	8
1.3 Accounting Terms.....	8
1.4 Date for Any Action.....	8
1.5 Interpretation Not Affected by Headings, etc.	9
1.6 No Strict Construction	9
1.7 Statutory References	9
1.8 Consent	9
1.9 Number, etc.....	9
1.10 Knowledge	9
1.11 Schedules	9
Article 2 THE AMALGAMATION	10
2.1 The Amalgamation.....	10
2.2 Information Circular	10
2.3 Recommendation and Valuation.....	11
2.4 ELL Meeting.....	11
2.5 Deposit of Cash Consideration	12
2.6 Filing of Articles of Amalgamation.....	12
2.7 Closing.....	12
2.8 Further Assurances.....	12
Article 3 REPRESENTATIONS AND WARRANTIES OF ELL AND PRIVATECO.....	13
3.1 Representations and Warranties of Privateco	13
3.2 Representations and Warranties of ELL	15
3.3 Survival of Representations and Warranties.....	16
Article 4 COVENANTS	16
4.1 Business Covenants of ELL.....	16
4.2 Further Covenants of ELL	18
4.3 Business Covenants of Privateco	19
4.4 Further Covenants of Privateco	19
4.5 Director and Officer liability	21

Article 5 CONDITIONS PRECEDENT	21
5.1 Mutual Conditions Precedent.....	21
5.2 Conditions to Obligations of Privateco.....	22
5.3 Conditions to Obligations of ELL.....	23
5.4 Notice and Cure Provisions	24
5.5 Merger of Conditions.....	24
Article 6 NOTICES.....	24
Article 7 TERMINATION.....	25
7.1 Automatic Termination.....	25
7.2 Termination.....	25
7.3 Termination Payment.....	27
7.4 Effect of Termination.....	27
Article 8 AMENDMENT	28
8.1 Amendment.....	28
8.2 Waiver.....	28
Article 9 NO SOLICITATION AND ALTERNATIVE TRANSACTION	29
9.1 No Solicitation	29
9.2 ELL's Right to Provide Information to Third Party	29
9.3 ELL Obligations to Provide Information to Privateco.....	30
9.4 ELL's Right re Superior Proposal	30
9.5 Right to Match	31
9.6 Reaffirmation of Recommendation.....	31
9.7 General.....	31
Article 10 CONFIDENTIALITY AND PUBLIC DISCLOSURE.....	32
10.1 Confidentiality	32
10.2 Public Disclosure	32
Article 11 GENERAL.....	32
11.1 Entire Agreement	32
11.2 Binding Effect/No Third-Party Beneficiaries	33
11.3 Assignment	33
11.4 Specific Performance and Other Equitable Rights	33
11.5 Time of Essence.....	33
11.6 Severability	33

11.7	Additional Purchaser/Support Agreements.....	33
11.8	Counterparts and Facsimile Copies	34
11.9	Governing Laws.....	34
	SCHEDULE "A" AMALGAMATION AGREEMENT	
	EXHIBIT "A" SHARE PROVISIONS.....	
	EXHIBIT "B" BY-LAWS OF AMALCO	
	SCHEDULE "B" SPECIAL RESOLUTION OF EVERYBODY LOVES LANGUAGES CORP..	
	SCHEDULE "C" SUPPORT AGREEMENT	
	SCHEDULE "D" GUARANTEE	

BUSINESS COMBINATION AGREEMENT

THIS BUSINESS COMBINATION AGREEMENT (this "**Agreement**") is made December 24, 2025,

B E T W E E N :

ELL VENTURES LTD.,
a corporation existing under the laws of Ontario.

(hereinafter called "**Privateco**")

EVERYBODY LOVES LANGUAGES CORP.,
a corporation existing under the laws of Ontario.

(hereinafter called "**ELL**")

W H E R E A S :

- A. ELL is a reporting issuer in the provinces of Ontario, British Columbia, Alberta, Nova Scotia and Newfoundland, whose common shares are listed for trading on the TSX Venture Exchange under the trading symbol "ELL". ELL is an edtech language-learning and content development company empowering language educators to easily transition from traditional teaching methods to digital learning by integrating education, edutainment, and technology (the "**Business**").
- B. Privateco is a private company that has been created for the sole purpose of completing the business combination contemplated herein.
- C. Privateco and ELL wish to complete a business combination, to be effected by way of the Amalgamation (as defined herein), and continue as one corporation in accordance with the terms and conditions hereof.
- D. Pursuant to the Amalgamation, the shareholders of ELL, other than Privateco and any Dissenting Shareholders (as defined herein), will receive one Amalco Redeemable Preferred Share (as defined herein) for each common share of ELL held by them, which preferred shares shall be redeemed immediately following the Effective Time (as defined herein) of the Amalgamation, for a redemption price of \$0.085 per share in cash.
- E. The board of directors of ELL (the "**ELL Board**") has unanimously determined (with Gali Bar-Ziv and Khurram Qureshi each declaring his interest and abstaining) that: (a) the Amalgamation is in the best interests of ELL; and (b) the Amalgamation is fair to the ELL Minority Shareholders; and accordingly, has unanimously approved (with Gali Bar-Ziv and Khurram Qureshi each declaring his interest and abstaining) the entering into of this Agreement and the Amalgamation Agreement (as defined herein) and the making of a recommendation that the ELL Shareholders vote all of their ELL Common Shares (as defined herein) in favour of the ELL Special Resolution (as defined herein).

- F. ELL and Privateco have, subject to the terms and conditions of this Agreement, agreed to proceed diligently, in a coordinated fashion, to apply for and obtain the necessary shareholder and regulatory approvals required to implement the Amalgamation and the steps preliminary thereto.
- G. Privateco and ELL desire to make certain representations, warranties, covenants and other agreements in connection with the Amalgamation.

NOW THEREFORE in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party, the parties hereto hereby covenant and agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Definitions

In this Agreement, unless there is something in the context or subject matter inconsistent therewith, the following defined terms shall have the meanings hereinafter set forth:

- (a) "**Agreement**", "**this Agreement**", "**herein**", "**hereby**", "**hereof**", "**hereunder**" and similar expressions mean or refer to this Agreement, together with the schedules hereto and any amendments hereto.
- (b) "**Aggregate Consideration**" has the meaning set forth in Section 2.5.
- (c) "**Amalco**" means the continuing corporation to be formed upon completion of the Amalgamation.
- (d) "**Amalco Common Shares**" means the common shares in the capital of Amalco having the rights, privileges, restrictions and conditions set forth in Exhibit A of the Amalgamation Agreement.
- (e) "**Amalco Redeemable Preferred Shares**" means the redeemable preferred shares in the capital of Amalco having the rights, privileges, restrictions and conditions set forth in Exhibit A of the Amalgamation Agreement.
- (f) "**Amalgamation**" means the amalgamation of Privateco and ELL pursuant to section 174 of the OBCA, on the terms and conditions set out in the Amalgamation Agreement, subject to any amendments or variations made in accordance with this Agreement.
- (g) "**Amalgamation Agreement**" means the amalgamation agreement between Privateco and ELL, substantially in the form attached hereto as Schedule A, subject to any amendments or variations made in accordance with the Amalgamation Agreement.

- (h) "**Articles of Amalgamation**" means the Articles of Amalgamation required to be filed with the Director with respect to the Amalgamation.
- (i) "**Business**" has the meaning set forth in Recital A hereof.
- (j) "**Business Day**" means any day other than a Saturday or Sunday or a day when banks in the City of Toronto, Ontario are not generally open for business.
- (k) "**Cash Consideration**" has the meaning set forth in Section 2.5 hereof.
- (l) "**Certificate of Amalgamation**" means the Certificate of Amalgamation for the Amalgamation issued by the Director in accordance with section 178(4) of the OBCA.
- (m) "**Competing Transaction**" means any of the following (other than the Amalgamation and other transactions contemplated herein):
 - (i) an offer by a Person other than Privateco relating to an amalgamation, merger, consolidation, share exchange, business combination, recapitalization, liquidation, dissolution or other similar transaction involving ELL;
 - (ii) an offer by a Person other than Privateco relating to a sale, lease, exchange, transfer or other disposition of all or a substantial part of the assets of ELL; or
 - (iii) any takeover bid, tender offer or exchange offer (including a two-step transaction involving a take-over bid, tender offer or exchange offer followed by an amalgamation, a merger or a comparable transaction involving ELL) that, if consummated, would result in any Person beneficially owning 10% or more of any class of equity securities of ELL other than Privateco.
- (n) "**Constating Documents**" means, with respect to a Person, its articles of incorporation, amalgamation or continuance, as applicable, articles of amendment, if any, and its by-laws, all as amended, supplements, restated and replaced from time to time.
- (o) "**Contract**" means any agreement, arrangement, contract, indenture, lease, deed of trust, license, option, undertaking, promise or any other commitment or obligation, whether oral or written.
- (p) "**Depository**" means Computershare Investor Services Inc.
- (q) "**Director**" means the director appointed under section 278 of the OBCA.
- (r) "**Dissenting Shareholder**" has the meaning set forth in the Amalgamation Agreement.

- (s) "**Dissent Rights**" has the meaning set forth in the Amalgamation Agreement.
- (t) "**Effective Date**" means the effective date of the Amalgamation, which shall be the date of the Certificate of Amalgamation.
- (u) "**Effective Time**" means 12:01 a.m. (Eastern Time) on the Effective Date or such other time as Privateco and ELL, each acting reasonably, may agree to in writing by writing by amending the Amalgamation Agreement.
- (v) "**ELL**" has the meaning set forth in the preamble of this Agreement.
- (w) "**ELL Board**" has the meaning set forth in Recital E of this Agreement.
- (x) "**ELL Change in Recommendation**" has the meaning set forth in Section 9.4(b).
- (y) "**ELL Common Shares**" means the issued and outstanding common shares in the capital of ELL.
- (z) "**ELL Meeting**" means the annual and special meeting of the ELL Shareholders to among other matters, consider and, if deemed advisable, approve the ELL Special Resolution and certain other related matters.
- (aa) "**ELL Minority Shareholders**" means the ELL Shareholders whose votes may be counted for the purposes of obtaining minority shareholder approval of the ELL Special Resolution in accordance with Section 8.1 of Multilateral Instrument 61-101.
- (bb) "**ELL Options**" means the 3,350,000 outstanding stock options of ELL with an exercise price of \$0.07 per ELL Common Share.
- (cc) "**ELL RSUs**" means the 1,900,000 outstanding restricted stock units of ELL.
- (dd) "**ELL Shareholder Approval**" means the approval of the ELL Special Resolution by: (i) two-thirds of the votes cast by the ELL Shareholders present in person or represented by proxy at the ELL Meeting; and (ii) a majority of the votes cast by the ELL Minority Shareholders present in person or represented by proxy at the ELL Meeting.
- (ee) "**ELL Shareholders**" means the holders of ELL Common Shares.
- (ff) "**ELL Special Resolution**" means the special resolution of the ELL Shareholders approving the Amalgamation, the text of which is substantially in the form attached hereto as Schedule B.
- (gg) "**ELL Valuator**" means MNB Valuation Inc.
- (hh) "**Environmental Laws**" means any Law, permit, authorization and opinion relating to: (i) the environment, human health or safety associated with the environment, or

natural resources; (ii) the storage, handling, use, presence, disposal, release or threatened release of any hazardous substance: or (iii) noise, odour, wetlands, pollution, contamination or any injury or threat of injury to persons or property.

- (ii) "**Governmental Authority**" means: (i) any domestic or foreign, national, federal, provincial, state, county, local, municipal or regional government or body; (ii) any multinational, multilateral or international body; (iii) any subdivision, agency, commission, board, instrumentality or authority of any of the foregoing governments or bodies; (iv) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing governments or bodies; (v) any domestic, foreign, international, multilateral or multinational judicial, quasi-judicial, arbitration or administrative court, tribunal, commission, board or panel; or (vi) any Securities Regulator.
- (jj) "**Guarantee**" has the meaning set forth in Section 3.1(k).
- (kk) "**IFRS**" means International Financial Reporting Standards, a global set of accounting rules developed by the IFRS Foundation and the International Accounting Standards Board (IASB) for preparing financial statements.
- (ll) "**including**" means including without limitation.
- (mm) "**Indemnified Person**" has the meaning set forth in Section 4.5(a).
- (nn) "**Independent Committee**" means the independent committee of the ELL Board, which is comprised of independent directors and was created for purposes of reviewing the Amalgamation and making a recommendation to the ELL Board.
- (oo) "**Information Circular**" means the notice of annual and special meeting, proxy form and management proxy circular of ELL to be forwarded by ELL to the ELL Shareholders in connection with the ELL Meeting.
- (pp) "**Laws**" means all laws, statutes, codes, ordinances, decrees, consent decrees, rules, regulations, by-laws, statutory rules, policies, judicial or arbitral or administrative or ministerial or departmental judgments, orders, decisions, rulings, letters of finding or awards, agency requirements, including general principles of common and civil law, and terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority, statutory body or self-regulatory authority, including Environmental Laws, Securities Legislation and Laws relating to Taxes.
- (qq) "**Material Adverse Change**" means any change, event, circumstance, fact or occurrence that, taken alone or in the aggregate with any other change, event, circumstance, fact or occurrence: (x) is or is reasonably likely to be materially adverse to, or to have a material adverse effect on, the business, results of operations, assets, liabilities (whether accrued, matured, unmatured, absolute, contingent or otherwise), condition (financial or otherwise) or capital of ELL and its subsidiaries, taken as a whole; or (y) is or is reasonably likely to prevent or

materially delay or impede ELL from performing its obligations under this Agreement, other than any change, event, circumstances, fact or occurrence:

- (i) relating to Canadian or global economic or political conditions or securities markets in general;
- (ii) affecting the Canadian or international edtech industry in general;
- (iii) relating to a change in the market trading price of the ELL Common Shares:
 - (A) related to this Agreement or the announcement thereof; or
 - (B) related to such a change in that market trading price primarily resulting from an effect excluded from this definition of Material Adverse Change under clause (i), (ii), (iv), (v), (vi), (vii) or (viii) hereof;
- (iv) relating to any generally applicable change in applicable Laws or regulations (other than orders, judgments or decrees against ELL);
- (v) relating to generally applicable changes in IFRS; or
- (vi) arising from any action expressly contemplated by this Agreement;

provided, however, that such change, event, circumstance, fact or occurrence referred to in clause (i), (ii) or (iv) above does not have a materially disproportionate effect on ELL, compared to other companies operating in the industry in which ELL operates.

- (rr) "**OBCA**" means the *Business Corporations Act* (Ontario), as now in effect and as from time to time amended or re-enacted and includes any regulations promulgated thereunder.
- (ss) "**Outside Date**" means March 31, 2026, or such later date as may be agreed to in writing by Privateco and ELL.
- (tt) "**Person**" means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, authority or entity however designated or constituted.
- (uu) "**Principal Shareholders**" means, collectively: (i) those persons who may enter into Support Agreements; and (ii) any Person who is a director or senior officer of ELL and owns any ELL Common Shares.
- (vv) "**Proposed Agreement**" has the meaning set forth in Section 9.4.

- (ww) "**Representatives**" has the meaning set forth in Section 9.1.
- (xx) "**Securities Act**" means the *Securities Act* (Ontario), as in effect as of the date hereof and as may be amended from time to time prior to the Effective Time.
- (yy) "**Securities Legislation**" means all applicable securities Laws in the provinces of Canada, all as now enacted or as the same may from time to time be amended, re-enacted or replaced, the applicable rules, regulations, rulings, orders and forms made or promulgated under such Laws, and includes the applicable published policy statements of, and any exempting orders issued by, the Securities Regulators, as well as the rules, regulations, by-laws and policies of the TSXV.
- (zz) "**Securities Regulators**" means, collectively; (i) the securities commission or similar regulatory authority in each of the provinces and territories of Canada that are entitled to exercise jurisdiction over Privateco or ELL; and (ii) the TSXV.
- (aaa) "**Superior Proposal**" means an unsolicited bona fide written offer made by a third party to consummate a Competing Transaction on terms (including conditions to consummation of the contemplated transaction) that the ELL Board determines, in its good faith judgment (after consultation with its financial and legal advisors):
- (i) would, if consummated in accordance with its terms (but not assuming away the risks set out in (ii) below be, after taking into consideration ELL's obligation to remit the Termination Payment to Privateco, more favourable, from a financial point of view, to the ELL Minority Shareholders than the Amalgamation contemplated in this Agreement (including any amendments to this Agreement proposed in writing or entered into in accordance with Section 9.5 of this Agreement));
 - (ii) is reasonably capable of being consummated without undue delay having regard to financial, legal, regulatory and other matters;
 - (iii) that is not subject to a due diligence condition; and
 - (iv) which, to the extent it offers cash consideration, is fully financed.
- (bbb) "**Support Agreements**" means the support agreements substantially in the form attached hereto as Schedule C (each, a "**Support Agreement**") that Privateco may enter with each Principal Shareholder and such other beneficial and legal owners of ELL Common Shares as may agree to enter into such Support Agreements, pursuant to which, among other things, such persons agree, subject to the terms and conditions of the applicable Support Agreement, to vote or cause the ELL Common Shares held by or beneficially owned by them to be voted in favour of the ELL Special Resolution, the foregoing being subject to the terms and conditions of this Agreement;
- (ccc) "**Privateco**" has the meaning set forth in the preamble of this Agreement.

- (ddd) "**Taxes**" means: (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Authority, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, real or personal property, health, employee health, payroll, workers' compensation, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions and any other assessment, levy and contributions required to be paid in respect of employees pursuant to any income tax legislation, work-related or employment-related legislation; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority on or in respect of amounts of the type described above; and (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period.
- (eee) "**Termination Payment**" means \$250,000.
- (fff) "**Termination Payment Event**" has the meaning set forth in Section 7.3.
- (ggg) "**Term Loan**" means the \$1,500,000 term loan arranged by Privateco with a Canadian Schedule I bank for the purpose of completing the Amalgamation.
- (hhh) "**TSXV**" means the TSX Venture Exchange Inc.
- (iii) "**Valuation**" means the Estimate Valuation Report dated October 27, 2025, of the ELL Valuator provided to the ELL Board which provides a fair market value of ELL of \$2,700,000 under Scenario 1 and \$3,700,000 under Scenario 2.

1.2 Currency

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada.

1.3 Accounting Terms

Except to the extent otherwise expressly provided, the accounting terms used in this Agreement shall be construed and interpreted in accordance with IFRS applied on a consistent basis.

1.4 Date for Any Action

In the event that any date on which any action is required to be taken hereunder by any of the parties is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

1.5 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles and sections is for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "herein", and "hereunder" and similar expressions refer to this Agreement and not to any particular article, section or other portion hereof and include any Schedule, agreement or instrument supplementary or ancillary hereto.

1.6 No Strict Construction

The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

1.7 Statutory References

A reference to a statute includes all rules and regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation or rule which amends, supplements or supersedes any such statute or any such regulation or rule.

1.8 Consent

Whenever a provision of this Agreement requires an approval or consent of a party to this Agreement and such approval or consent is not delivered within the applicable time limit, then, unless otherwise specified, the party whose consent or approval is requisite shall be conclusively deemed to have withheld its approval or consent.

1.9 Number, etc.

Words importing the singular number shall include the plural and vice versa, words importing the use of any gender shall include all genders and words importing Persons shall include firms and corporations and vice versa.

1.10 Knowledge

Whenever any representation or warranty contained in this agreement is expressly qualified by reference to the knowledge of a Person, as applicable, it shall be defined to refer to the actual knowledge after having made due inquiry of such Person and, if an entity, its directors and officers.

1.11 Schedules

The following schedules attached hereto form part of and are incorporated in this Agreement:

Schedule A Form of Amalgamation Agreement

Schedule B	Special Resolution of ELL Shareholders
Schedule C	Form of Support Agreement
Schedule D	Form of Guarantee

ARTICLE 2
THE AMALGAMATION

2.1 The Amalgamation

The Amalgamation will be implemented in accordance with, and subject to the terms and conditions contained in this Agreement and the Amalgamation Agreement as the same may be amended in accordance herewith or therewith.

Without limiting the generality of the foregoing, it is hereby confirmed that, at the Effective Time Privateco and ELL shall amalgamate to form Amalco (all in accordance with the Amalgamation Agreement) and upon the Amalgamation: (a) each ELL Common Share (other than the ELL Common Shares held by Privateco or Dissenting Shareholders) shall be exchanged for an Amalco Redeemable Preferred Share, which share shall be immediately redeemed for \$0.085 cash, (b) and each ELL Common Share held by Privateco shall be cancelled without any repayment of capital in respect thereof, and (c) each Privateco Common Share and Privateco Class A Special Share shall be exchanged for one Amalco Common Share and one Amalco Class A Special Share, respectively.

For greater certainty, each of the parties, subject to the terms and conditions hereof, hereby consents to the implementation of the Amalgamation Agreement and the transactions contemplated thereby, and in connection with the implementation of the Amalgamation Agreement and the transactions contemplated thereby will take all necessary steps and proceedings to implement the Amalgamation.

2.2 Information Circular

- (a) Privateco shall, and shall cause its directors, officers and advisors to provide such assistance to ELL as ELL may reasonably request in connection with:
 - (i) the preparation of the Information Circular;
 - (ii) the preparation of any other documents required by the Securities Act or other applicable Laws in connection with the ELL Meeting and the Amalgamation; and
 - (iii) any other matters related to the ELL Meeting and the Amalgamation (including the establishment of a record date and giving notice for the ELL Meeting).
- (b) Without limiting the generality of the foregoing, Privateco shall furnish to ELL all such information concerning Privateco, its affiliates, associates, directors, officers

and securityholders as may reasonably be required by ELL in the preparation of the Information Circular and any of the other documents required by the Securities Act or other applicable Securities Laws in connection with the ELL Meeting and the Amalgamation, and Privateco shall ensure that such information will contain no untrue statement of a material fact and will not omit to state a material fact that is required to be stated or that is necessary to make a statement therein not misleading in light of the circumstances in which it will be made.

2.3 Recommendation and Valuation

Subject to the terms and conditions of this Agreement, ELL shall include in the Information Circular the recommendation of the ELL directors that ELL Shareholders vote all of their ELL Common Shares in favour of the ELL Special Resolution (Privateco acknowledging and agreeing that such recommendation may be withdrawn, amended, modified or qualified as provided in this Agreement).

ELL represents that the Independent Committee has received, orally the Valuation. A copy of the written opinion of the ELL Valuator, promptly upon receipt thereof, will be delivered to Privateco and will, subject to the terms and conditions of this Agreement, be included in the Information Circular.

2.4 ELL Meeting

Subject to the terms and conditions of this Agreement, ELL will use its commercially reasonable efforts to:

- (a) upon the execution of this Agreement, issue and/or file within the prescribed period all documents required to be issued and/or filed under applicable Securities Legislation in connection with the execution of this Agreement;
- (b) convene and hold the ELL Meeting as soon as reasonably practicable after the date hereof, and in any event no later than March 3, 2026, provided that if Privateco has not complied with its covenants under Section 2.2, then the ELL Meeting shall be held as soon as reasonably practicable after the date Privateco has complied with its covenants' under Section 2.2;
- (c) ensure that the content of the information Circular contains the information prescribed by applicable Securities Laws;
- (d) obtain the approval of the ELL Board (other than Messrs. Gali Bar-Ziv and Khurram Qureshi) of the Information Circular on a timely basis, provided that in no event shall the ELL Board be required to approve the Information Circular until Privateco has complied with its covenants under Section 2.2;
- (e) make the necessary arrangements for the mailing of (and mail to the ELL Shareholders) the Information Circular and other documentation required in connection with the ELL Meeting in accordance with applicable Laws and file the Information Circular with securities authorities and the TSXV in accordance with

applicable Securities Legislation. For greater certainty, the Information Circular shall also be subject to the prior review and approval of Privateco;

- (f) obtain ELL Shareholder Approval and solicit proxies for the approval of the ELL Special Resolution (including if so requested by Privateco, acting reasonably, and at Privateco's expense, using the services of proxy solicitation agents); and
- (g) hold and conduct the ELL Meeting in accordance with Constatng Documents of ELL and applicable Laws.

Subject to the terms and conditions of this Agreement, ELL shall not postpone or adjourn or cancel the ELL Meeting without Privateco's prior written consent.

2.5 Deposit of Cash Consideration

In satisfaction of its obligations to pay the Aggregate Consideration, immediately prior to the filing by Privateco of the Articles of Amalgamation with the Director as provided in Section 2.6; Privateco shall deliver or cause to be delivered to the Depositary, an amount, by way of immediately available funds, to be held in escrow (the terms and conditions of such escrow to be satisfactory to the parties and the Depositary, acting reasonably), equal to the product of \$0.085 in cash (the "**Cash Consideration**") and the number of Amalco Redeemable Preferred Shares to be issued pursuant to the Amalgamation (assuming that no ELL Shareholder exercises Dissent Rights) (the "**Aggregate Consideration**").

2.6 Filing of Articles of Amalgamation

Upon the satisfaction or waiver (subject to applicable Laws) of the conditions (other than conditions that, by their terms are to be satisfied on the Effective Date, but subject to the satisfaction or waiver (where permitted) of those conditions as of the Effective Date) set forth in Sections 5.1, 5.2, and 5.3 (and in any event no later than two Business Days following such satisfaction or waiver) and provided that this Agreement is not otherwise terminated in accordance with its terms, Privateco shall file or cause to be filed with the Director the Articles of Amalgamation and such other documents as may be required under the OBCA to give effect to the Amalgamation.

2.7 Closing

The closing of the transactions contemplated hereby shall take place at the Toronto offices of Fogler, Rubinoff LLP at 11:00 a.m. (Eastern time) on the Effective Date.

2.8 Further Assurances

Subject to the terms and conditions of this Agreement, the parties agree to cooperate in good faith and to use their respective reasonable commercial efforts to consummate the Amalgamation and other transactions contemplated hereby in accordance with the terms and provisions of this Agreement. Without limiting the generality of the foregoing, each party agrees to use its respective reasonable commercial efforts to obtain any applicable regulatory authorizations, approvals, orders, declarations, waivers and consents required for consummation of the Amalgamation, and

to satisfy the conditions precedent thereto, to the extent they are within such party's power in a timely and expeditious manner.

Each party shall, from time to time, and at all times hereafter, at the request of another party hereto, but without further consideration, do all such further acts and execute and deliver all such further documents and instruments as shall be reasonably required in order to fully perform, carry out or better evidence the terms and intent hereof.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF ELL AND PRIVATECO

3.1 Representations and Warranties of Privateco

Privateco hereby represents and warrants to and in favour of ELL as follows, and acknowledges that ELL is relying upon these representations and warranties in connection with the entering into of this Agreement:

- (a) Privateco is a corporation duly incorporated validly existing and in good standing under the Laws of Province of Ontario and has full corporate power and authority to own its assets and conduct its business as now owned and conducted;
- (b) at the Effective Time, Privateco shall have no assets, other than ELL Common Shares and cash. Privateco has not commenced any commercial operations and has not, and will not, carry on any business other than the completion of the Amalgamation;
- (c) Privateco has the requisite corporate power, capacity and authority to enter into this Agreement and the Amalgamation Agreement on the terms and conditions set forth herein and therein and all other agreements or instruments contemplated hereby and thereby, and to perform its obligations hereunder and thereunder (including the consummation by it of the Amalgamation);
- (d) the entering into and performance of this Agreement and the Amalgamation Agreement and of the other agreements or instruments contemplated hereby and thereby, and the transactions contemplated herein and therein by Privateco and the consummation of the Amalgamation will not violate Privateco's Constatng Documents; will not give any Person any right to terminate or cancel any material Contract or any right enjoyed by Privateco because of such agreement; and will not result in the violation of any applicable Law, order, judgment, or decree by which Privateco is bound;
- (e) the execution and delivery of this Agreement and the Amalgamation Agreement by Privateco, and the performance of its obligations hereunder and thereunder, including the consummation by it of the Amalgamation, have been duly and validly authorized by all necessary corporate action on its part (including approval of the board of directors of Privateco and its shareholders), and no other corporate action or corporate proceedings on the part of Privateco are necessary to authorize its

execution and delivery of this Agreement, the performance by it of its obligations hereunder or the consummation of the Amalgamation;

- (f) the authorized capital of Privateco consists of an unlimited number of common shares, and will as of the Effective Date also consist of an unlimited number of Class A Special Shares and no Person has any outstanding agreement, option, warrant or right to purchase or acquire, or any other right or privilege capable of becoming an agreement for the purchase or acquisition of, any of the unissued share capital of Privateco or any other unissued securities of Privateco, and there are no outstanding securities or instruments which are convertible into or exchangeable for securities of Privateco;
- (g) Privateco has not incurred any obligation or liability, contingent or otherwise, for broker's fees, commissions or finder's fees or other similar fees in respect of the transactions contemplated herein;
- (h) this Agreement and the Amalgamation Agreement each constitutes a legal, valid and binding obligation of Privateco enforceable against it in accordance with its terms, subject, however, to limitations imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance or injunction are granted at the discretion of a court of competent jurisdiction;
- (i) other than filings with the Director under the OBCA, no notices, reports or other filings are required to be made by Privateco with, nor are any consents, registrations, approvals, permits or authorizations required to be obtained by Privateco, from any Governmental Authority in connection with the execution and delivery of this Agreement or the Amalgamation Agreement by Privateco and the performance of its obligation hereunder and thereunder and the consummation of the transactions contemplated herein or therein by Privateco;
- (j) there is no proceeding pending against, or to the knowledge of Privateco and its shareholders, threatened against or affecting Privateco that in any manner challenges or seeks to prevent, enjoin, alter or materially delay the Amalgamation or any of the other transactions contemplated hereby;
- (k) concurrently with the execution of this Agreement, Privateco has caused each of Gali Bar-Ziv and Khurram Qureshi to execute and deliver to ELL a guarantee (the "**Guarantee**") of the obligations of Privateco hereunder, which Guarantee is as set out on Schedule D and is in full force and effect and is a valid, binding and enforceable obligation of each of Gali Bar-Ziv and Khurram Qureshi, and no event has occurred which, with or without notice, lapse of time or both, would constitute a default on the part of any of Gali Bar-Ziv and Khurram Qureshi under the Guarantee;
- (l) at the time required under this Agreement and the Amalgamation Agreement, Privateco shall have the required funds to carry out its obligations under this

Agreement and the Amalgamation Agreement and the transactions contemplated hereby and thereby, including the payments of the Aggregate Consideration under the Amalgamation Arrangement and the payment of all fees and expenses incurred by the Privateco in connection herewith and therewith;

- (m) Privateco and its affiliates, associates, directors, officers and securityholders own, or have control or direction over, 3,500,000 ELL Common Shares, 1,750,000 ELL Options and 1,540,000 ELL RSUs;
- (n) neither Privateco nor any of its affiliates, associates, directors, officers or securityholders is a party to any agreement, arrangement or understanding (except for the Support Agreements which may be entered into after the date hereof in accordance with the terms of this Agreement) for the purposes of acquiring, holding, voting, disposing of or otherwise in respect of any of the ELL Common Shares, except for the Support Agreements; and
- (o) except as disclosed by Privateco in writing to ELL on (or prior to) the date hereof, no person is or will be an "interested party" (within the meaning of Multilateral Instrument 61-101 — *Protection of Minority Security Holders in Special Transactions*) in connection with or as a consequence of the transactions contemplated by this Agreement or the Amalgamation Agreement.

3.2 Representations and Warranties of ELL

ELL hereby represents and warrants to and in favour of Privateco as follows, and acknowledges that Privateco is relying upon these representations and warranties in connection with the entering into of this Agreement;

- (a) ELL is a corporation duly incorporated, validly existing and in good standing under the laws of Province of Ontario and has full corporate power and authority to own its assets and conduct its business as now owned and conducted;
- (b) ELL has the requisite corporate power, capacity and authority to enter into this Agreement on the terms and conditions set forth herein and to perform its obligations hereunder;
- (c) the execution and delivery of this Agreement by ELL and the performance of its obligations hereunder, including the consummation by it of the Amalgamation, have been duly and validly authorized by all necessary corporate action on its part (other than the approvals described in this Section 3.2(c)), and no other corporate action or corporate proceedings on the part of ELL are necessary to authorize its execution and delivery of this Agreement or the performance by it of its obligations hereunder (other than obtaining the necessary approvals or consents, including the requisite ELL Shareholder Approval and the approval by the ELL Board of the Information Circular);
- (d) this Agreement (for the avoidance of doubt, excluding the Amalgamation Agreement) constitutes a valid and binding obligation of ELL enforceable against

it in accordance with its terms, subject only to limitations imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance or injunction are granted at the discretion of a court of competent jurisdiction;

- (e) the authorized capital of ELL consists of an unlimited number of common shares and an unlimited number of preferred shares, of which, as of the date hereof, 35,642,524 ELL Common Shares are issued and outstanding as fully paid and non-assessable shares, and the following convertibles securities of ELL are outstanding: 3,350,000 ELL Options; and 1,900,000 ELL RSUs. ELL has no other equity or voting securities issued or outstanding;
- (f) ELL is a "reporting issuer" as that term is defined in the applicable Securities Legislation in each of British Columbia, Alberta, Ontario, Nova Scotia and Newfoundland and Labrador, and is not on the list of reporting issuers in default under the Securities Legislation;
- (g) the ELL Common Shares are currently listed and posted for trading on the TSXV;
- (h) other than fees payable to its financial and legal advisors, the Independent Committee has not caused ELL to incur any obligation or liability, contingent or otherwise, for broker's fees, commissions or finder's fees or other similar fees in respect of the transactions contemplated herein; and
- (i) the information concerning ELL to be furnished by ELL and set forth in the Information Circular will contain no untrue statement of a material fact and will not omit to state a material fact that is required to be stated or that is necessary to make a statement therein not misleading in light of the circumstances in which it will be made, and such information in the Information Circular will provide ELL Shareholders with information in sufficient detail to enable reasonable shareholders to form a reasoned judgment on the matters to be acted upon by the Shareholders at the ELL Meeting.

3.3 Survival of Representations and Warranties

The representations and warranties of the parties contained in this Agreement will not survive the consummation of the Amalgamation and will expire and be terminated at the earlier of the Effective Time and the date this Agreement is terminated in accordance with its terms.

ARTICLE 4 **COVENANTS**

4.1 Business Covenants of ELL

During the period from the date of this Agreement and continuing until the earlier of the termination of this Agreement or the Effective Date, except as expressly contemplated by this Agreement, the ELL Board shall not, without the prior written consent of Privateco (which consent shall not be unreasonably conditioned, withheld or delayed) do anything to cause ELL: (x) to

conduct its business outside of the usual, regular and ordinary course in a manner substantially different than as heretofore conducted; or (y) to not pay its debts and taxes when due and except as expressly contemplated by this Agreement, the ELL Board shall not, without the prior written consent of Privateco (which consent shall not be unreasonably conditioned, withheld or delayed), from and after the date of this Agreement cause ELL to:

- (a) alter or amend in any way its Constatng Documents as the same exist at the date of this Agreement;
- (b) reorganize, amalgamate or merge with any Person or other business organization whatsoever other than Privateco;
- (c) issue or commit to issue any shares or rights, including for greater certainty any restricted stock units, warrants or options to purchase such shares, or any securities convertible into such shares, warrants or options, other than in connection with the exercise or settlement of any existing ELL Options or ELL RSUs;
- (d) split, combine or reclassify any outstanding shares;
- (e) declare, pay or set aside any dividends or provide for any distribution of its properties or assets, or make any payment by way of return of capital, to any Shareholders;
- (f) redeem, purchase or offer to purchase any of its shares or other securities;
- (g) incur or commit to incur any indebtedness for borrowed money or issue any debt securities, other than utilization, in the ordinary course of business, operating credit facilities in existence on the date of this Agreement;
- (h) sell, pledge, lease, dispose of, grant any interest in encumber or agree to sell, pledge, lease, dispose of, grant any interest in or encumber any of its assets other than in the ordinary course of business consistent with past practices;
- (i) enter into any material Contract out of the ordinary course of business;
- (j) acquire or agree to acquire (by merger, amalgamation, acquisition of securities or assets or otherwise) any Person or other business organization or division or any assets or properties of a material nature;
- (k) enter into any employment, consultancy or severance agreements or other arrangements with any of its directors or officers;
- (l) engage in any business enterprise or other activity materially different from that carried on or intended to be carried on as at the date hereof;
- (m) enter into any transaction with or make payments to a party or parties with whom ELL does not deal at arm's length, other than in the ordinary course of business consistent with past practices;

- (n) make any expenditures or enter into any commitment or transaction exceeding \$10,000 individually or \$25,000 in the aggregate (Privateco acknowledging and agreeing that the foregoing shall not preclude ELL from paying, at or prior to the Effective Time, for all legal, financial, advisory, accounting and Independent Committee fees and other costs and expenses incurred in connection with the preparation, execution and delivery of this Agreement and the consummation of the Amalgamation and other transactions contemplated by this Agreement);
- (o) subject to Section 4.5. to do anything which would prevent it from maintaining in good standing or renewing, as the case may be, the same insurance coverage on and in respect of the business and assets of ELL that is in effect on the date hereof; or
- (p) grant any director, officer or employee who has a policy-making function any increase in compensation or the severance or termination pay or other benefit, or enter into any employment or consulting agreement with any such director, officer or employee, or pay any bonus to hire, promote, demote, change the title of or terminate any such individual;

provided that Privateco shall be deemed to have consented to such action if Mr. Gali Bar-Ziv consents to or otherwise approves such action in writing.

4.2 Further Covenants of ELL

ELL covenants and agrees with Privateco that ELL will:

- (a) subject to applicable Laws, except for non-substantive communications with ELL Shareholders, furnish promptly to Privateco a copy of each notice, report, schedule or of her document delivered, filed or received by ELL in connection with:
 - (i) the Amalgamation;
 - (ii) any filings under applicable Laws in connection with the transaction contemplated herein; and
 - (iii) any dealings with any Governmental Authorities in connection with the transactions contemplated herein; and
- (b) as soon as reasonably practicable after the date hereof, it shall, use all commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder set forth in Article 5 to the extent the same is within its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the Amalgamation as soon as reasonably practicable including using all commercially reasonable efforts:
 - (i) to obtain all necessary consents, assignments or waivers from third parties and amendments or terminations to any instrument or Contract and take

such other measures as may be necessary to fulfill its obligations under, and to carry out the transactions contemplated by, this Agreement (if any);

- (ii) make other necessary filings and applications under applicable Laws and regulations required on the part of it in connection with the transactions contemplated herein (if any), and take all reasonable action necessary to be in compliance with such Laws;
- (iii) defend all lawsuits or other legal, regulatory or other proceedings in respect of it challenging or affecting this Agreement, the Amalgamation Agreement or the consummation of the transaction contemplated hereby or thereby; and
- (iv) have lifted or rescinded any injunction or restraining order or other order, or to avoid an application for any such order which may adversely affect the ability of it to consummate the Amalgamation or the transactions contemplated in this Agreement or the Amalgamation Agreement.

In addition, the ELL Board shall not knowingly take, agree to or authorize, any action that would: (i) except as expressly permitted under Article 9, materially adversely interfere or be materially inconsistent with the consummation of the transactions contemplated under this Agreement; (ii) prevent ELL from performing, its covenants hereunder; or (iii) cause or result in any of ELL's representations and warranties contained herein being untrue or incorrect in any material respect as of the Effective Date as though such representations and warranties had been made at and as of such time (except to the extent such representations and warranties speak of an earlier date).

4.3 Business Covenants of Privateco

Privateco covenants and agrees with ELL that it will not from the date of execution hereof to and including the Effective Date, without the prior written consent of ELL:

- (a) alter or amend in any way its Constatng Documents as the same exist at the date of this Agreement;
- (b) reorganize, amalgamate or merge with any other Person or other business organization whatsoever other than ELL; or
- (c) perform any act or enter into any transaction or negotiation which might materially adversely interfere or be materially inconsistent with the consummation of the transactions contemplated under this Agreement (including for the avoidance of doubt incurring or assuming any material liabilities (whether accrued, matured, unmatured, absolute, contingent or otherwise)).

4.4 Further Covenants of Privateco

Privateco covenants and agrees with ELL that it will:

- (a) subject to applicable Laws, except for non-substantive communications, furnish promptly to ELL a copy of each notice, report, schedule or other document delivered, filed or received by Privateco in connection with:
 - (i) the Amalgamation;
 - (ii) any filings under applicable Laws; and
 - (iii) any dealings with any Governmental Authorities in connection with the transactions contemplated herein.

- (b) as soon as reasonably practicable after the date hereof, it shall, use all commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder set forth in Article 5 to the extent the same is within its control (including voting all ELL Common Shares held by it or over which it or its affiliates, associates, directors, officers or securityholders exercise control or direction in favour of the ELL Special Resolution) and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the Amalgamation as soon as reasonably practicable including using all commercially reasonable efforts:
 - (i) to obtain all necessary consents, assignments or waivers from third parties and amendments or terminations to any instrument or Contract and take such other measures as may be necessary to fulfill its obligations under, and to carry out the transactions contemplated by, this Agreement (if any);
 - (ii) make other necessary filings and applications under applicable Laws and regulations required on the part of it in connection with the transactions contemplated herein (if any), and take all reasonable action necessary to be in compliance with such Laws;
 - (iii) defend all lawsuits or other legal, regulatory or other proceedings in respect of it challenging or affecting this Agreement, the Amalgamation Agreement or the consummation of the transactions contemplated hereby or thereby; and
 - (iv) have lifted or rescinded any injunction or restraining order or other order or to avoid an application for any such order which may adversely affect the ability of it to consummate the Amalgamation or the transactions contemplated by this Agreement or the Amalgamation Agreement;

- (c) not knowingly take or agree to take any action that would: (i) prevent Privateco from performing, or cause Privateco not to perform, its covenants hereunder: or (ii) cause or result in any of Privateco's representations and warranties contained herein being untrue or incorrect in any material respect as of the Effective Date as though such representations and warranties had been made at and as of such time (except to the extent such representations and warranties speak of an earlier date); and

- (d) furnish documentation to ELL immediately prior to the ELL Meeting confirming that: (i) it has finalized documentation with respect to the Term Loan; and (ii) Gali Bar-Ziv and Khurram Qureshi have each contributed \$415,000 (total of \$930,000) to the capital of Privateco.

4.5 Director and Officer liability

- (a) Prior to the Effective Date, ELL shall and, if is unable to, Privateco shall cause Amalco to as of the Effective Date, purchase and maintain for the period from the Effective Time until six years after the Effective Time on a "trailing" (or "**run-off**") basis, a prepaid, non-cancellable directors' and officers' insurance policy for the benefit of each former director and officer of (each an "**Indemnified Person**") covering claims made prior to or within six years after the Effective Time, on terms and conditions which are no less advantageous to such Persons than to ELL's existing directors' and officers' insurance policies, and in compliance with all indemnification agreements in effect at the Effective Time and providing coverage of an amount not materially less than such existing policies for all such Indemnified Persons and from an insurance carrier with the same or better credit rating as ELL's current insurance carrier provided that the cost of such insurance shall not exceed \$50,000.
- (b) The rights of the Indemnified Persons under this Section 4.5 shall be in addition to any rights such Indemnified Persons may have under the articles of incorporation or bylaws of ELL or under any applicable Law or under any agreement or Contract of any Indemnified Person with ELL. All rights to indemnification and exculpation from liabilities for acts or omissions occurring at or prior to the Effective Date and rights to advancement of expenses relating thereto now existing in favour of any Indemnified Person as provided in the certificate of incorporation or bylaws of ELL or any indemnification Contract or agreement between such Indemnified Person and ELL shall survive the Effective Date, shall be assumed by Amalco and shall not be amended, repealed or otherwise modified in any manner that would adversely affect any right thereunder of any such Indemnified Person.
- (c) This Section 4.5 shall survive the consummation of the Amalgamation and is intended to be for the benefit of, and shall be enforceable by, the Indemnified Persons and their respective heirs, executors, administrators and personal representatives and shall be binding on Privateco and its successors and assigns for such purpose.

ARTICLE 5 **CONDITIONS PRECEDENT**

5.1 Mutual Conditions Precedent

The respective obligations of the parties hereto to complete the Amalgamation and to consummate the transactions contemplated herein are subject to the satisfaction, on or before the Effective Date,

of the following conditions any of which may only be waived by the mutual consent of such parties; without prejudice to their rights to rely on any other(s) of such conditions:

- (a) the ELL Special Resolution shall have received ELL Shareholder Approval;
- (b) no applicable law shall be in effect that prohibits the consummation of the Amalgamation;
- (c) there shall be no proceeding, of a judicial or administrative nature or otherwise in progress (or threatened in writing by a Governmental Authority) that relates to or results from the transactions contemplated by this Agreement that would, if successful, result in an order or ruling that would reasonably be expected to cease trade, enjoin, prohibit or impose material limitations or conditions on the completion of the Amalgamation in accordance with its terms; and
- (d) this Agreement shall not have been terminated in accordance with its terms.

5.2 Conditions to Obligations of Privateco

The obligations of Privateco to complete the Amalgamation and to consummate the transactions contemplated herein are subject to the satisfaction, on or before the Effective Date of the following conditions:

- (a) each of the acts, covenants and undertakings of ELL to be performed on or before the Effective Date pursuant to the terms of this Agreement shall have been duly performed by ELL in all material respects and Privateco shall have received a certificate dated the Effective Date and signed by an officer of ELL without personal liability, confirming same;
- (b) except as affected by the transactions contemplated herein, the representations and warranties of ELL contained in Section 3.2 hereof shall be true in all material respects on the Effective Date with the same effect as though such representations and warranties had been made at and as of such time (except to the extent such representations and warranties speak of an earlier date), and Privateco shall have received a certificate, dated the Effective Date, and signed by an officer of ELL without personal liability, confirming same;
- (c) ELL shall have furnished Privateco with:
 - (i) certified copies of the minutes of the ELL Board unanimously (with Messrs. Gali Bar-Ziv and Khurram Qureshi declaring his interest and abstaining) approving this Agreement and the consummation of the transactions contemplated herein; and
 - (ii) a certified copy of the ELL Special Resolution;
- (d) Dissent Rights shall not have been exercised in respect of more than 10% of the ELL Common Shares; and

- (e) no Material Adverse Change shall have occurred with respect to ELL between the date hereof and the Effective Date.

The conditions described above are for the exclusive benefit of Privateco and may, subject to the following sentence, be asserted by Privateco regardless of the circumstances, or may be waived by Privateco in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Privateco may have hereunder or at Law. Privateco may not rely on the failure to satisfy any of the conditions in Section 5.1 or Section 5.2 as a basis for noncompliance by Privateco with its obligations under this Agreement if the condition precedent would have been satisfied but for a default by Privateco in complying with its obligations hereunder.

5.3 Conditions to Obligations of ELL

The obligations of ELL to complete the Amalgamation and to consummate the transactions contemplated herein are subject to the satisfaction, on or before the Effective Date, of the following conditions:

- (a) each of the acts, covenants and undertakings of Privateco to be performed on or before the Effective Date pursuant to the terms of this Agreement shall have been duly performed by Privateco in all material respects and ELL shall have received a certificate dated the Effective Date and signed by an officer of Privateco, without personal liability, confirming same;
- (b) except as affected by the transactions contemplated herein, the representations and warranties of Privateco contained in Section 3.1 hereof shall be true in all material respects on the Effective Date with the same effect as though such representations and warranties had been made at and as of such time (except to the extent such representations and warranties speak of an earlier date) and ELL shall have received a certificate dated the Effective Date and signed by an officer of Privateco, without personal liability, confirming same;
- (c) ELL shall have received the documents contemplated by Section 4.4(d); and
- (d) Privateco shall have deposited, in escrow (the terms and conditions of such escrow to be satisfactory to the parties and the Depositary, acting reasonably) with the Depositary, by way of immediately available funds, the Aggregate Consideration and the Depositary shall have confirmed receipt of same to ELL.

The conditions described above are for the exclusive benefit of ELL and may, subject to the following sentence, be asserted by ELL regardless of the circumstances, or may be waived by ELL in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which ELL may have hereunder or at Law. ELL may not rely on the failure to satisfy any of the conditions in Section 5.1 or Section 5.3 as a basis for non-compliance by ELL with its obligations under this Agreement if the condition precedent would have been satisfied but for a default by ELL in complying with its obligations hereunder.

5.4 Notice and Cure Provisions

Each of Privateco, on the one hand, and ELL on the other hand, will give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof until the Effective Date, of any event or state of facts which occurrence or failure would, or would be likely to:

- (a) constitute a material breach of any of its representations or warranties contained herein or which would cause such representations and warranties to be untrue or incorrect in any material respect on the Effective Date;
- (b) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by the other party prior to the Effective Date; or
- (c) result in the failure to satisfy any of the conditions precedent in its favour contained in Sections 5.1, 5.2 or 5.3, as the case may be.

Neither Privateco nor ELL may elect not to complete the Amalgamation or the other transactions contemplated hereby pursuant to any of the conditions precedent contained in Sections 5.1, 5.2 or 5.3, or exercise any termination right arising therefrom, unless forthwith and in any event prior to the filing of the Articles of Amalgamation with the Director, Privateco or ELL, as the case may be, has delivered a written notice to the other specifying in reasonable load all breaches of covenants, representations and warranties or other matters which Privateco or ELL, as the case may be, is asserting as the basis for the non-fulfilment of the applicable condition or the exercise of the termination right, as the case may be. If any such notice is delivered, provided that Privateco or ELL, as the case may be, is proceeding diligently to cure such matter, if such matter is capable of being cured, the other may not terminate this Agreement until the later of the Outside Date and the expiration of a period of 20 days from such notice.

If such notice has been delivered prior to the date of the ELL Meeting, ELL shall have the right, but not the obligation, to postpone such meeting until the expiry of such period.

5.5 Merger of Conditions

The conditions set out in Sections 5.1, 5.2 or 5.3 hereof shall be conclusively deemed to have been satisfied, waived or released when, with the agreement of Privateco and ELL, the Articles of Amalgamation are filed with the Director.

ARTICLE 6 **NOTICES**

All notices, requests and demands hereunder, which may or are required to be given pursuant to any provision of this Agreement, shall be given or made in writing and shall be delivered by prepaid courier with tracking facilities or by confirmed facsimile as follows:

- (a) to ELL, addressed to:

Everybody Loves Languages Corp.
20 Bay St. 11th Floor

Toronto, Ontario, M5J 2N8
Attention: Laurent Mareschal
Email: laurentmareschal@gmail.com

with a courtesy copy to:

Fogler, Rubinoff LLP
40 King Street West, Suite 2400
Toronto, ON M5H 3Y2
Attention: Rick Moscone
Email: rmoscone@foglers.com

(b) to Privateco, addressed to:

ELL Ventures Ltd.

Attention: Gali Bar-Ziv and Khurram Quereshi
Email: gbarziv@gmail.com kqureshi@cqk.ca

with a courtesy copy to:

Loopstra Nixon LLP
130 Adelaide Street West, Suite 2800,
Toronto, Ontario M5H 3P5
Attention: David Kornhauser
Email: dkornhauser@LN.Law

or to such other addresses and facsimile numbers as the parties may, from time to time, advise to the other party by notice in writing. All notices, requests and demands hereunder shall be deemed to have been received, if delivered by courier on the date of delivery and if sent by facsimile on the next Business Day after the facsimile was confirmed to have been sent.

ARTICLE 7 **TERMINATION**

7.1 Automatic Termination

This Agreement shall immediately and automatically terminate and be of no further force or effect without further notice or delay upon, with the agreement of Privateco and ELL, the Articles of Amalgamation being filed with the Director.

7.2 Termination

This Agreement may be terminated and the Amalgamation may be abandoned at any time prior to the Effective Time (notwithstanding the receipt of ELL Shareholder Approval):

- (a) by the mutual agreement of Privateco and ELL (without further action on the part of the ELL Shareholders, whether terminated before or after the holding of the ELL Meeting); or
- (b) by either Privateco or ELL if:
 - (i) the Effective Time shall not have occurred on or before the Outside Date, except that the right to terminate this Agreement under this Section 7.2(b)(i) shall not be available to any party whose failure to fulfill any of its obligations has been a principal cause of, or resulted in, the failure of the Effective Time to occur by such date;
 - (ii) after the date hereof, there shall be enacted or made any applicable Law makes consummation of the Amalgamation illegal or otherwise prohibited, or a court of competent jurisdiction or Government Authority having jurisdiction prohibits or enjoins Privateco or ELL from consummating the Amalgamation and such applicable Law or injunction shall have become final and non-appealable; or
 - (iii) if ELL Shareholder Approval is not obtained at the ELL Meeting;
- (c) by Privateco if:
 - (i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of ELL set forth in this Agreement shall have occurred that would cause the conditions set forth in Section 5.1 or Section 5.2 not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date; provided that Privateco is not then in breach of this Agreement so as to cause any of the conditions set forth in Sections 5.1 or 5.3 not to be satisfied and provided further that, for the avoidance of doubt, Section 5.4 has been complied with;
 - (ii) prior to obtaining ELL Shareholder Approval, the ELL Board makes an ELL Change in Recommendation (or proposes publicly to do so); or
 - (iii) ELL breaches Article 9 in a manner materially adverse to Privateco; or
- (d) by ELL if:
 - (i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Privateco set forth in this Agreement shall have occurred that would cause the conditions set forth in Section 5.1 or Section 5.3 not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date; provided that ELL is not then in breach of this Agreement so as to cause any of the conditions set forth in Section 5.1 or Section 5.2 not to be satisfied and provided further that, for the avoidance of doubt, Section 5.4 has been complied with; or

- (ii) prior to obtaining ELL Shareholder Approval, ELL, in accordance with Article 9, enters into a Proposed Agreement or makes an ELL Change in Recommendation provided that concurrently with such termination ELL pays the Termination Payment payable pursuant to Section 7.3(c).

The party desiring to terminate this Agreement pursuant to this Section 7.2 (other than pursuant to 7.2(a)) shall give written notice of such termination to the other party.

In the case of any termination of this Agreement pursuant to this Section 7.2, this Agreement shall be of no further force and effect except for this paragraph, Section 7.3, Section 7.4, Section 11.1, Section 11.2, Section 11.4 and Section 11.9, which shall continue in full force and effect.

7.3 Termination Payment

- (a) If a Termination Payment Event occurs, ELL shall pay to Privateco (by way of immediately available funds) the Termination Payment in accordance with Section 7.3(e) in respect of consideration for the disposition of Privateco's rights under this Agreement.
- (b) "**Termination Payment Event**" means the termination of this Agreement by Privateco pursuant to Section 7.2(c)(ii) or by ELL pursuant to Section 7.2(d)(ii).
- (c) If a Termination Payment Event occurs due to a termination of this Agreement by ELL pursuant to Section 7.2(d)(ii), the Termination Payment shall be paid simultaneously with the occurrence of such Termination Payment Event. If a Termination Payment Event occurs due to a termination of this Agreement by Privateco pursuant to Section 7.2(c)(ii) the Termination Payment shall be paid to Privateco within 2 Business Days following such Termination Payment Event.
- (d) Any amount payable by ELL pursuant to this Section 7.3 that is not paid immediately when due shall bear interest from the date of termination of this Agreement in accordance with its terms at a rate equal to the prime rate of the Bank of Montreal determined at noon Toronto time on the date of termination plus 1% per annum, calculated and compounded monthly in arrears on the last Business Day of each calendar month until paid in full.
- (e) For the avoidance of doubt, Privateco acknowledges and agrees that ELL shall not be obligated to make more than one Termination Payment.

7.4 Effect of Termination

In the event of termination in accordance with Section 7.2, each party shall be deemed to have released, remised and forever discharged the other party in respect of any and all claims arising in respect of this Agreement; provided that no party will be relieved from liability for any breach of any covenant, representation or warranty contained in this Agreement prior to such termination; however ELL will be relieved from liability for any breach of any covenant, representation or warranty in this Agreement prior to such termination upon payment of the Termination Payment in accordance with the terms and conditions of this Agreement and Privateco hereby agrees that,

upon any termination of this Agreement under circumstances where Privateco is entitled to a Termination Payment and the Termination Payment is paid: (a) Privateco shall be precluded from any other remedy against ELL, at law or in equity or otherwise; and (b) in such circumstances Privateco shall not seek to obtain any recovery, judgment, or damages of any kind, including consequential, indirect, or punitive damages, against ELL or any subsidiary of ELL or any of their respective directors, officers, employees, shareholders or affiliates in connection with the transactions contemplated herein.

ARTICLE 8 **AMENDMENT**

8.1 Amendment

This Agreement and the Amalgamation Agreement may, at any time and from time to time before or after the holding of the ELL Meeting, but not later than the filing of the Articles of Amalgamation with the Director, be amended by written agreement of the parties without, subject to applicable law, further notice to or authorization on the part of their respective shareholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the parties;
- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the parties; or
- (d) waive compliance with or modify any other conditions precedent contained herein;

provided that after the holding of the ELL Meeting, no such amendment shall reduce or materially adversely affect the consideration to be received by the ELL Minority Shareholders without approval by such shareholders in the same manner as required for the approval of the Amalgamation.

8.2 Waiver

This Agreement may not be modified, amended, altered or supplemented except in the manner contemplated herein and upon the execution and delivery of a written agreement executed by all parties.

No waiver, whether by conduct or otherwise, of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provisions (whether or not similar) nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in an instrument duly executed by the parties to be bound thereby.

ARTICLE 9
NO SOLICITATION AND ALTERNATIVE TRANSACTION

9.1 No Solicitation

ELL shall, and shall cause its officers, directors, employees, agents or advisors or other representatives (including, without limitation, any financial advisor or investment banker, attorney or legal counsel or accountant retained by it) ("**Representatives**") to immediately cease and cause to be terminated any discussions or negotiations with third parties with respect to a Competing Transaction. ELL will not, directly or indirectly, and will instruct its Representatives not to, directly or indirectly, solicit, initiate or, except as and only to the extent permitted by the other Sections of this Article 9, encourage (including by way of furnishing non-public information), or take any other action to facilitate, any inquiries or the making of any proposal or offer (including any proposal or offer to its shareholders) that constitutes, or may reasonably be expected to lead to, any Competing Transaction, or except as and only to the extent permitted by the other Sections of this Article 9 enter into or maintain or continue discussions or negotiate with any Person in furtherance of such inquiries or to obtain a Competing Transaction, or agree to or recommend or endorse any Competing Transaction, or authorize or permit any Representative to take any such action. Except as contemplated by the other Sections of this Article 9, ELL shall not release any third party from or waive any provision of any confidentiality or standstill agreement to which it is a party (except to allow such Person to confidentially propose to the ELL Board an unsolicited *bona fide* written proposal or offer regarding a Competing Transaction that did not result from a breach of this Article 9).

9.2 ELL's Right to Provide Information to Third Party

Notwithstanding anything to the contrary in this Article 9, but subject to complying with its obligations under Section 9.3 (if applicable), at any time prior to Shareholder Approval having been obtained, the Board may furnish information to, and/or enter into, participate, facilitate and maintain discussions or negotiations with, and otherwise cooperate with or assist, a Person who has made an unsolicited bona fide written proposal or offer regarding a Competing Transaction (that did not result from a breach of this Article 9), and with respect to which:

- (a) the ELL Board has determined, in its good faith judgment (after considering the Valuation and consultation with outside legal counsel), that such proposal or offer constitutes, or is reasonably likely to result in, a Superior Proposal;
- (b) the ELL Board has determined, in its good faith judgment (after consultation with outside legal counsel), that the failure to furnish such information or to enter into such discussions or negotiations would result in a breach of its fiduciary obligations under applicable Law;
- (c) the ELL Board has provided written notice to Privateco of its intent to furnish information to, and/or enter into, participate, facilitate and maintain discussions or negotiations with, and otherwise cooperate with or assist such Person; and
- (d) prior to furnishing any non-public information, the ELL Board has obtained from such Person an executed confidentiality agreement.

9.3 ELL Obligations to Provide Information to Privateco

ELL agrees that, in addition to the obligations of ELL set forth in Sections 9.1 and 9.2, immediately upon receipt thereof, ELL shall advise Privateco in writing of any request for non-public information with respect to any Competing Transaction, or any inquiry, discussions or negotiations with respect to any Competing Transaction and the terms and conditions of such request for information, Competing Transaction, inquiry, discussions or negotiations, and ELL shall immediately provide to Privateco copies of any written materials received by ELL in connection with any of the foregoing and the identity of the Person or group making any such request for information. Competing Transaction or inquiry or with whom any discussions or negotiations may be taking place. ELL agrees that it shall keep Privateco informed of the status, terms and material details (including amendments or proposed amendments) of any such request for information, Competing Transaction or inquiry and keep Privateco informed as to the details of any information requested of or provided by ELL and as to the status and material terms of all substantive discussions or negotiations with respect to any such request, Competing Transaction or inquiry. ELL agrees that it shall promptly provide to Privateco any non-public information concerning ELL that may be provided to any other Person or group in connection with any Competing Transaction which was not previously provided to Privateco.

9.4 ELL's Right re Superior Proposal

Notwithstanding the other provisions of this Article 9, but subject to Section 9.5:

- (a) prior to obtaining ELL Shareholder Approval, ELL may enter into an agreement, other than a confidentiality agreement as contemplated by Section 9.2, (a "**Proposed Agreement**") with any Person providing for or to facilitate any Superior Proposal; and
- (b) prior to obtaining ELL Shareholder Approval, if the ELL Board determines, in its good faith judgment (after considering the Valuation and consultation with outside legal counsel), that a Competing Proposal constitutes a *bona fide* Superior Proposal, the ELL Board may (and may publicly propose to) approve, endorse, agree to or recommend such Superior Proposal and withdraw, amend, modify or qualify, in a manner adverse to Privateco, the approval or recommendation of the ELL Board in relation to the Amalgamation (a "**Change in Recommendation**") it being understood that publicly taking no position or a neutral position with respect to a Competing Transaction for a period of not more than 10 days following the public announcement thereof shall not be considered an ELL Change in Recommendation. For greater certainty, if the ELL Board takes no position, or a neutral position with respect to a Competing Transaction for more than 10 days following the public announcement thereof, same shall be deemed to constitute a Change in Recommendation;

provided in the case of both Section 9.4(a) and 9.4(b), that such Superior Proposal did not result from violation by ELL of Section 9.1.

9.5 Right to Match

Prior to ELL entering into a Proposed Agreement or making a ELL Change in Recommendation it shall have delivered written notice to Privateco of its intention to do so (together with a copy of any Proposed Agreement (if applicable)) not less than 10 Business Days prior to its entering into such Proposed Agreement or making such proposed ELL Change in Recommendation. During such 10 Business Day period, ELL acknowledges and agrees that Privateco shall have the right, but not the obligation, to offer to amend the terms of this Agreement in order to provide for terms at least equivalent, from a financial point of view for the ELL Minority Shareholders, to those included in the applicable Superior Proposal. The Board shall review any offer by Privateco to amend the terms of this Agreement (an "**Amended Offer**") to determine, in accordance with its fiduciary duties, whether the Amended Offer would be at least as favourable, from a financial point of view to the ELL Minority Shareholders as the Superior Proposal. If the ELL Board so determines, ELL will enter into an amended agreement with Privateco reflecting the Amended Offer. If the ELL Board continues to believe, in the proper discharge of its fiduciary duties that the Superior Proposal continues to be a Superior Proposal and therefore rejects the Amended Offer, or if Privateco does not amend the terms of this Agreement within the specified period, ELL may (provided that it has otherwise complied with its obligations under this Section 9.5) enter into the Proposed Agreement or make the Proposed ELL Change in Recommendation (as the case may be), provided that, prior to entering into the Proposed Agreement or making the Proposed ELL Change in Recommendation, ELL: (a) terminates this Agreement pursuant to Section 7.2; and (b) pays the Termination Payment pursuant to Section 7.3.

9.6 Reaffirmation of Recommendation

ELL shall promptly reaffirm the recommendation of the Amalgamation by press release after:

- (a) any written *bona fide* Competing Transaction (which is determined not to be a Superior Proposal) is publicly announced or made; or
- (b) Privateco and ELL enter into an amended agreement under Section 9.5.

Any such press release shall be prepared in accordance with Section 10.2.

9.7 General

Notwithstanding anything in this Article 9, nothing in this Agreement shall prevent:

- (a) The ELL Board from responding, through a directors' circular or otherwise, as required by applicable Laws to a Competing Transaction it determines is not a Superior Proposal;
- (b) making any disclosure of a Competing Transaction to the ELL Shareholders prior to the Effective Time if the ELL Board determines in good faith (after consultation with outside legal counsel) that such disclosure is necessary for the ELL Board to fulfill its fiduciary duties or is otherwise required under applicable Laws; and

- (c) responding to a *bona fide* request for information that could reasonably be expected to lead to a Competing Transaction solely by advising that no information can be provided unless a *bona fide* written Competing Transaction is made and then only in compliance with this Agreement.

ARTICLE 10
CONFIDENTIALITY AND PUBLIC DISCLOSURE

10.1 Confidentiality

Upon reasonable notice and subject to applicable Laws, ELL agrees to continue to provide Privateco and its Representatives with access (without disruption to the conduct of ELL's business) during normal business hours to all books, records, information and files in its possession and control and access to its personnel on an as reasonably requested basis as well as reasonable access to the properties of ELL, for strategic and transition planning purposes.

10.2 Public Disclosure

The parties agree to consult with each other before making any public disclosure or announcement of or pertaining to this Agreement, and that any such disclosure or announcement shall be mutually satisfactory to both parties; provided, however, that the foregoing shall be subject to each party's overriding obligation to make any disclosure or filing required under applicable Laws, and the party making any such disclosure shall use all commercially reasonable efforts to give prior oral or written notice to the other party and reasonable opportunity for the other party to review or comment on the disclosure or filing (other than with respect to confidential information contained in such disclosure or filing), and if such prior notice is not practicable, to give such notice immediately following the making of any such disclosure or filing.

ARTICLE 11
GENERAL

11.1 Entire Agreement

This Agreement, the Guarantee and the Amalgamation Agreement, together with the schedules attached hereto or thereto or referred to herein or therein, constitute the entire agreement among the parties with respect to the subject matter hereof and supersede all prior agreements and undertakings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof.

No reliance has been made upon and there are no covenants, promises, warranties, representations, conditions, understandings or other agreements, oral or written, express, implied or collateral between the parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement, the Guarantee or the Amalgamation Agreement and any document required to be delivered pursuant to this Agreement, the Guarantee or the Amalgamation Agreement.

There shall be no liability, either in tort or in contract or otherwise, assessed in relation to any such warranty, representation, opinion, advice or assertion of fact, that is not reduced to writing as part

of this Agreement, the Guarantee, the Amalgamation Agreement or the documents required to be delivered pursuant hereto or thereto.

11.2 Binding Effect/No Third-Party Beneficiaries

This Agreement shall be binding upon and enure to the benefit of the parties and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement, other than under Section 4.5 (which are intended to be for the benefit of the Persons covered thereby and may be enforced by such Persons at any time).

11.3 Assignment

No party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of the other party.

11.4 Specific Performance and Other Equitable Rights

Subject to Section 7.4, each of the parties recognizes and acknowledges that a breach by a party of any obligation in this Agreement will cause the other party to sustain injury for which it would not have an adequate remedy at law for money damages. Therefore, each of the parties agrees that in the event of any such breach or threatened breach, the aggrieved party shall be entitled to specific performance of such obligation and provisional interlocutory and permanent injunctive relief and other equitable remedies in addition to any other remedy to which it may be entitled, at Law or in equity, and the parties further agree to waive any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive relief or other equitable remedies. Subject to Section 7.4, such remedies will not be the exclusive remedies for any breach of this Agreement but will be in addition to all other remedies available at law or equity to each of the parties.

11.5 Time of Essence

Time shall be of the essence of this Agreement.

11.6 Severability

In the event that any provisions contained in this Agreement shall be declared invalid, illegal or unenforceable by a court or other Governmental Authority having jurisdiction, this Agreement shall continue in force with respect to the enforceable provisions and all rights and remedies accrued under the enforceable provisions shall survive any such declaration, and any non-enforceable provision shall to the extent permitted by law be replaced by a provision which, being valid, comes closest to the intention underlying the invalid, illegal and unenforceable provision.

11.7 Additional Purchaser/Support Agreements

Except as disclosed by Privateco in writing to ELL on (or prior to) the date hereof, Privateco covenants and agrees that from the date hereof until the earlier of the termination of this Agreement in accordance with its terms and the Effective Time, it will not acquire beneficial ownership of, or

control or direction over, directly or indirectly, any ELL Common Shares or any other securities of ELL, provided that Privateco may enter into Support Agreements with any Principal Shareholders and such other Persons as ELL may consent to in writing in advance, acting reasonably up until the day before the date the Information Circular is completed.

11.8 Counterparts and Facsimile Copies

This Agreement may be executed in separate counterparts, and all such counterparts when taken together shall constitute one agreement. This Agreement may be transmitted by facsimile or such other device that permits the reproduction of signatures, and the reproduction of signatures by such device shall be legally effective to create a valid and binding Agreement.

11.9 Governing Laws

This Agreement shall be governed in all respects, including validity, interpretation and effect, by the laws of the Province of Ontario and the federal laws of Canada applicable therein, without giving effect to any principles of conflict of laws thereof which would result in the application of the Laws of any other jurisdiction, and all actions and proceedings arising out of or relating to this Agreement shall be heard and determined exclusively in the courts of the Province of Ontario.

[The remainder of this page has intentionally been left blank]

SCHEDULE "A"
AMALGAMATION AGREEMENT

See Appendix "B" of the Circular.

EXHIBIT "B"
BY-LAWS OF AMALCO

(See attached)

BY LAW NO. I

A by-law relating generally to the transaction of the business and affairs of **EVERYBODY LOVES LANGUAGES INC.**

CONTENTS

Section One	Interpretation
Section Two	Business of the Corporation
Section Three	Borrowing and Debt Obligations
Section Four	Directors
Section Five	Committees
Section Six	Officers
Section Seven	Protection of Directors, Officers and Others
Section Eight	Shares
Section Nine	Dividends and Rights
Section Ten	Meetings of Shareholders
Section Eleven	Notices

BE IT ENACTED as a by-law of the Corporation as follows:

**SECTION ONE
INTERPRETATION**

1.1 **DEFINITIONS.** In the by laws of the Corporation, unless the context otherwise requires:

- (a) "**Act**" means the *Business Corporations Act* (Ontario) and any statute that may be substituted therefor, as from time to time amended;
- (b) "**appoint**" includes "elect" and vice versa;
- (c) "**articles**" means the Articles of Amalgamation of the Corporation dated the Effective Time as from time to time amended, supplemented or restated;
- (d) "**board**" means the board of directors of the Corporation and "**director**" means a member of the board;
- (e) "**by laws**" means this by law and all other by laws of the Corporation from time to time in force and effect;
- (f) "**Corporation**" means the corporation formed by the articles under the Act and named Everybody Loves Languages Inc.;
- (g) "**day**" means a clear day and a period of days shall be deemed to commence on the day following the event that began the period and shall be deemed to terminate at midnight of the last day of the period except that if the last day of the period falls on a Sunday or holiday the period shall terminate at midnight of the day next following that is not a Sunday or a holiday;
- (h) "**meeting of shareholders**" includes an annual or other general meeting of shareholders and a special meeting of shareholders;
- (i) "**non business day**" means Saturday, Sunday and any other day that is a holiday as defined in the *Interpretation Act* (Ontario), as from time to time amended;
- (j) "**recorded address**" means in the case of a shareholder his address as recorded in the register of shareholders; and in the case of joint shareholders the address appearing in the register of shareholders in respect of such joint holding or the first address so appearing if there are more than one: and in the case of a director, officer, or auditor, his latest address as recorded in the records of the Corporation;
- (k) "**signing officer**" means, in relation to any instrument, any person authorized to sign the same on behalf of the Corporation by or pursuant to section 2.4;

- (1) **"special meeting of shareholders"** includes a meeting of any class, classes or series of shareholders and a special meeting of all shareholders entitled to vote at an annual meeting of shareholders;

Save as aforesaid, words and expressions defined in the Act have the same meanings when used herein: words imparting the singular number include the plural and vice versa: words importing gender include the masculine, feminine and neuter genders: and words importing persons include individuals, bodies corporate, partnerships, trusts and unincorporated organizations.

SECTION TWO BUSINESS OF THE CORPORATION

2.1 REGISTERED OFFICE. Until changed in accordance with the Act, the registered office of the Corporation shall be within the municipality or geographic township within Ontario initially specified in the articles and thereafter as the shareholders may from time to time determine by special resolution, and at such location therein as the board may from time to time determine by resolution.

2.2 CORPORATE SEAL. The Corporation may have one or more different seals, which may be adopted or changed from time to time by resolution of the board. Until changed by resolution of the board, the Corporation shall carry on business without a seal.

2.3 FINANCIAL YEAR. The financial year of the Corporation shall end on such date in each year as shall be determined from time to time by resolution of the directors.

2.4 EXECUTION OF INSTRUMENTS. Subject to section 2.5, deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by any one director or officer. The board may, from time to time, direct by resolution the manner in which and the person or persons by whom any particular instrument or class of instruments may or shall be signed. Any authorized signing officer may affix the corporate seal of the Corporation, if any, to any instrument requiring same.

2.5 BANKING ARRANGEMENTS. The banking business of the Corporation including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the board. Such banking business or any part thereof shall be transacted under such agreements, instructions, delegations, powers or designations of authority to any one or more persons as the board may from time to time prescribe or authorize.

2.6 VOTING RIGHTS IN OTHER BODIES CORPORATE. The signing officers of the Corporation may execute and deliver instruments of proxy and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation. Such instruments, certificates or other evidence shall be in favour of such person or persons as may be determined by the person or persons signing or arranging for them. In addition, the board may from time to time direct the manner in which and the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

2.7 DIVISIONS. The board may cause the business and operations of the Corporation or any part thereof to be divided or segregated into one or more divisions upon such basis, including without limitation, character or type of business or operations, geographical territories, product lines or goods or services as the board may consider appropriate in each case. From time to time the board or, if authorized by the board, the chief executive officer may authorize, upon such basis as may be considered appropriate in each case:

- (a) **SUB-DIVISION AND CONSOLIDATION** — The further division of the business and operations of any such division into sub-units and the consolidation of the business and operations of any such divisions and sub-units:
- (b) **NAME** — The designation of any such division or sub-unit by, and the carrying on of the business and operations of any such division or sub-unit under, a name other than the name of the Corporation; provided that the Corporation shall set out its name in legible characters in all contracts, invoices, negotiable instruments and orders for goods and services issued or made by or on behalf of the Corporation; and
- (c) **OFFICERS** — The appointment of officers for any such division or subunit, the determination of their powers and duties, and the removal of any such officer so appointed without prejudice to such officer's rights under any employment contract or in law, provided that any such officers shall not, as such, be officers of the Corporation, unless expressly designated as such.

SECTION THREE BORROWING AND DEBT OBLIGATIONS

3.1 BORROWING POWER. Without limiting the borrowing powers of the Corporation as set forth in the Act, the board may from time to time on behalf of the Corporation, without authorization of the shareholders:

- (a) borrow money on the credit of the Corporation;
- (b) issue, reissue, sell or pledge bonds, debentures, notes or other similar obligations, secured or unsecured, of the Corporation;
- (c) to the extent permitted by the Act, give a guarantee on behalf of the Corporation to secure performance of any present or future indebtedness, liability or obligation of any person; and
- (d) charge, mortgage, hypothecate, pledge or otherwise create a security interest in all or any currently owned or subsequently acquired real or personal, movable or immovable, property of the Corporation, including book debts, rights, powers, franchises and undertakings, to secure any such bonds, debentures, notes or other evidences of indebtedness or guarantee or any other present or future indebtedness, liability or obligation of the Corporation.

3.2 DELEGATION. The board may from time to time delegate to a committee of the board, one or more of the directors and officers of the Corporation, or any other person as may be designated by the board all or any of the powers conferred on the board by section 3.1 or by the Act to such extent and in such manner as the board shall determine at the time of each such delegation.

SECTION FOUR DIRECTORS

4.1 NUMBER OF DIRECTORS AND QUORUM. Until changed in accordance with the Act, the board shall consist of the number of directors within the minimum and maximum number of directors provided for in the articles, as is determined by special resolution or, if such special resolution empowers the board to determine the number, by a resolution of the board: provided, however, that in the latter case the directors may not, between meetings of shareholders, increase the number of directors on the board to a total number greater than one and one-third times the number of directors required to have been elected at the last annual meeting of shareholders. The quorum for the transaction of business at any meeting of the board shall consist of a majority of the number of directors determined in the manner set forth above; provided that where the board consists of fewer than three directors, all directors shall constitute a quorum at any meeting of the board.

4.2 QUALIFICATION. The following persons are disqualified from being a director of the Corporation: (i) a person who is less than 18 years of age, (ii) a person who is of unsound mind and has been so found by a court in Canada or elsewhere, (iii) a person who is not an individual, or (iv) a person who has the status of bankrupt. A director need not be a shareholder. A majority of the directors shall be resident Canadians but where the Corporation has only one or two directors that director or one of the two directors, as the case may be, shall be a resident Canadian.

4.3 ELECTION AND TERM. The election of directors shall take place at the first meeting and each annual meeting of shareholders and all the directors then in office shall retire but, if qualified, shall be eligible for re election. The election may be by ordinary resolution. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

4.4 REMOVAL OF DIRECTORS. Subject to the provisions of the Act, the shareholders may, by ordinary resolution, passed at an annual or special meeting called for such purpose remove any director or directors from office and the vacancy created by such removal may be filled at the same meeting, failing which, provided a quorum remains in office, it may be filled by the board. Where the holders of any class or series of shares of the Corporation have an exclusive right to elect one or more directors, a director so elected may only be removed by an ordinary resolution at a meeting of the shareholders of that class or series.

4.5 VACATION OF OFFICE. A director ceased to hold office when, (i) the director dies, (ii) the director is removed from office by the shareholders, (iii) the director ceases to be qualified for election as a director, or (iv) the director's written resignation is received by the Corporation or, if a time is specified in such resignation, at the time so specified, whichever is later.

4.6 VACANCIES. Subject to the provisions of the Act, a quorum of the board may fill a vacancy in the board, except a vacancy resulting from an increase in the number, otherwise than as provided hereunder, or, in the maximum number of directors, as the case may be, or a failure to elect the number of directors required to be elected at any meeting of shareholders. Where the articles provide for a minimum and maximum number of directors and a special resolution has been passed empowering the directors to determine the number of directors, the directors may not, between meetings of shareholders, appoint an additional director if, after such appointment, the total number of directors would be greater than one and one-third times the number of directors required to have been elected at the last annual meeting of shareholders. In the absence of a quorum of the board, or if the vacancy has arisen from a failure of the shareholders to elect the number of directors required by section 4.1, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy and, if they fail to call a meeting or if there are no directors then in office, the meeting may be called by any shareholder.

4.7 ACTION BY THE BOARD. The board shall manage or supervise the management of the affairs and business of the Corporation. The powers of the board may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy in the board, the remaining directors may exercise all the powers of the board so long as a quorum remains in office.

4.8 MEETINGS BY TELEPHONE. If all the directors of the Corporation present at or participating in a meeting consent, a meeting of the board or of a committee of the board may be held by means of telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in such meeting by such means is deemed for the purposes of the Act to be present at that meeting. Any consent so given shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of the board.

4.9 PLACE OF MEETINGS. Meetings of the board may be held at any place within or outside Ontario and, in any financial year of the Corporation, any or all of the meetings of the board may be held at any place outside Canada.

4.10 CALLING OF MEETINGS. Meetings of the board shall be held from time to time at such place at such time and on such day as the board, the chairperson of the board, the president or any two directors may determine.

4.11 NOTICE OF MEETING. Notice of the time and place of each meeting of the board shall be given in the manner provided in section 11.1 to each director, not less than 48 hours before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified. A director may in any manner and at any time waive a notice of or otherwise consent to a meeting of the board and, subject to the Act, attendance of a director at a meeting of the board is a waiver of notice of the meeting.

4.12 FIRST MEETING OF NEW BOARD. Provided a quorum of directors is present, each newly elected board may without notice hold its first meeting immediately following the meeting of shareholders at which such board is elected.

4.13 ADJOURNED MEETING. Notice of an adjourned meeting of the board is not required if the time and place of the adjourned meeting is announced at the original meeting.

4.14 REGULAR MEETINGS. The board may appoint a day or days in any month or months for regular meetings at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such regular meetings of the board shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be transacted thereat to be specified.

4.15 CHAIRPERSON. The chairperson of any meeting of the board shall be the first named of such of the following officers as have been appointed and who is a director and is present at the meeting: chairperson of the board, president, chief executive officer or a vice-president. If no such officer is present, the directors present shall choose one of their number to be chairperson.

4.16 VOTES TO GOVERN. At all meetings of the board every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chairperson of the meeting shall not be entitled to a casting vote.

4.17 CONFLICT OF INTEREST. A director of the Corporation who is a party to, or who is a director or an officer of, or has a material interest in, any person who is a party to, a material contract or transaction or proposed material contract or transaction with the Corporation, shall disclose the nature and extend of his or her interest at the time and in the manner provided by the Act. Any such contract or transaction or proposed contract or transaction shall be referred to the board or shareholders for approval even if such contract is one that in the ordinary course of the Corporation's business would not require approval by the board or the shareholders. Such director shall not vote on any resolution to approve such contract or transaction or proposed contract or proposed transaction unless the material contract or transaction is:

- (a) an arrangement by way of security for money lent to or obligations undertaken by the director for the benefit of the Corporation or an affiliate;
- (b) one relating primarily to his or her remuneration as a director, officer, employee or agent of the Corporation or an affiliate;
- (c) one for indemnity or insurance as specified under the Act: or
- (d) one with an affiliate.

Despite the foregoing prohibition on voting by such a director, the director may be present at and counted to determine the presence of a quorum at the relevant meeting of directors as provided in the Act.

4.18 REMUNERATION AND EXPENSES. The directors shall be paid such remuneration for their services as the board may from time to time determine. The directors shall also be entitled to

be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the board or any committee thereof. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving remuneration therefor.

4.19 RESOLUTION IN WRITING BY DIRECTORS. A resolution in writing signed by all the directors entitled to vote on that resolution at a meeting is as valid as if it had been passed at a meeting of the directors unless a written statement or written representation with respect to the subject matter of the resolution is submitted by a director or the auditor, respectively, in accordance with the Act. A resolution in writing may be signed by the directors in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same resolution in writing, and by a director using a facsimile signature, in which case the other directors, the Corporation and the shareholders are entitled to rely on such facsimile signature as conclusive evidence that such resolution in writing has been duly executed by such director.

4.20 ONLY ONE DIRECTOR. Where the Corporation has only one director, that director may constitute a meeting.

SECTION FIVE COMMITTEES

5.1 COMMITTEES OF THE BOARD. The board may appoint one or more committees of the board, however designated, and delegate to any such committee any of the powers of the board except those powers which pertain to items which, under the Act, a committee of the board has no authority to exercise. A majority of the members of any such committee shall be resident Canadians.

5.2 TRANSACTION OF BUSINESS. Subject to the provisions of section 4.19, the powers of a committee of the board may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at such place or places designated in section 4.9.

5.3 ADVISORY COMMITTEES. The board may from time to time appoint such advisory bodies as it may deem advisable.

5.4 PROCEDURE. Unless otherwise determined by the board, each committee and advisory body shall have power to fix its quorum at not less than a majority of its members, to elect its chairperson, and to regulate its procedure.

5.5 LIMITS ON AUTHORITY. Despite any other provision of the by-laws, no committee of directors has authority to:

- (a) submit to the shareholders any question or matter requiring the approval of the shareholders:
- (b) fill a vacancy among the directors or in the office of auditor or appoint or remove any of the chief executive officers, however designated, the chief financial officer, however designated, the chairperson or the president of the Corporation:

- (c) subject to the Act, issue securities except in the manner and on the terms authorized by the directors;
- (d) declare dividends;
- (e) purchase, redeem or otherwise acquire shares issued by the Corporation;
- (f) pay a commission referred to in the Act;
- (g) approve a management information circular referred to in the Act;
- (h) approve a take-over bid circular, directors' circular or issuer bid circular referred to in the Securities Act (Ontario);
- (i) approve any financial statements referred to in the Act and the Securities Act (Ontario);
- (j) approve an amalgamation between the Corporation and (i) its holding body corporate, (ii) any one or more of its subsidiaries, and (iii) any one or more corporations where the Corporation and any such corporation are subsidiaries of the same holding body corporate; and
- (k) adopt, amend or repeal by-laws.

SECTION SIX OFFICERS

6.1 APPOINTMENT. The board may from time to time elect or appoint a president, chief executive officer, chief financial officer, one or more vice presidents (to which title may be added words indicating seniority or function), a secretary, a treasurer, and such other officers as the board may determine, including one or more assistants to any of the officers so elected or appointed. The board may specify the duties of and, in accordance with the by-laws and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation. An officer may but need not be a director, and one person may hold more than one office.

6.2 CHAIRPERSON OF THE BOARD. The board may from time to time also appoint a chairperson of the board who shall be a director. If so appointed, the board may assign to the chairperson any of the powers and duties that are by any provisions of the by-laws assigned to the president, and the chairperson shall, subject to the provisions of the Act, have such other powers and duties as the board may specify. If appointed, the chairperson of the board shall, if present, preside at all meetings of the board and, in the absence of the president, at all meetings of shareholders. During the absence or disability of the chairperson of the board, the chairperson's duties shall be performed and the chairperson's powers exercised by the president.

6.3 CHIEF EXECUTIVE OFFICER. The board may designate one of the officers of the Corporation as chief executive officer of the Corporation and may from time to time revoke any such designation and designate another officer of the Corporation as chief executive officer of the

Corporation. The officer designated as chief executive officer shall have general supervision and control of the affairs of the Corporation.

6.4 CHIEF FINANCIAL OFFICER. The board may designate one of the officers of the Corporation as chief financial officer of the Corporation and may from time to time revoke any such designation and designate another officer of the Corporation as chief financial officer of the Corporation. The officer designated as chief financial officer shall have such duties and exercise such powers as the board may from time to time prescribe.

6.5 PRESIDENT. Unless otherwise designated by the board in accordance with section 6.2, the president shall be the chief executive officer and, subject to the authority of the board, shall have general supervision of the business of the Corporation; and shall have such other powers and duties as the board may specify. Except when the board has elected or appointed a general manager, the president shall also have the powers to be charged with the duties of that office.

6.6 VICE PRESIDENT. During the absence or disability of the president, his or her duties shall be performed and his or her powers exercised by the vice-president or, if there are more than one, by the vice-president designated from time to time by the board or the president.

A vice president shall have such other powers and duties as the board or the chief executive officer may prescribe.

6.7 SECRETARY. The secretary shall attend and be the secretary of all meetings of the board (or arrange for another individual to so act), shareholders and committees of the board and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat. The secretary shall give or cause to be given, as and when instructed, all notices to directors, shareholders, auditors and members of committees of the board. The secretary shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, papers, records, documents and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose: and shall have such other duties as the board or the chief executive officer may prescribe.

6.8 TREASURER. The treasurer shall keep proper accounting records in compliance with the Act and, under the direction of the board, shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation. The treasurer shall render to the board whenever required an account of all transactions as treasurer and of the financial position of the Corporation: and shall have such other duties as the board or the chief executive officer may prescribe.

6.9 POWERS AND DUTIES OF OTHER OFFICERS. The powers and duties of all other officers of the Corporation shall be such as the terms of their engagement call for or as the board or the chief executive officer may specify. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board or the chief executive officer otherwise directs.

6.10 VARIATION OF POWERS AND DUTIES. The board may from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer.

6.11 TERM OF OFFICE. The board, in its discretion, may remove any officer of the Corporation, without prejudice to any officer's rights under any employment contract. Otherwise each officer elected or appointed by the board shall hold office until his successor is elected or appointed, or until such officer's earlier resignation.

6.12 TERMS OF EMPLOYMENT AND REMUNERATION. The terms of employment and the remuneration of an officer elected or appointed by the board shall be settled by the board from time to time.

6.13 CONFLICT OF INTEREST. An officer shall disclose such officer's interest in any material contract or transaction or proposed material contract or transaction with the Corporation in accordance with section 4.17 and the Act.

6.14 AGENTS AND ATTORNEYS. The board shall have power to appoint agents or attorneys for the Corporation within or outside Canada with such powers of management, administration or otherwise (including the power to sub delegate) as may be thought fit, subject to the provisions of the Act.

SECTION SEVEN PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

7.1 LIMITATION OF LIABILITY. Every director and officer of the Corporation in exercising his powers and discharging his duties shall act honestly and in good faith with a view to the best interests of the Corporation and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no director or officer shall be liable for the acts, receipts, neglects or defaults of any other director, officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order of the board for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on the part of such director or officer, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of such director's or officer's office or in relation thereto; unless the same are occasioned by such director's or officer's own wilful neglect or fault, provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the regulations thereunder or from liability imposed upon such director or officer by the Act.

7.2 INDEMNITY. Subject to the limitations contained in the Act, the Corporation shall indemnify a director or officer, a former director or officer, or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder or creditor, and his or her heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him or her in respect of any civil, criminal or administrative action or proceeding to which he or she is made a party by reason of being or having been a director or officer of the Corporation or such body corporate, if:

- (a) he or she acted honestly and in good faith with a view to the best interests of the Corporation: and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he or she had reasonable grounds for believing that his or her conduct was lawful.

The Corporation shall also indemnify such person in such other circumstances as the Act permits or requires. Nothing in the by-laws shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of the by-laws.

7.3 INSURANCE. Subject to the limitations contained in the Act, the Corporation may purchase and maintain insurance for the benefit of any person referred to in section 7.2 against such liabilities and in such amounts as the board may from time to time determine and as are permitted by the Act.

SECTION EIGHT SHARES

8.1 ALLOTMENT. Subject to the Act and the articles, the board may from time to time allot or grant options to purchase the whole or any part of the authorized and unissued shares of the Corporation at such time and to such persons and for such consideration as the board shall determine, provided that no share shall be issued until it is fully paid as provided by the Act.

8.2 COMMISSIONS. The board may from time to time authorize the Corporation to pay a reasonable commission to any person in consideration of such person purchasing or agreeing to purchase shares of the Corporation, whether from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares.

8.3 TRANSFER AGENTS AND REGISTRARS. The board may from time to time appoint, for each class of securities issued by the Corporation, (a) a trustee, transfer agent or other agent to keep the securities register and the register of transfers and one or more persons to keep branch registers, and (b) a registrar, trustee or agent to maintain a record of issued security certificates and, subject to the Act, one person may be appointed for the purposes of clauses (a) and (b) in respect of all securities of the Corporation or any class or classes thereof. The board may at any time terminate such appointment.

8.4 REGISTRATION OF A SHARE TRANSFER. Subject to the provisions of the Act, no transfer of a share shall be registered in a securities register except upon surrender of the certificate representing such share with an endorsement which complies with the Act made thereon or delivered therewith duly executed by an appropriate person as provided by the Act, together with such reasonable assurance that the endorsement is genuine and effective as the board may from time to time prescribe, upon payment of all applicable taxes and any reasonable fee, not to exceed \$3.00, prescribed by the board, upon compliance with such restrictions on transfer as are authorized by the articles.

8.5 NON-RECOGNITION OF TRUSTS. The Corporation shall be entitled to treat the registered holder of a share as the person exclusively entitled to vote, to receive notices, to receive

any interest, dividend or other payments in respect of the shares, and otherwise to exercise all the rights and powers of a holder of the share.

8.6 SHARE CERTIFICATES. Every shareholder is entitled, at the option of such shareholder, to a share certificate in respect of the shares held by such shareholder that complies with the Act or to a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate from the Corporation in respect of the shares held by such shareholder. A share certificate shall be signed in accordance with section 2.3 and need not be under the corporate seal; provided that, unless the board otherwise orders, certificates representing shares in respect of which a transfer agent or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent or registrar. The signature of one of the signing officers or, in the case of share certificates which are not valid unless countersigned by or on behalf of a transfer agent or registrar, the signatures of both signing officers may be printed or mechanically reproduced upon share certificates and every such printed or mechanically reproduced signature shall for all purposes be deemed to be the signature of the officer whose signature is so reproduced and shall be binding upon the Corporation. If a share certificate contains a printed or mechanically reproduced signature of an individual, the Corporation may issue the share certificate notwithstanding that the individual has ceased to hold office and the share certificate is as valid as if such individual were in office at the date of its issue.

8.7 REPLACEMENT OF SHARE CERTIFICATES. The board or any officer or agent designated by the board may in its or such person's discretion direct the issue of a new share certificate in lieu of and upon cancellation of a share certificate that has been mutilated or in substitution for a share certificate that has been lost, apparently destroyed or wrongfully taken on payment of such fee, not exceeding \$3.00, and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the board may from time to time prescribe, whether generally or in any particular case.

8.8 JOINT SHAREHOLDERS. If two or more persons are registered as joint holders of any share, the Corporation shall not be bound to issue more than one certificate in respect thereof, and delivery of such certificate to one of such persons shall be sufficient delivery to all of them. Any one of such persons may give effectual receipts for the certificate issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such share.

8.9 DECEASED SHAREHOLDERS. In the event of the death of a holder, or of one of the joint holders, of any share, the Corporation shall not be required to make any entry in the securities register in respect thereof or to make any dividend or other payments in respect thereof, except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation and its transfer agent.

SECTION NINE DIVIDENDS AND RIGHTS

9.1 DIVIDENDS. Subject to the provisions of the Act and the articles, the board may from time to time declare dividends payable to the shareholders according to their respective rights and

interests in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation or options or rights to acquire fully paid shares of the Corporation.

9.2 DIVIDEND CHEQUES. A dividend payable in money shall be paid by cheque drawn on the Corporation's bankers or one of them to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by prepaid ordinary mail to such registered holder at the registered holder's recorded address, unless such holder otherwise directs. In the case of joint holders, the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and mailed to them at their recorded address, or to the first recorded address if there are more than one. The mailing of such cheque, unless the same be not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

9.3 NON-RECEIPT OF CHEQUES. In the event of non receipt of any dividend cheque by the person to whom it is sent, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non receipt and of title as the board may from time to time prescribe, whether generally or in any particular case.

9.4 RECORD DATE FOR DIVIDENDS AND RIGHTS. The board may fix in advance a date, preceding by not more than 50 days the date for the payment of any dividend or the date for the issue of any warrant or other evidence of right to subscribe for securities of the Corporation, as a record date for the determination of the persons entitled to receive payment of such dividend or to exercise the right to subscribe for such securities; and notice of any such record date, unless waived in accordance with the Act, shall be given not less than seven days before such record date in the manner provided for by the Act. If no record date is so fixed, the record date for the determination of the persons entitled to receive payment of any dividend or to exercise the right to subscribe for securities of the Corporation shall be at the close of business on the day on which the resolution relating to such dividend or right to subscribe is passed by the board.

9.5 UNCLAIMED DIVIDENDS. Any dividend unclaimed after a period of two years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

SECTION TEN MEETINGS OF SHAREHOLDERS

10.1 ANNUAL MEETINGS. The annual meeting of shareholders shall be held at such time and on such day in each year and, subject to section 10.2, at such place as the board, the chairperson of the board or the president may from time to time determine, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing auditors (unless the Corporation is exempted under the Act from appointing an auditor), and for the transaction of such other business as may properly be brought before the meeting.

10.2 SPECIAL MEETINGS. The board, the chairperson of the board or the president shall have power to call a special meeting of shareholders at any time.

10.3 PLACE OF MEETINGS. Subject to the articles, meetings of shareholders shall be held at the registered office of the Corporation or elsewhere in the municipality in which the head office is situate or, if the board shall so determine, at some other place within or outside Ontario.

10.4 MEETING HELD BY ELECTRONIC MEANS. The persons who are authorized to call a meeting of shareholders may determine that the meeting shall be held, in accordance with the Act, by means of a telephonic, electronic or other communications facility that permits all participants to communicate instantaneously and simultaneously with each other during the meeting. Any shareholder who, through those means, votes at the meeting or establishes a communications link to the meeting shall be deemed for the purposes of the Act to be present at the meeting.

10.5 NOTICE OF MEETINGS. Notice of the time and place of each meeting of shareholders shall be given in the manner provided in Section Eleven not less than 21 nor more than 50 days before the date of the meeting to each director, to the auditor, and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting. Notice of a meeting of shareholders called for any purpose other than the consideration of minutes of an earlier meeting, consideration of the financial statements and auditor's report thereon (if any), election of directors and re-appointment of the incumbent auditor shall state the nature of such business in sufficient detail to permit the shareholder to form a reasonable judgment thereon and shall state the text of any special resolution or by-law to be submitted to the meeting. A shareholder and any other person entitled to attend a meeting of shareholders may in any manner waive notice of or otherwise consent to a meeting of shareholders, and, subject to the Act, attendance of any such shareholder or any such other person is a waiver of notice of the meeting.

10.6 LIST OF SHAREHOLDERS ENTITLED TO NOTICE. For every meeting of shareholders, the Corporation shall prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares held by each shareholder entitled to vote at the meeting in accordance with the Act. If a record date for the meeting is fixed pursuant to section 10.7, the shareholders listed shall be those registered at the close of business on such record date. If no record date is fixed, the shareholders listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given or, where no such notice is given, on the day on which the meeting is held. The list shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where the central securities register is maintained and at the meeting for which the list was prepared. Where a separate list of shareholders has not been prepared, the names of persons appearing in the securities register at the requisite time as the holder of one or more shares carrying the right to vote at such meeting shall be deemed to be a list of shareholders.

10.7 RECORD DATE FOR NOTICE. The board may fix in advance a date, preceding the date of any meeting of shareholders by not more than 50 days and not less than 21 days, as the record date for the determination of the shareholders entitled to notice of the meeting, and notice

of any such record date shall, unless waived in accordance with the Act, be given not less than seven days before such record date, by newspaper advertisement in the manner provided in the Act. If no record date is so fixed, the record date for the determination of the shareholders entitled to receive notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is given or, if no notice is given, the day on which the meeting is held.

10.8 MEETINGS WITHOUT NOTICE. A meeting of shareholders may be held without notice at any time and any place permitted by the Act or the articles (a) if all the shareholders entitled to vote thereat are present in person or represented by proxy or if those not present or represented by proxy waive notice of or otherwise consent to such meeting being held; and (b) if the auditors and the directors are present or waive notice of, or otherwise consent to, such meeting being held; so long as such shareholders, auditors or directors present are not attending for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. At such meeting any business may be transacted which the Corporation at a meeting of shareholders may transact.

10.9 CHAIRPERSON, SECRETARY AND SCRUTINEERS. The chairperson of any meeting of shareholders shall be the first named of such of the following officers as have been appointed and who is present at the meeting: president, chairperson of the board, or a vice-president who is a shareholder. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chairperson. If the secretary of the Corporation is absent, the chairperson shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chairperson with the consent of the meeting.

10.10 PERSONS ENTITLED TO BE PRESENT. The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and the auditor of the Corporation, if any, and others who, although not entitled to vote, are entitled or required under any provision of the Act, the articles or the by laws to be present at the meeting. Any other person may be admitted only on the invitation of the chairperson of the meeting or with the consent of the meeting.

10.11 PARTICIPATION IN MEETING BY ELECTRONIC MEANS. Any person entitled to attend a meeting of shareholders may participate in the meeting, in accordance with the Act and the by-laws, by means of telephonic, electronic or other communications facilities that permits all participants to communicate instantaneously and simultaneously with each other during the meeting, provided the Corporation makes available such telephonic, electronic or communications facility. A person participating in such a meeting is deemed to be present at the meeting and may vote, in accordance with the Act, by means of the telephonic, electronic or other communications facilities that the Corporation has made available for that purpose.

10.12 QUORUM. Subject to the Act and to section 10.22, a quorum for the transaction of business at any meeting of shareholders shall be two persons present in person, and holding or representing by proxy not less than 10% of the outstanding shares entitled to vote at the meeting. If a quorum is present at the opening of any meeting of shareholders, the shareholders present or represented by proxy may proceed with the business of the meeting notwithstanding that a quorum

is not present throughout the meeting. If a quorum is not present at the opening of any meeting of shareholders, the shareholders present or represented by proxy may adjourn the meeting to a fixed time and place but may not transact any other business.

10.13 RIGHT TO VOTE. Subject to the provisions of the Act as to authorized representatives of any other body corporate or association, at any meeting of shareholders for which the Corporation has prepared the list referred to in section 10.6, every person who is named in such list shall be entitled to vote the shares shown thereon opposite his name at the meeting to which such list relates. At any meeting of shareholders for which the Corporation has not prepared the list referred to in section 10.6, every person shall be entitled to vote at the meeting who at the time is entered in the securities register as the holder of one or more shares carrying the right to vote at such meeting.

10.14 PROXYHOLDERS AND REPRESENTATIVES. Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, who need not be a shareholder, to attend and act as the shareholder's representative at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the shareholder or the shareholder's attorney or, if the shareholder is a body corporate, by an officer or attorney of such shareholder duly authorized, and shall conform to the requirements of the Act. Alternatively, a shareholder which is a body corporate or association may authorize by resolution of its directors or governing body an individual to represent it at a meeting of shareholders and such individual may exercise on the shareholder's behalf all the powers it could exercise if it were an individual shareholder. The authority of such an individual shall be established by depositing with the Corporation a certified copy of such resolution, or in such other manner as may be satisfactory to the secretary of the Corporation or the chairperson of the meeting. Any such proxyholder or representative need not be a shareholder.

10.15 TIME FOR DEPOSIT OF PROXIES. The board may fix in advance a time, not exceeding 48 hours (excluding non-business days) preceding the time of any meeting or adjourned meeting of shareholders, before which time proxies to be used at that meeting must be deposited with the Corporation or an agent thereof, and any period of time so fixed shall be specified in the notice calling the meeting. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice, unless it has been received by the secretary of the Corporation or by the chairperson of the meeting or any adjournment thereof prior to the time of voting.

10.16 JOINT SHAREHOLDERS. If two or more persons hold shares jointly, any one of them present in person or represented by proxy at a meeting of shareholders may, in the absence of the other or others, vote the shares: but if more than one of those persons are present in person or represented by proxy and vote, they shall vote together as one the shares jointly held by them.

10.17 VOTES TO GOVERN. At any meeting of shareholders every question shall, unless otherwise required by the articles, the by laws or by law, be determined by the majority of the votes cast on the question. In case of an equality of votes either upon a show of hands or upon a poll, the chairperson of the meeting shall not be entitled to a second or casting vote.

10.18 SHOW OF HANDS. Subject to the provisions of the Act, any question at a meeting of shareholders shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chairperson of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question.

10.19 BALLOTS. On any question proposed for consideration at a meeting of shareholders, and whether or not a show of hands has been taken thereon, the chairperson of the meeting or any person who is present and entitled to vote, whether as shareholder, proxyholder or representative, on such questions at the meeting may demand a ballot. A ballot so required or demanded shall be taken in such manner as the chairperson of the meeting shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken, each person present shall be entitled, in respect of the shares which such person is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the Shareholders upon the said question.

10.20 ELECTRONIC VOTING. Despite sections 10.18 and 10.19. voting at a meeting of shareholders may be held, in accordance with the Act, by telephonic or electronic means, if the Corporation makes available such a communications facility, provided the facility (i) enables the votes to be gathered in a manner that permits their subsequent verification, and (ii) permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each person entitled to vote on the question voted.

10.21 ADJOURNMENT. The chairperson at a meeting of shareholders may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn the meeting from time to time and from place to place. If a meeting of shareholders is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. Subject to the Act, if a meeting of shareholders is adjourned by one or more adjournment for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

10.22 RESOLUTION IN WRITING BY SHAREHOLDERS. A resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting is as valid as if it had been passed at a meeting of the shareholders unless a written statement or written representation with respect to the subject matter of the resolution is submitted by a director or the auditor, respectively, in accordance with the Act. A resolution in writing may be signed by the shareholders in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same resolution in writing, and by a shareholder using a facsimile signature, in which case the other shareholders, the Corporation and the directors are entitled to rely on such facsimile signature as conclusive evidence that such resolution in writing has been duly executed by such shareholder.

10.23 ONLY ONE SHAREHOLDER. Where the Corporation has only one shareholder or only one holder of any class or series of shares, the shareholder present in person or duly represented by proxy constitutes a meeting.

SECTION ELEVEN NOTICES

11.1 METHOD OF GIVING NOTICES. Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the regulations thereunder, the articles, the by laws or otherwise to a shareholder, director, officer, auditor or member of a committee of the board shall be sufficiently given (i) if delivered personally to the person to whom it is to be given, or (ii) if delivered to such person's recorded address, or (iii) if mailed to such person at such person's recorded address by prepaid air or ordinary mail, or (iv) if sent to such person at such person's recorded address by any means of prepaid transmitted or recorded communication. A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as provided above: a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box and deemed to have been received on the fifth day after mailing: and a notice sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The secretary may change or cause to be changed the recorded address of any shareholder, director, officer, auditor or member of a committee in accordance with any information believed by the secretary to be reliable.

11.2 NOTICE TO JOINT HOLDERS. If two or more persons are registered as joint holders of any share, any notice shall be addressed to all of such joint holders but notice addressed to one of such persons shall be sufficient notice to all of them.

11.3 UNDELIVERED NOTICES. If any notice given to a shareholder pursuant to section 11.1 is returned on three consecutive occasions because the shareholder cannot be found, the Corporation shall not be required to give any further notices to such shareholder until the shareholder informs the Corporation in writing of the shareholder's new address.

11.4 COMPUTATION OF TIME. In computing the date when notice must be given under any provision of the by-laws requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

11.5 OMISSIONS AND ERRORS. The accidental omission to give any notice to any shareholder, director, officer, auditor, or member of a committee of the board, or the non receipt of any notice by any such person or any error in any notice not affecting the substance thereof, shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

11.6 PERSONS ENTITLED BY DEATH OR OPERATION OF LAW. Every person who, by operation of law, transfer, death of a shareholder or any other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been

duly given to the shareholder from whom such person derives his or her title to such share prior to such person's name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which the person became so entitled) and prior to such person furnishing to the Corporation to proof of authority or evidence of such person's entitlement prescribed by the Act.

11.7 WAIVER OF NOTICE. Any shareholder, proxyholder, representative, other person entitled to attend a meeting of shareholders, director, officer, auditor or member of a committee of the board may at any time waive any notice, or waive or abridge the time for any notice, required to be given to such person under any provision of the Act, the regulations thereunder, the articles, the by laws or otherwise and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in the giving or in the time of such notice, as the case may be.

SCHEDULE "B"
SPECIAL RESOLUTION OF
EVERYBODY LOVES LANGUAGES CORP.

See Appendix "A" of the Circular.

SCHEDULE "C"
SUPPORT AGREEMENT

THIS SUPPORT AGREEMENT (this "**Agreement**") is made and entered into as of _____ 2025 by and between ELL Ventures Ltd., a corporation existing under the laws of the Province of Ontario ("**Privateco**"), and the undersigned shareholder (the "**Shareholder**") of Everybody Loves Languages Corp., a corporation existing under the laws of the Province of Ontario (the "**Company**").

RECITALS

- A. Privateco has entered into a certain business combination agreement (the "**Business Combination Agreement**") and an amalgamation agreement (the "**Amalgamation Agreement**") true and correct copies of each which are available on www.sedarplus.ca and which provide for the amalgamation of Privateco with the Company (the "**Amalgamation**"), and as such, Privateco has requested that the Shareholder execute and deliver this Agreement.
- B. Pursuant to the Business Combination Agreement and the Amalgamation Agreement, all of the issued and outstanding common shares of the Company will be cancelled and exchanged for the consideration set forth therein, all upon the terms and subject to the conditions set forth therein. Without limiting the generality of the foregoing, it is confirmed that the Business Combination Agreement and the Amalgamation Agreement provide that holders of common shares of the Company, other than Privateco or a shareholder of the Company that exercises his or her right of dissent under section 185 of the *Business Corporation Act* (Ontario), including the Shareholder, will receive, in exchange for each common share of the Company held by them, one Redeemable Preferred Share of the company created upon the Amalgamation, which Redeemable Preferred Share will immediately be redeemed for \$0.085 cash.
- C. The Shareholder is the beneficial owner of the number of outstanding common shares of the Company set forth on the signature page of this Agreement (together with any other common shares of the Company acquired by the Shareholder hereafter but prior to the Expiration Date (as defined below), the "**Shares**").
- D. The Shareholder desires to restrict the transfer or disposition of any of the Shares and desires to vote the Shares so as to facilitate the consummation of the Amalgamation.

AGREEMENT

NOW, THEREFORE, for value received, the parties hereto hereby agree as follows:

1. **Agreement to Retain Shares.** The Shareholder agrees, during the period beginning on the date hereof and ending on the Expiration Date (as defined below), not to transfer, sell, exchange, pledge or otherwise dispose of or encumber or permit the registered holder of the Shares to do any of the foregoing (collectively, "**Transfer**") any of the Shares or to discuss, negotiate, or make any offer or agreement relating thereto, other than to or with Privateco, in each case without the prior

written consent of Privateco. The Shareholder acknowledges that the intent of the foregoing sentence is to ensure that Privateco retains the right under the Proxy (as defined in Section 3 below) to vote the Shares in accordance with the terms of the Proxy. As used herein, the term "**Expiration Date**" shall mean the date upon which this Agreement is terminated in accordance with its terms.

2. **Agreement to Vote Shares.** Until the Expiration Date, at every meeting of shareholders of the Company called with respect to any of the following, and at every adjournment or postponement thereof, and on every action or approval by written consent of shareholders of the Company with respect to any of the following, the Shareholder shall vote or cause the Shares to be voted, to the extent not voted by the person(s) appointed under the Proxy (as defined in Section 3 below) the Shares to the extent any such Shares may be voted:

- (a) in favor of approval of the Amalgamation, and in favor of each of the other actions contemplated by the Business Combination Agreement and the Amalgamation Agreement and any action required in furtherance thereof; and
- (b) against approval of any proposal made in opposition to, or in competition with, the Business Combination Agreement or the Amalgamation Agreement or the consummation of the Amalgamation and all other matters and transactions that could adversely effect or impede the Amalgamation.

Prior to the Expiration Date, the Shareholder shall not enter into any agreement or understanding with any person to vote or give instructions in any manner inconsistent with this Section 2.

3. **Irrevocable Proxy.** Concurrently with the execution of this Agreement, the Shareholder shall deliver or cause to be delivered to Privateco an irrevocable proxy in the form attached hereto as Exhibit A (the "**Proxy**"), which shall be irrevocable to the fullest extent permitted by applicable law, covering all of the Shares.

4. **Representations Warranties and Covenants of the Shareholder.** The Shareholder represents, warrants and covenants to Privateco as follows:

- (a) the Shareholder, if a corporation, is duly incorporated and validly existing and in good standing under the laws of the jurisdiction in which it is was organized and has full corporate power and authority to own its assets, including the Shares, and conduct its business as now owned and conducted;
- (b) the Shareholder is the beneficial owner of the Shares, with full power to vote or direct the vote of the Shares for and on behalf of all beneficial owners of the Shares;
- (c) as of the date hereof, the Shares are, and at all times up until the Expiration Date the Shares will be, free and clear of any rights of first refusal, co-sale rights, security interests, liens, pledges, claims, options, charges or other encumbrances of any kind or nature;
- (d) the Shareholder does not beneficially own any common shares of the Company, nor does it have any right to acquire any common shares of the Company other than the Shares;

- (e) the Shareholder has full power and authority to make, enter into and carry out or cause to be carried out the terms of this Agreement and the Proxy;
- (f) this Agreement and the Proxy, when fully signed, constitute or will constitute legal, valid and binding obligation of the Shareholder enforceable against the Shareholder in accordance with their respective terms, subject, however, to limitations imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance or injunction are granted at the discretion of a court of competent jurisdiction.

5. **Representations, Warranties and Covenants of Privateco.** Privateco represents, warrants and covenants to Privateco as follows:

- (a) Privateco is a corporation duly incorporated validly existing and in good standing under the Laws of the Province of Ontario and has full corporate power and authority to own its assets and conduct its business as now owned and conducted;
- (b) Privateco has full power and authority to make, enter into and carry out or cause to be carried out the terms of this Agreement and the Business Combination Agreement; and
- (c) this Agreement and the Business Combination Agreement, when fully signed, constitute or will constitute legal, valid and binding obligations of Privateco enforceable against it in accordance with their respective terms, subject, however, to limitations imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance or injunction are granted at the discretion of a court of competent jurisdiction.

6. **Fiduciary Obligations.** Privateco agrees and acknowledges that the Shareholder is bound hereunder solely in his or her capacity as a shareholder of the Company and that the provisions hereof shall not be deemed or interpreted to bind the Shareholder in his or her capacity as a director or officer of the Company, if applicable.

7. **Additional Documents.** The Shareholder hereby covenants and agrees to execute and deliver or cause to be executed and delivered, any additional documents reasonably necessary or desirable to carry out the purpose and intent of this Agreement and the Amalgamation.

8. **Consents and Waivers.** The Shareholder hereby gives any consents or waivers that are reasonably required for the consummation of the Amalgamation under the terms of any agreement to which the Shareholder is a party or pursuant to any rights that the Shareholder may have.

9. **Termination.**

- (a) **Automatic Termination.** This Agreement shall terminate automatically upon the termination of the Business Combination Agreement in accordance with its terms.

- (b) **Termination by Privateco.** Privateco, when not in material default in the performance of its obligations under this Agreement, may, without prejudice to any of its rights hereunder and in its sole discretion, terminate this Agreement by written notice to the Shareholder if:
 - (i) any of the representations and warranties of the Shareholder under this Agreement shall not be true and correct in all material respects; or
 - (ii) the Shareholder shall have not complied with its covenants to Privateco contained in this Agreement.
- (c) **Termination by the Shareholder.** The Shareholder, when not in material default in the performance of its obligations under this Agreement, may, without prejudice to any of its rights hereunder and in its sole discretion, terminate this Agreement by written notice to Privateco, if;
 - (i) any of the representations and warranties of Privateco under this Agreement shall not be true and correct in all material respects; or
 - (ii) Privateco shall have not complied with its covenants to the Shareholder contained in this Agreement; or
 - (iii) the terms of the Amalgamation are changed such that the Shareholder will not receive at least \$0.085 in cash, either directly or indirectly, for each common share in the capital of the Company owned by it.

10. **Effect of Termination.** If this Agreement is terminated in accordance with Section 9, the provisions of this Agreement and the Proxy delivered in connection herewith shall immediately become void and shall have no further force or effect and no party shall have liability or obligations to the other party, except in respect of a breach of this Agreement which occurred prior to such termination.

11. **Miscellaneous.**

- (a) **Disclosure.** Prior to the first public disclosure of the existence and terms and conditions of this Agreement, the Shareholder shall not disclose the existence of this Agreement, or any details hereof, to any person other than the Company and its directors and officers, without the prior written consent of Privateco, except to the extent required by law, including without limitation, applicable securities laws. The existence and terms and conditions of this Agreement may be disclosed by Privateco and the Company in press releases issued in connection with the execution of the Business Combination Agreement.
- (b) **Assignment.** Privateco may assign all or any part of its rights and/or obligations under this Agreement to a wholly-owned subsidiary of Privateco provided that any such assignment will not relieve Privateco of its obligations under this Agreement and will in no way prejudice the Shareholder under this Agreement. This

Agreement shall not otherwise be assignable by any party without the written consent of the other.

- (c) **Governing Law.** This Agreement shall be governed in all respects, including validity, interpretation and effect, by the laws of the Province of Ontario and the federal laws of Canada applicable therein, without giving effect to any principles of conflict of laws thereof which would result in the application of the laws of any other jurisdiction, and all actions and proceedings arising out of or relating to this Agreement shall be heard and determined exclusively in the courts of the Province of Ontario.
- (d) **Survival of Representations and Warranties.** The representations and warranties made by the Shareholder and Privateco herein shall expire immediately following the closing of the Amalgamation. No investigations made by or on behalf of the Shareholder or Privateco, as the case may be, or any of their authorized agents at any time shall have the effect of waiving, diminishing the scope of or otherwise affecting any representation, warranty or covenant made by the Shareholder or Privateco, as the case may be, herein or pursuant hereto.
- (e) **Amendments.** This Agreement may not be amended except by written agreement signed by the parties to this Agreement.
- (f) **Specific Performance and other Equitable Rights.** Each of the parties recognizes and acknowledges that this Agreement is an integral part of the Amalgamation, that Privateco would not contemplate pursuing or completing the Amalgamation unless this Agreement was executed; and that a breach by any party of any covenants or other commitments contained in this Agreement will cause the other party to sustain injury for which it would not have an adequate remedy at law for money damages. Therefore, each of the parties agrees that in the event of any such breach, the aggrieved party shall be entitled to the remedy of specific performance of such covenants or commitments and preliminary and permanent injunctive and other equitable relief in addition to any other remedy to which it or they may be entitled, at law or in equity, and the parties further agree to waive any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief.
- (g) **Expenses.** Privateco and the Shareholder shall each pay its legal, financial advisory and accounting costs and expenses incurred in connection with the preparation, execution and delivery of this Agreement and the Proxy and any other documents and instruments executed or prepared pursuant to this Agreement.
- (h) **Counterparts.** This Agreement may be executed in separate counterparts, and all such counterparts when taken together shall constitute one agreement. This Agreement may be transmitted by facsimile or such other device a permits the reproduction of signatures, and the reproduction of signatures by such device shall be legally effective to create a valid and binding Agreement.

- (i) **Severability.** If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the terms of this Agreement remain as originally contemplated to the fullest extent possible.
- (j) **Entire Agreement.** This Agreement constitutes the entire agreement and understanding between the parties pertaining to the subject matter hereof.
- (k) **Time.** Time shall be of the essence of this Agreement.
- (l) **Notices.** Any notice, request, consent, agreement or approval which may or is required to be given pursuant to this Agreement shall be in writing and shall be sufficiently given or made if delivered in person or by prepared courier with tracking facilities, in the case of:
 - (i) Privateco addressed as follows:

Gali Bar-Ziv 60 Geraldton Crescent Toronto,
Ontario, M2J 2R6
 - (ii) Shareholder, to the address set forth on the signature page of this Agreement,

or to such other address as the relevant party may from time to time advise by notice in writing given pursuant to this Section 11(l). The date of receipt of any such notice, request, consent, agreement or approval shall be deemed to be the date of delivery or sending thereof.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the date first above written.

ELL VENTURES LTD.

SHAREHOLDER:

Name: Gali Bar-Ziv
Title: Director

Signature

Print Name

Address

Facsimile No.

No. of Common Shares

[Signature Page of Support Agreement]

EXHIBIT A
IRREVOCABLE PROXY

The undersigned shareholder ("**Shareholder**") of Everybody Loves Languages Corp., a company existing under the laws of the Province of Ontario (the "**Company**"), hereby irrevocably (to the fullest extent permitted by law) appoints any officer of ELL Ventures Ltd., a company existing under the laws of the Province of Ontario ("**Privateco**"), as the sole and exclusive attorney and proxy of the undersigned, with full power of substitution and re-substitution, to vote and exercise all voting and related rights (to the fullest extent that the undersigned is entitled to do so) with respect to all of the common shares of the Company that now are or hereafter may be beneficially owned by the undersigned, and any and all other shares or securities of the Company issued or issuable in respect thereof on or after the date hereof (collectively, the "**Shares**"), in accordance with the terms of this Proxy. The Shares beneficially owned by the undersigned as of the date of this Proxy are listed on the final page of this Proxy, along with the number(s) of the share certificate(s) which represent such Shares, if known. Upon the undersigned's execution of this Proxy, any and all prior proxies given by the undersigned with respect to any Shares are hereby revoked and the undersigned agrees not to grant any subsequent proxies with respect to the Shares until after the Expiration Date (as defined below).

This Proxy is irrevocable (to the fullest extent permitted by law), is coupled with an interest and is granted pursuant to that certain support agreement dated as of the date hereof by and between Privateco and the Shareholder (the "**Support Agreement**") and is granted for good and valuable consideration, including, without limitation, Privateco entering into that certain business combination agreement (the "**Business Combination Agreement**") and amalgamation agreement (the "**Amalgamation Agreement**"), by and between Privateco and the Company. The Business Combination Agreement provides for the amalgamation of Privateco with the Company in accordance with its terms (the "**Amalgamation**"). As used in this Irrevocable Proxy, the term "Expiration Date" shall mean the date upon which the Support Agreement is terminated in accordance with its terms.

The attorney and proxy named above is hereby authorized and empowered by the undersigned, at any time prior to the Expiration Date, to act as the undersigned's attorney and proxy to vote the Shares, and to exercise all voting, consent and similar rights of the undersigned with respect to the Shares (including, without limitation, the power to execute and deliver written consents) at every annual, special, adjourned or postponed meeting of shareholders of the Company and in every written consent in lieu of such meeting:

- (i) in favor of approval of the Amalgamation, the adoption and execution and delivery by the Company of the Business Combination Agreement and the Amalgamation Agreement and in favor of each of the other actions contemplated by the Business Combination Agreement and any action required in furtherance thereof; and
- (ii) against approval of any proposal made in opposition to, or in competition with, the Business Combination Agreement or the Amalgamation Agreement or the consummation of the Amalgamation and all other matters and transactions that could adversely effect or impede the Amalgamation.

The attorney and proxy named above may not exercise this Proxy on any other matter except as provided in clauses (i) and (ii) above. The Shareholder may vote the Shares on all other matters.

Any obligation of the Shareholder shall be binding upon the successors and assigns of the Shareholder.

This Proxy shall terminate, and be of no further force and effect, automatically upon the Expiration Date.

Dated: ►, 2025.

	Signature
	Print Name
	Address
	Facsimile No.
	No. of Common Shares

SCHEDULE "D"
GUARANTEE

THIS GUARANTEE is made as of December ►, 2025.

BY :

Gali Bar-Ziv, an individual residing in Toronto, Ontario

AND :

Khurram Qureshi, an individual residing in Toronto, Ontario

(collectively, the "**Guarantors**")

TO :

Everybody Loves Languages Corp. an Ontario corporation having its registered office in Toronto, Ontario

("**ELL**")

RECITALS

- A. The guarantors are the principal shareholders of ELL Ventures Ltd. (the "**Company**").
- B. The Company and ELL have entered into a business combination agreement made as of the date hereof (the "**BCA**") under which, subject to the terms and conditions set out therein, the Company and ELL agree to amalgamate.
- C. As a condition of ELL entering into the BCA, the Guarantors are required to provide this Guarantee under which they guarantee the obligations of the Company under the BCA.

THEREFORE, in consideration of these premises, the sum of \$1.00 now paid by ELL to each of the Guarantors, to induce ELL to enter into the BCA and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantors covenant and agree with ELL as follows:

ARTICLE I.
GUARANTEE

- 1.1 Guarantee.** The Guarantors hereby, jointly and severally, unconditionally and irrevocably guarantee the due and timely performance of each and all obligations of the Company under the BCA, including, without limitation, the truth and accuracy of the Company's representations and warranties set out therein and, subject to the term of the BCA, the fulfilment of the Company's obligations to complete the transactions contemplated therein (collectively, the "**Obligations**") and this guarantee shall be an obligation for full and prompt payment, rather than a secondary guarantee of collectability.

- 1.2 Guarantee Absolute.** The liability of the Guarantors hereunder shall be absolute and unconditional and shall not be affected or reduced by:
- (a) any change in the time, manner or place of payment of or in any other term of the Obligations;
 - (b) the bankruptcy, winding up, liquidation, dissolution or insolvency of the Company; or
 - (c) any lack or limitation of power, incapacity or disability on the part of the Company or of the directors, officers or agents thereof or any other irregularity, defect or informality on the part of the Company in respect of the Obligations.
- 1.3 Continuing Guarantee.** This Guarantee shall be a continuing guarantee of the Obligations and shall terminate only upon the earlier of (i) the issuance of the Certificate of Amalgamation in respect of the amalgamation of the Company and ELL and (ii) the termination of BCA in accordance with its terms other than as a result of any failure on the part of the Company in respect of the breach of any covenant, representation or warranty contained in the BCA prior to such termination the BCA.
- 1.4 Joint and Several Obligations.** Each and all of the obligations of the Guarantors set out herein are joint and several.

ARTICLE II. DEMAND, COSTS, INTEREST AND TERMINATION

- 2.1 Demand for Payment.** ELL shall be entitled to make demand upon one or more of the Guarantors hereunder at any time upon default in payment or performance of any of the Obligations, subject to any cure periods applicable thereto. The Guarantors shall make payment to or performance in favour of ELL of the Obligations, or such part thereof remaining unpaid or unperformed, forthwith upon demand by ELL therefor.
- 2.2 Costs.** The Guarantors shall make payment to ELL forthwith upon demand of all reasonable costs and expenses (including legal and other professional fees and disbursements) incurred by ELL in connection with the enforcement of any of ELL's rights hereunder.
- 2.3 Subrogation.** The Guarantors will not be entitled to subrogation until (i) the Guarantors perform or make payment to ELL of all amounts owing to ELL under this Guarantee and (ii) the Obligations are performed and paid in full. Thereafter, ELL will, at the request of the Guarantors, execute and deliver to the Guarantors the appropriate documents, without recourse and without representation and warranty, necessary to evidence the transfer by subrogation to the Guarantors of an interest in the Obligations and any security held therefor resulting from such performance or payment by the Guarantors.

**ARTICLE III.
DEALINGS WITH COMPANY AND OTHERS**

- 3.1 No Release.** The liability of the Guarantors hereunder shall not be released, discharged, limited or in any way affected by anything done, suffered or permitted by in connection with any duties or liabilities of the Company to ELL or any security therefor including any loss of or in respect of any security received by ELL from the Company or others. Without limiting the generality of the foregoing and without releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantors liability hereunder, without obtaining the consent of or giving notice to the Guarantors, the Company may discontinue, reduce, increase or otherwise vary the Obligations of the Company in any manner whatsoever and may:
- (a) grant time, renewals, extensions, indulgences, releases and discharges to the Company;
 - (b) take or abstain from taking or enforcing securities or collateral from the Company or from perfecting securities or collateral of the Company;
 - (c) accept compromises from the Company;
 - (d) apply all money at any time received from the Company or from securities upon such part of the Obligations as imay see fit; and
 - (e) otherwise deal with the Company and all other persons and securities as may see fit.
- 3.2 No Exhaustion of Remedies.** ELL shall not be bound or obligated to exhaust its recourse against the Company or other persons or any securities or collateral it may hold or take any other action before being entitled to demand payment from the Guarantors hereunder.

**ARTICLE IV.
GENERAL**

- 4.1 Benefit of the Guarantee.** This Guarantee shall be binding upon the heirs, executors, personal representatives, administrators and assigns of the Guarantors and shall benefit the successors and assigns of ELL. This Guarantee may not be assigned by the Guarantors without the written consent of ELL.
- 4.2 Amendment and Waiver.** No amendment, waiver or termination of this Guarantee shall be binding unless executed in writing by ELL. No waiver of any provision of this Guarantee shall constitute a waiver of any other provision hereof nor shall any waiver of any provision of this Guarantee constitute a continuing waiver unless otherwise expressly provided.
- 4.3 Severability.** If any term or other provision of this Guarantee is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Guarantee shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being

enforced, the parties hereto shall negotiate in good faith to modify this Guarantee so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the terms of this Guarantee remain as originally contemplated to the fullest extent possible.

- 4.4 Entire Agreement.** This Guarantee constitutes the entire agreement and understanding between the parties pertaining to the subject matter hereof.
- 4.5 Time.** Time shall be of the essence of this Guarantee.
- 4.6 Notices.** Any demand, notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered, personally, by courier or otherwise, to the other party at the registered office or last known residential address of the party or to such other address as any party may advise in accordance with this provision. No such notice shall be deemed to be received until actually delivered to the address specified herein or in accordance herewith.
- 4.7 Extended Meanings.** In this Guarantee, unless inconsistent with the context, words importing the singular number shall include the plural and vice versa, words importing gender shall include all genders and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations, corporations, government agencies and any other entity whatsoever.
- 4.8 Headings.** The division of this Guarantee into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Guarantee.
- 4.9 Governing Law.** This Guarantee shall be governed in all respects, including validity, interpretation and effect, by the laws of the Province of Ontario and the federal laws of Canada applicable therein, without giving effect to any principles of conflict of laws thereof which would result in the application of the laws of any other jurisdiction, and all actions and proceedings arising out of or relating to this Guarantee shall be heard and determined exclusively in the courts of the Province of Ontario.
- 4.10 Executed Copy.** The Guarantors acknowledge receipt of a fully executed copy of this Guarantee.

IN WITNESS WHEREOF the Guarantors have executed this Guarantee as of the date first above written.

Gali Bar-Ziv

Khurram Qureshi

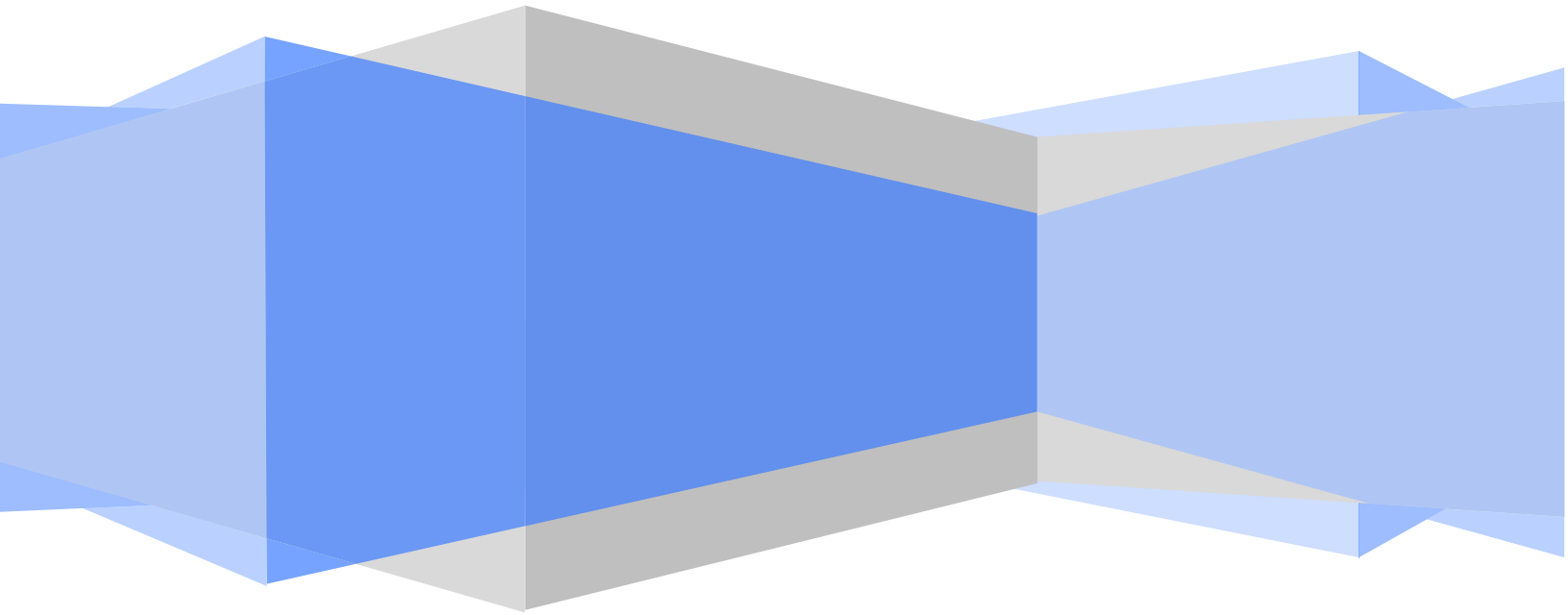
**APPENDIX D
FORMAL VALUATION**

See Next Page

Everybody Loves Languages Corp.

Estimate Valuation Report

As at November 6, 2025



MNB Valuation Inc.
Suite #502
55 Commerce Valley Drive West,
Thornhill, Ontario
L3T 7V9
Tel: 416-848-7477

www.valuquest.ca *
* Services provided by MNB Valuation Inc.

January 21, 2026

Private and Confidential

Everybody Loves Languages Corp.
20 Bay Street, 11th Floor
Toronto, Ontario
M5J 2N8
Canada

Attention:

Messrs. Laurent Mareschal, Robert Martellacci, and Tommy Gong
Members of the Independent Committee

Subject: Estimate Valuation of Everybody Loves Languages Corp.

You have asked us, as professional business valuers, acting independently and objectively, to provide an estimate of the fair market value (our "Valuation Report" or "Valuation") of all of the issued and outstanding shares (the "Shares") as at November 6, 2025 (the "Valuation Date")¹, of **Everybody Loves Languages Corp.** ("ELL" or the "Company") in connection with a proposed going private transaction (the "Transaction").

Purpose

We understand that this Valuation Report has been prepared to assist the Board of Directors and/or the Independent Committee ("Independent Committee" or the "Client") formed in connection with the proposed going-private transaction (the "Transaction") in assessing the fair market value of the Company's common shares. We further understand that this Valuation is being prepared to meet the requirements of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"), which requires, among other things, that, in certain going-private transactions, an independent valuation of the securities be obtained.

This Valuation has been prepared exclusively for use by the Board of Directors /Independent Committee in connection with the Transaction and in satisfaction of applicable securities law requirements, including MI 61-101. It is not intended for any other purpose and may not be relied upon by any other party without our prior written consent. We do not accept responsibility to any party other than the Client. Nothing in this

¹This Valuation Report, effective **November 6, 2025**, supersedes our earlier valuation report dated **March 31, 2025**. The update was required in accordance with instructions from the Independent Committee to align the valuation date with the disclosure timing requirements under **Multilateral Instrument 61-101** applicable to the proposed going-private transaction. The March 31, 2025, report is therefore no longer current or applicable for this purpose.

report should be construed as a guarantee of value, prediction of future results, or advice on corporate strategy.

Engagement Background

MNB Valuation Inc. ("MNB Valuation") was engaged through an agreement between the Independent Committee and MNB Valuation (the "Engagement Agreement") to prepare the Valuation. Our Valuation has been prepared in conformity with the practice standards of the Canadian Institute of Chartered Business Valuators (the "CICBV").

Independence

No part of MNB Valuation's fee is contingent upon the conclusions reached in, or any action or event contemplated in or resulting from the use of the Valuation Report. The principal valuator involved in the preparation of this Report acted independently and objectively in completing this engagement.

Definition of value

For the purpose of this engagement, we have been guided by the notion of fair market value, which is defined by the CICBV as being:

"The highest price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms-length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts."

We caution that "value" and "price" are *not* synonymous terms. Fair market value is a value term encountered in a notional marketplace where the assets or shares of the subject entity are not exposed to the open market. Fair market value is not necessarily equal to the price that might be realized in an open market sale of the subject assets/shares. Unlike the notional determination of fair market value, price is determined in an open market transaction, usually as a result of an arm's length negotiation.

Given the nature and stated purpose of this engagement, we have not exposed the shares/business interest to the marketplace to determine whether some special purchasers, for their own reasons, might perceive a value different from that determined by us.

Currency of Report

Unless otherwise noted herein, the currency amounts shown in this report and the attached schedules for the Company are expressed in Canadian dollars.

Company background

ELL is an edtech company that specializes in language learning and content development, helping educators transition from traditional teaching methods to digital learning by integrating education, edutainment, and technology. The Company operates through two distinct business units:

Web-based business (Everybody Loves Languages Inc.) – a technology platform that delivers personalized learning experiences in classrooms and online. Its SaaS-based programs include online and

offline content, a learning management system, assessments, real-time reporting, speech recognition technology, and white-label tools. As of the Valuation Date, the Web-based business was not generating positive cash flow, and Management projected continued operating losses.

Content-based business (Lingo Learning Inc.) – the content development division focused on publishing print-based English-language learning materials in China. Substantially all of its revenue is derived from royalties under a contract with education providers in China (the “PEP Contract”), which expires in 2028. As of the Valuation Date, the PEP Contract was the Company’s primary source of cash flow. Management has indicated that renewal of the contract beyond 2028 is considered unlikely.

Valuation Scenarios Considered

In assessing the fair market value of the Shares, we considered two scenarios, each based on differing assumptions regarding the renewal of the PEP Contract and the continuation of the Web-based business:

1. **Scenario 1 – Non-renewal of PEP Contract:** The PEP Contract is assumed to terminate upon expiry in 2028.
2. **Scenario 2 – Renewal of PEP Contract for a 5-Year Term:** The PEP Contract is assumed to be renewed for an additional five-year term beyond expiry in 2028.

Given the nature of the PEP Contract, which is based in the People’s Republic of China, it would not be reasonable or supportable to assume renewal beyond the next five-year term. The renewal process is subject to regulatory approvals, evolving educational policies, and competitive bidding dynamics in China that are outside the Company’s control and inherently uncertain. Accordingly, any projection of renewal beyond the next contract term would be speculative and not appropriate for valuation purposes.

Management Representations and Valuers Reliance

Management prepared the financial projections relied upon in our valuation analysis.

MNB Valuation Inc. reviewed the underlying assumptions and inputs for internal consistency and reasonableness, but did not independently audit, test, or verify the data.

Management Inputs and Assumptions

1. Financial projections covering fiscal years 2025 to 2028 were prepared by Management and form the basis of our valuation analysis.
2. Projections beyond 2028 (used in Scenario 2) were based on assumptions and inputs provided by Management, including cost assumptions that we did not independently corroborate.

Management Representations

1. The renewal of the PEP Contract beyond February 2028 is unlikely.
2. The Web-based business is projected to grow at approximately 3% annually and is not expected to generate positive EBITDA.

3. The Company must continue incurring significant development and operating costs to remain competitive and support a potential PEP Contract renewal and continue servicing it if renewed.
4. The Company would not be a viable operation if the PEP Contract is not renewed, given the Web-based business's limited profitability.
5. The existing technology platform is outdated and requires substantial redevelopment to stay competitive. As such, a potential buyer would not attribute standalone value to the existing technology platform without enhancements.

Valuator's Reliance, and Limitations

1. Our valuation conclusions are expressly dependent on the accuracy and completeness of Management's representations and information supplied.
2. We make no assurance that the projected results, renewal outcomes, or synergies will materialize.
3. We do not have sufficient information to independently assess the probability of renewal of the PEP Contract, nor do we possess the technical expertise necessary to verify Management's assertions regarding the Company's existing technology, anticipated development expenditures, or the operating costs required to remain competitive in the current environment. Management has advised that, as at the valuation date, the Company's technology is outdated, would require significant further development to be made current, and is not expected to have material standalone value to a potential buyer. Accordingly, we have not assigned any independent value to the Company's technology and have relied on Management representations for purposes of our analysis. These limitations, including our reliance on Management's projections and technology-related representations, were communicated to the Independent Committee, together with its legal counsel, in our presentation dated November 6, 2025.
4. Certain synergistic or strategic purchasers might, in principle, value the company for its customer relationships; however, no identifiable market participants or objective market evidence were available - or provided - to support the quantification of such synergies.
5. As at the Valuation Date, the Company had non-capital loss carryforwards of approximately \$21.9 million. While certain synergistic or strategic purchasers might, in principle, ascribe value to the potential tax savings associated with these losses, no identifiable market participants or objective market evidence were available—or provided—to support the quantification of such synergies. Moreover, according to Management, these non-capital losses have been in the public domain for several years, and no market participant has expressed interest in acquiring the Company to utilize its losses. Accordingly, no separate value has been attributed to these loss carryforwards for our valuation.
6. The Independent Committee has asked us to assume that the September 30, 2025, financial statements are a reasonable proxy for financial statements as at the Valuation Date.

Should any of these assumptions or representations prove inaccurate or incomplete, our valuation conclusions may differ materially.

Readers are cautioned that no reliance should be placed on this valuation for purposes other than those expressly stated in this report.

Conclusion

Based on our analysis and our limited scope of review (Appendix A) and our restrictions, limitations and major assumptions (Appendix B), the estimated fair market value of the Shares as at the Valuation Date is as follows:

In \$CAN	November 6, 2025	
	Fair Market Value	Reference
Scenario 1 - Non-Renewal of PEP Contract	\$ 2,440,000	Schedule 2
Scenario 2 - Renewal of PEP Contract for a 5-Year Term	\$ 3,380,000	Schedule 4

Note: Fair market value estimates do not reflect a separate valuation of the Company's tax attributes, including non-capital loss carryforwards of approximately \$21.9 million and net capital losses of approximately \$2.4 million as at November 6, 2025.

As of November 6, 2025, the Company had approximately 37.1 million fully diluted shares outstanding (per Q3 2025 financial statements). Trading activity on the TSX Venture Exchange has been minimal, typically limited to a few thousand shares per day, and at times no trades have occurred at all. Accordingly, the quoted closing price of \$0.06 per share does not necessarily reflect fair market value.

In accordance with CBV standards and the requirements of MI 61-101, fair market value reflects the notional price that would be negotiated between a hypothetical willing and able buyer and a hypothetical willing and able seller in an open and unrestricted market and is not determined solely by reference to quoted market prices in circumstances where trading is illiquid. Importantly, MI 61-101 specifies that no downward adjustment may be made in a formal valuation to reflect liquidity, transaction effects, or the fact that the securities do not form part of a controlling interest (s. 6.4(2)(d)).² The valuation conclusions presented in this report are therefore based on fundamental analysis of the Company's cash flows and assets, rather than on market quotations.

Restrictions

An Estimate Valuation (the "Valuation Report") is based on limited review, analysis and corroboration of relevant information. It is generally set out in a less detailed Valuation Report that provides a lower level of assurance than a Comprehensive Valuation Report. The reader of this report is required to complete their due diligence to ensure the value used for their purposes is reasonable. It was prepared after considering all relevant factors.

It should be understood that we have not been asked to, nor are we, providing a comprehensive valuation of the company's fair market value. Our scope was limited to reviewing certain information provided by the Company.

In accordance with our Engagement Agreement, this Valuation is not intended for general circulation or publication. Along with the Valuators' Limitations/Cautions section above, the Valuation is subject to "Restrictions and Major Assumptions" (Appendix B) outlined herein.

² Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions, s. 6.4(2)(d).

The accompanying schedules and appendices are an integral part of this valuation, providing a summary of our findings and the methodology that led to our valuation conclusion.

Yours truly,



Monty Bhardwaj, CPA, CA, CBV, CFF, DIFA

MNB VALUATION INC.

monty@mbvaluation.com

ValuQuest

www.valuquest.ca

Table of Contents

1	Background	2
2	Economic conditions and industry outlook	4
3	Review of financial position and operational results.....	7
4	Management Projections	9
5	Basis of valuation	12
6	Valuation of ELL – Scenario 1: Non-renewal of PEP Contract.....	15
7	Valuation of ELL – Scenario 2: Renewal of PEP Contract for a 5-Year Term.....	22
8	Market Data Considerations	25
9	Valuation conclusion.....	26
	Schedules and appendices.....	27
	Schedule 1 – Fair Market Value Summary.....	28
	Schedule 2 – Fair Market Value – Scenario 1	29
	Schedule 3 – Estimate of Business Enterprise Value – Scenario 1.....	30
	Schedule 3 – Notes.....	31
	Schedule 3a – FMV of Severance Costs	32
	Schedule 3b – Non-Cash Working Capital	33
	Schedule 4 – Fair Market Value – Scenario 2	34
	Schedule 5 – Estimate of Business Enterprise Value – Scenario 2.....	35
	Schedule 5 – Notes.....	36
	Schedule 5a – Fair Market Value – Severance Costs	37
	Schedule 6 – Projections.....	38
	Schedule 7 – Income Statements Summary.....	39
	Schedule 8 – Balance Sheet Summary.....	40
	Schedule 9 – Weighted Average Cost of Capital ("WACC").....	41
	Schedule 10 – DealStats – SIC 8299	42
	Appendix A – Scope of Review.....	43
	Appendix B – Restrictions, Qualifications and Assumptions.....	44
	Appendix C – Curriculum Vitae	45

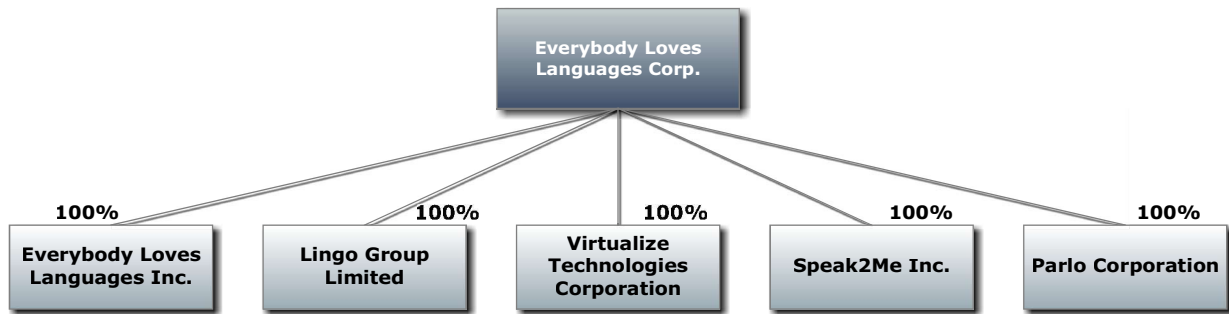
1 Background

Overview

- 1.1. Everybody Loves Languages Corp. (formerly Lingo Media Corporation) is a publicly listed company incorporated in Canada with limited liability under the legislation of the Province of Ontario and its shares are listed on the TSX Venture Exchange under the symbol “ELL” and inter-listed on the OTC Markets under the symbol “LMDCF” and Frankfurt Stock Exchange under the symbol “LIMA”.
- 1.2. The consolidated financial statements of the Company for the years ended December 31, 2024 and 2023 comprise the Company and its wholly owned subsidiaries: Lingo Learning Inc. (“Lingo Learning”), Everybody Loves Languages Inc., Lingo Group Limited., Vizualize Technologies Corporation, Speak2Me Inc., and Parlo Corporation (the “Group”).
- 1.3. The Company empowers language educators to easily transition from traditional teaching methods to digital learning with a course portfolio that offers more than 3,000 hours of learning material and proprietary content for online and blended learning.
- 1.4. Learning a new language is one of the most challenging learning experiences a student can pursue. But studies confirm that combining movies with language lessons is a great way to learn languages. A huge obstacle in acquiring a second language is three-fold: engagement, structure, and interactivity. In September 2022, ELL announced a strategic partnership with Row 9-Digital which would undertake and develop Hollywood movie-based lessons and activities to various age groups. Through this strategic partnership, ELL will use popular movies – such as Spiderman, Soul, Lightyear, Encanto, and West Side Story among the many in its library. The new partnership combines ELL’s learning management system and content with Row 9-Digital’s AcadeMe+ interactive lesson program that uses an innovative AI-enabled film search engine to provide teachers with educational and student-engaging content. The new business unit operates under the subsidiary, Everybody Loves Languages Ltd.
- 1.5. The Company had expanded further by partnering with ELT Songs to develop a Sustainable Development Goals-based program (SDG) that covers the 17 Sustainable Development Goals (SDGs, which were developed by the United Nations (UN) and adopted by 170 countries to implement by 2030. This enables ELL to expand beyond language learning, and further, target English speaking educational markets.
- 1.6. Everybody Loves Languages’ strategy is to focus on sales channels and relationships while continuously investing in and developing its content and technology offerings. In addition, the Company will seek licensing opportunities for its platform with large publishers that wish to offer a unique, competitive advantage to their client base.

Corporate Structure

1.7. The corporate organization of the Company is as follows:



1.8. The Directors of the Company are as follows:

- Gali Bar-Ziv, President & Chief Executive Officer
- Khurram Qureshi, Chief Financial Officer
- Robert Martellacci
- Laurent Mareschal
- Tommy (Weibin) Gong

2 Economic conditions and industry outlook

Economic conditions

- 2.1. Our review of the general economic conditions is derived from the Royal Bank of Canada's economics publications. The following is a summary of views expressed by various economists in the said publication.
- 2.2. Canadian GDP posted a 0.3% pullback in October, mainly driven by goods-producing sectors, while services-providing industry growth also edged lower.
- 2.3. Early indicators, including hours worked rising 0.4% month-over-month, the advance retail sales indicator up 1.2%, and early wholesale sales indicator rising 0.1%, all pointed to a potential recovery in November. On a quarterly basis, Q4 GDP is still tracking at around 0.5% annualized following a 2.6% jump in Q3.
- 2.4. Within goods-producing industries, weaknesses were concentrated in manufacturing, oil and gas (O&G) extraction. Statistics Canada attributed the O&G decline to maintenance activities at oil sands facilities. Supporting activities for mining also dropped by 2.4%, but mining excluding oil and gas posted gains, offsetting some weaknesses.
- 2.5. Trade-exposed sectors reported weaker activities. Manufacturing saw a 1.5% decline in output following a 1.8% increase in September. Transportation and warehousing output (-1.1%) was hit by a nationwide postal service work stoppage early in the month. With the strike shifting to a rotating format on October 11 and the advance GDP estimate for November pointing to growth in that sector, a rebound from strike-related weakness is suggested.
- 2.6. Some service-producing industries were affected by temporary factors. Arts and entertainment received a boost from the Blue Jays' playoff run, although this support was likely reversed in November. Offsetting stronger activity, Alberta's teachers' strike temporarily weighed on education services. Wholesale and retail trade GDP also declined, by 0.9% and 0.6%, respectively.
- 2.7. Statistics Canada's advance estimate for November points to GDP growth of 0.1%, driven by gains in educational services, construction and transportation and warehousing were partially offset by decreases in mining, quarrying, and oil and gas extraction and manufacturing
- 2.8. Canadian labour markets were expected to show signs of stabilization in October after deteriorating since the spring, but the data reported this morning (67k employment gain, decline in the unemployment rate to 6.9%) erred more towards outright improvement.
- 2.9. The data is notoriously volatile, arguing against reading too much into any one report, but details were also broadly positive with job growth concentrated in the private sector, improvement in the

most trade-exposed manufacturing and transportation sectors, wage growth accelerating, and the labour force participation rate rising.

- 2.10. U.S. tariff policy remains a significant risk, and labour markets are still softer than they were—the unemployment rate is still up 0.3 percentage points from a year ago in October.
- 2.11. But the Bank of Canada was relatively forceful after cutting the overnight rate to the low end of the neutral range in October that additional reductions were unlikely unless economic growth and/or inflation data were to surprise significantly on the downside.
- 2.12. The labour market data for October checks neither of those boxes with employment surprising on the upside and wage growth accelerating. The data is consistent with our own base case projections that the BoC will not cut interest rates further.

Industry Overview

English Language Content Publishing in China

- 2.13. China remains one of the largest English language learning markets globally, with demand supported by government policy emphasizing English proficiency as a key skill for students and professionals. The formal education system, particularly through state-approved publishers, continues to be the dominant channel for English language learning materials. Despite regulatory changes that have reshaped the private tutoring sector, the need for approved English content in schools remains strong. Large domestic publishers and multinational providers compete for share in this market, with barriers to entry shaped by regulatory approvals and long-term relationships with state education authorities.

Global Digital English Language Learning Market³

- 2.14. The digital English language learning market size is valued at USD 13.94 billion in 2025 and is forecast to reach USD 27.88 billion by 2030, expanding at a 14.87% CAGR. Behind this growth stands a confluence of smartphone ubiquity, AI-powered personalization, and corporate upskilling programs that elevate English proficiency to a core workplace skill. Government digitalization initiatives in K-12 systems, notably across Asia-Pacific, are institutionalizing online language study, while immersive VR and 5G networks are re-shaping how pronunciation and fluency tools deliver real-time feedback. Cloud infrastructure adoption is unlocking scalable adaptive learning, and freemium business models are widening access in price-sensitive segments, signaling a shift toward accessibility-driven monetization. Competitive momentum remains brisk as incumbents and AI startups contend for share by embedding analytics, speech recognition, and certification utilities into cohesive learning ecosystems.

Geography Analysis

- 2.15. Asia-Pacific generated the largest USD value and 39.45% share of the digital English language learning market in 2024. China's 400 million learners and India's AI startup wave drive a 16.23% regional CAGR to 2030. Funding rounds underscore momentum: SpeakX secured USD 10 million

³ https://www.mordorintelligence.com/industry-reports/digital-english-language-learning-market?utm_source=chatgpt.com

to target Tier-2 cities where English skills open upward career mobility. South Korea's AI textbook program and Indonesia's primary-school mandate embed long-range demand signals.

- 2.16. North America's corporate culture keeps the digital English language learning market size buoyant, as 67% of companies integrate mobile modules into upskilling suites. High smartphone penetration enables VR pilots and AI pronunciation labs at enterprise scale. Europe faces a demographic dip of 15.3 million English learners by 2025, yet business-English demand offsets declines as firms seek cross-border collaboration efficiency.
- 2.17. South America, the Middle East, and Africa account for smaller bases yet register double-digit growth. Zero-rated telco bundles in Nigeria and Kenya widen reach, and Brazil's middle-class expansion nurtures a willingness to pay for certification-linked programs. Vendors must localize dialect examples and user interfaces to resonate across cultural contexts, raising product-development complexity while unlocking diversified revenue streams.

Digital English Language Learning Market CAGR (%), Growth Rate by Region, 2025 - 2030



Source: Mordor Intelligence



Geography Analysis

- 2.18. The sector is characterized by intense competition between global digital platforms and regional providers. Key competitors include:

Global incumbents: Duolingo Inc. (rapid user growth, freemium model), Pearson plc (broad content portfolio), and Rosetta Stone (digital publishing).

Online education platforms: Udemy Inc. (broad digital learning marketplace) and Coursera (certification-focused partnerships).

Asia-based leaders: TAL Education Group and New Oriental Education & Technology Group, which maintain scale and brand presence despite regulatory challenges in China.

Emerging disruptors: AI-driven startups embedding speech recognition, analytics, and adaptive learning into scalable platforms.

3 Review of financial position and operational results

Statement of operations

3.1. The table below summarizes the operating results of the Company from December 31, 2020, to 2024.

In \$CAN	December 31 2020 Actual	December 31 2021 Actual	December 31 2022 Actual	December 31 2023 Actual	December 31 2024 Actual
SALES	2,102,054	2,639,850	2,272,764	2,392,384	2,433,632
EXPENSES	756,701	1,675,121	2,114,191	2,269,504	2,178,879
Net income before taxes and other	1,345,353	964,729	158,573	122,880	254,753
Other income	(41,531)	3,267	(67,012)	(13,762)	266,184
NET INCOME BEFORE TAXES	1,303,822	967,996	91,561	109,118	520,937
Income taxes	193,443	188,903	278,163	68,545	162,143
NET INCOME	1,110,379	779,093	(186,602)	40,573	358,794

3.2. The Company's revenue increased from approximately \$2.1 million in 2020 to \$2.6 million in 2021, before declining to \$2.3 million in 2022 and then gradually rising to \$2.4 million in 2023 and \$2.4 million in 2024.

3.3. The Company's net income before taxes and other declined from approximately \$1.35 million in 2020 to \$965,000 in 2021 and then dropped sharply to \$158,573 in 2022 and \$122,880 in 2023, before gradually increasing to \$254,753 in 2024. The higher net income in 2020 was primarily attributable to a grant received from the Province of Ontario, while the stronger results in 2021 reflected increased revenues from both the PEP Contract and the Web-based business. Net income declined from 2022 to 2024 due to a combination of decreased revenues and increased costs.

3.4. Management is projecting an increase in revenue in 2025.

Statement of financial position

3.5. Management has requested that we assume that the balance sheet as at September 30, 2025 is a reasonable proxy for the financial position as at the Valuation Date.

3.6. The financial position of the Company from December 31, 2020, to 2024 and the interim period ended September 30, 2025, is summarized in the attached Schedule 8.

3.7. As of the Valuation Date, the Company had a cash balance of \$1,986,040.

3.8. We have summarized the non-cash working capital in the table below

In \$CAN	Unaudited December 31 2021	Unaudited December 31 2022	Unaudited December 31 2023	Unaudited December 31 2024	Unaudited September 30 2025
Current assets					
Accounts receivable	1,101,908	1,650,766	869,838	788,909	985,269
Prepaid and other receivables	96,756	358,951	259,691	246,437	380,402
	<u>1,198,664</u>	<u>2,009,717</u>	<u>1,129,529</u>	<u>1,035,346</u>	<u>1,365,671</u>
Current liabilities					
Accounts payable	63,571	294,686	100,231	107,610	42,926
Accrued liabilities	115,742	116,679	130,502	133,916	178,553
Contract liabilities	187,770	187,988	158,418	289,347	368,927
	<u>367,083</u>	<u>599,353</u>	<u>389,151</u>	<u>530,873</u>	<u>590,406</u>
Non-cash working capital ("NCWC")	831,581	1,410,364	740,378	504,473	775,265
Ratio	3.27	3.35	2.90	1.95	2.31

3.9. The Company had other non-current prepaid and other receivables of \$330,795, which relate to advanced license fees and royalties paid to strategic partners.

3.10. The audited financial statements for fiscal year 2024 state that the Company has non-capital losses available for carry forward for Canadian income tax purposes of approximately \$21,858,000 and net capital losses of \$2,361,101 available in Canada.

4 Management Projections

Consolidated Management Projections

4.1. The table below summarizes Management's projections from 2025 to 2028, which combine the operating results of the PEP Contract and the Web-business assuming non-renewal of the PEP Contract:

In \$CAN	MANAGEMENT PROJECTIONS			
	December 31 2025	December 31 2026	December 31 2027	February 21 2028
REVENUE				
PEP/PEP AV (LLI)	\$ 1,746,251	\$ 1,867,888	\$ 1,867,888	\$ 311,315
Government Grant	258,292	258,292	258,292	-
	<u>2,004,543</u>	<u>2,126,180</u>	<u>2,126,180</u>	<u>311,315</u>
Online Sales -Web-based	959,724	789,327	813,007	119,300
TOTAL REVENUE	<u>2,964,267</u>	<u>2,915,507</u>	<u>2,939,187</u>	<u>430,615</u>
COST OF SALES				
Cost of Sales - Content-based	206,053	151,297	191,118	-
Cost of Sales - Web-based	308,558	178,419	183,772	26,967
TOTAL COST OF SALES	<u>514,610</u>	<u>329,716</u>	<u>374,889</u>	<u>26,967</u>
GROSS PROFIT	<u>2,449,657</u>	<u>2,585,791</u>	<u>2,564,298</u>	<u>403,648</u>
OPERATING EXPENSES				
Operating Expense: Content-based	463,437	491,474	544,123	82,888
Operating Expense: Web-based	380,054	464,596	494,152	70,524
Development Expense: Web-based	633,774	444,757	311,901	44,435
Head Office	491,596	522,352	551,857	78,737
TOTAL OPERATION EXPENSES	<u>1,968,861</u>	<u>1,923,179</u>	<u>1,902,033</u>	<u>276,584</u>
Depreciation	862	-	-	-
Net interest income	-	-	-	-
Foreign exchange loss	-	-	-	-
Withholding Tax	238,866	298,862	298,862	49,810
Bonus - Gali Bar-Ziv	53,230	40,751	41,461	2,967
NET INCOME / (LOSS)	<u>187,838</u>	<u>322,999</u>	<u>321,942</u>	<u>74,287</u>

Web-based business projections

- 4.2. Summarized below, we have segregated the operating results of the Web-based business, which show significant projected operating losses.

In \$CAN	MANAGEMENT PROJECTIONS (WEB- BUSINESS ONLY)			
	December 31 2025	December 31 2026	December 31 2027	February 21 2028
REVENUE				
Online Sales -Web-based	959,724	789,327	813,007	119,300
TOTAL REVENUE	959,724	789,327	813,007	119,300
COST OF SALES				
Cost of Sales - Web-based	308,558	178,419	183,772	26,967
TOTAL COST OF SALES	308,558	178,419	183,772	26,967
GROSS PROFIT	651,166	610,908	629,235	92,334
OPERATING EXPENSES				
Operating Expense: Web-based	380,054	464,596	494,152	70,524
Development Expense: Web-based	633,774	444,757	311,901	44,435
TOTAL OPERATION EXPENSES	1,013,828	909,353	806,053	114,959
Depreciation	862	-	-	-
NET INCOME / (LOSS)	(363,524)	(298,445)	(176,818)	(22,625)

- 4.3. Management has indicated that the Web-based business is not expected to achieve annual growth above 3%, given the rapid advancements in AI and the increase in competition.
- 4.4. Management has represented to us that the projected operating and development expenditures are necessary for the Company to remain competitive and to prepare for, and bid on, the renewal of the PEP Contract, which is due to expire in 2028. **We caution readers that we have not independently verified, nor do we have the technical expertise to verify or test, Management's assertions in this regard.**

PEP Contract Projections

- 4.5. Summarized below, we have segregated the operating results related to the PEP Contract, which reflect positive cash flow.

In \$CAN	MANAGEMENT PROJECTIONS (PEP Contract Only)			
	December 31 2025	December 31 2026	December 31 2027	February 21 2028
REVENUE				
PEP/PEP AV (LLI)	\$ 1,746,251	\$ 1,867,888	\$ 1,867,888	\$ 311,315
Government Grant	258,292	258,292	258,292	-
	2,004,543	2,126,180	2,126,180	311,315
TOTAL REVENUE	2,004,543	2,126,180	2,126,180	311,315
COST OF SALES				
Cost of Sales - Content-based	206,053	151,297	191,118	-
TOTAL COST OF SALES	206,053	151,297	191,118	-
GROSS PROFIT	1,798,490	1,974,883	1,935,062	311,315
OPERATING EXPENSES				
Operating Expense: Content-based	463,437	491,474	544,123	82,888
HeadOffice	491,596	522,352	551,857	78,737
TOTAL OPERATION EXPENSES	955,033	1,013,826	1,095,980	161,625
Withholding Tax	238,866	298,862	298,862	49,810
Bonus - Gali Bar-Ziv	53,230	40,751	41,461	2,967
NET INCOME / (LOSS)	551,361	621,444	498,759	96,913

- 4.6. The Company has successfully maintained the PEP Contract for more than 15 years, supported by its longstanding relationship with China's State Ministry of Education.
- 4.7. Management has indicated that there is a low probability that the PEP Contract will be renewed after its current term expires in 2028, citing general market conditions in China, evolving industry trends, and increased competition. **We caution readers that we have not independently verified Management's assertions in this regard and that no supporting documentation or market evidence was provided to substantiate these representations.**

5 Basis of valuation

- 5.1. There are two main valuation bases that must be considered in a business valuation: the *going-concern* basis and the *liquidation* basis. The going-concern basis is used when the business is expected to be financially viable going forward. In situations where the business is not expected to be financially viable going forward, the business should be valued on a liquidation basis. Accordingly, when determining the value of a business interest, a fundamental decision must be made on whether or not the business is a going-concern.

Going-concern approach

- 5.2. The going-concern approach assumes a continuing business enterprise with a potential for economic future earnings. Where a business has commercial value as a going-concern, the generally accepted approaches to determining fair market value are:
- a. the capitalized earnings approach;
 - b. the capitalized or discounted cash flow approaches (DCF); and
 - c. the adjusted net asset approach.

Liquidation approach

- 5.3. A liquidation value would be used if the Company is not viable as a going-concern or the return on the assets on a going-concern basis is not adequate. This value is the net realizable value on an orderly disposition made in a manner that would minimize the loss and/or taxes thereon.

Scenarios considered

- 5.4. Building on our review of Management's financial projections, which separately present the anticipated results of the PEP Contract and the Web-based business, we developed alternative valuation scenarios to address the principal uncertainties associated with each line of business. Consistent with CBV standards and the requirements of MI 61-101 in the context of related-party and going-private transactions, our analysis considers fair market value from the perspective of a hypothetical, informed, and arm's-length buyer and seller, without applying discounts for minority holdings or illiquidity. These scenarios form the foundation of our valuation analysis and provide the framework for the subsequent discussion.
- 5.5. In light of the uncertainty regarding the renewal of the PEP Contract beyond 2028, as communicated by Management, we performed our valuation analysis under the following two scenarios:

Scenario 1 – Non-renewal of PEP Contract: The PEP Contract is assumed to terminate upon expiry in 2028.

Scenario 2 – Renewal of PEP Contract for a 5-Year Term: The PEP Contract is assumed to be renewed for an additional five-year term after the expiry of the current contract in 2028.

Valuation approach Selected

- 5.6. Based on our review of the Company’s operations, business model, and discussions with Management, we concluded that a going-concern premise of value is appropriate for the purposes of this valuation. Although Management has represented that the Company’s long-term sustainability is highly dependent on the renewal of the PEP Contract, the business is presently a continuing entity with ongoing operations and existing contractual commitments. Accordingly, a liquidation or adjusted-asset-based premise of value was not considered appropriate.
- 5.7. Within this framework, we determined that the income approach, specifically the discounted cash flow (DCF) method, provides the most appropriate measure of fair market value for the Company under the two scenarios considered. The DCF method allows for direct incorporation of Management’s forward-looking projections and the assessment of value under alternative assumptions regarding the renewal or non-renewal of the PEP Contract.
- 5.8. The DCF analysis was applied separately under the following scenarios:
 - **Scenario 1** – Non-renewal: The PEP Contract is assumed to terminate upon expiry in 2028, with residual value derived solely from the web-based business.
 - **Scenario 2** – Renewal: The PEP Contract is assumed to be renewed for one additional five-year term, after which no further renewals are assumed.
- 5.9. Under each scenario, the DCF analysis reflects projected cash flows from the PEP Contract to its assumed termination date and includes the contribution of the web-based business. Terminal value has been excluded beyond the assumed termination of the PEP Contract, consistent with the premise that renewal beyond that period would be speculative and not supportable based on currently available information.
- 5.10. This approach was considered most suitable given that:
 - The Company’s principal source of revenue and cash generation is the PEP Contract, which represents the core economic driver of the business.
 - The DCF method explicitly recognizes the time value of money and risk-adjusted expected future cash flows, thereby allowing differential treatment of scenarios with varying levels of contractual certainty.
 - Market-based valuation approaches were considered less reliable in this context due to the absence of directly comparable public companies or transactions with similar risk, scale, and geographic exposure.
 - An asset-based approach was deemed inappropriate, as the Company’s primary assets are intangible in nature—principally its contract relationships, intellectual property, and workforce—which derive value from continued operations rather than liquidation or replacement cost.

5.11. Accordingly, the DCF approach, applied under the going-concern premise and adjusted for scenario-specific assumptions, forms the foundation of our valuation analysis and underpins our estimate of the fair market value of the Company's common shares for purposes of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions.

6 Valuation of ELL – Scenario 1: Non-renewal of PEP Contract

Overview

- 6.1. Under Scenario 1, the PEP Contract is assumed to expire in 2028. The Company is valued on a going-concern basis using the discounted cash flow (“DCF”) approach, with projected cash flows derived from the PEP Contract until its assumed termination date, together with the contribution of the Web-based business. This scenario reflects Management’s indication that the likelihood of renewal beyond 2028 is low, providing a view of the Company’s value under the assumption that its principal revenue stream is not further extended.

DCF approach

- 6.2. As discussed earlier, we have considered the discounted cash flow approach ("DCF Approach") to be the most appropriate approach in calculating the fair market value of the Company.
- 6.3. Under the DCF approach, fair market value is based on the net present value of expected future cash flows. Specifically, the after-tax cash flow that the asset is expected to generate is projected over an explicit forecast period. The projected cash flows, together with the residual value of the asset at the end of the forecast period, are discounted at an appropriate rate, resulting in the fair market value of the asset.
- 6.4. We have applied the DCF methodology on an enterprise basis. Using this approach, periodic cash flows are determined before interest expense and are capitalized using a Weighted Average Cost of Capital ("WACC"). The WACC represents a weighted average of the Company's cost of debt (borrowing rate) and its cost of capital. An investment that is expected to generate a return equal to the WACC would be capable of covering interest costs to the Company's debtholders and providing an acceptable rate of return to the Company's equity holders. Accordingly, the WACC is the overall return on the investment required by the Company.
- 6.5. The WACC was determined based on our review of the cash flows of the business, its relative risks and assuming a typical capital structure.
- 6.6. In Scenario 1, we have assumed that the PEP Contract will not be renewed at the end of its current expiry date in 2028. This will result in the discontinuation of the business since the Web-business is not projected to generate positive EBITDA.

Estimated after-tax discretionary cash flow

- 6.7. Schedule 3 summarizes the projected after-tax discretionary cash flows of the Company for the fiscal years ending 2025 through 2028. These projections are based on Management's EBITDA forecasts, adjusted for the following items:
- *Income taxes:* A withholding tax of 16% applied to revenue from the PEP Contract. No adjustment was made for corporate income taxes, as the Company has approximately \$21.9 million of non-capital loss carryforwards available.
 - *Non-cash working capital:* Adjusted in accordance with the non-cash working capital ("NCWC") requirement presented in Schedule 3b.
- 6.8. The resulting Debt-Free- Net Cash Flows are projected undiscounted cash flows of the Company, which we discounted using the Weighted Average Cost of Capital ("WACC").

Weighted Average Cost of Capital

- 6.9. The business's Weighted Average Cost of Capital ("WACC") reflects the time value of money and risk associated with the business's future stream of unlevered cash flow (cash flow that accrues to equity holders and debt holders).
- 6.10. The WACC is an unlevered (debt free) approach and is used in determining the enterprise value of a business. In practice, the unlevered approach is more common than the levered approach.
- 6.11. The WACC is a weighted average of the after-tax costs of capital (debt and equity), each of which is weighted by the fraction of the business's optimal total invested capital it represents.

WACC is generally determined as:

$$\text{WACC} = (\text{Kd} \times \text{Wd}) + (\text{Ke} \times \text{We})$$

Where:

Kd = after-tax cost of debt

Wd = the relative weight of debt (the ratio of debt to 'debt plus equity')

Ke = the cost of equity

We = the relative weight of equity (the ratio of equity to 'debt plus equity')

- 6.12. The use of the unlevered approach to value a business (which uses WACC) is based on the assumption that a notional purchaser will disregard the Company's existing capital structure and, subsequent to the purchase, finance the business using what it believes to be an optimal capital structure.

6.13. We have calculated WACC on Schedule 9 as follows:

The after-tax cost of debt ("Kd")

6.14. The cost of debt used is the *after-tax* interest rate. We use an after-tax rate since interest is an expense that is tax deductible. Based on the Company, we estimated that a notional Buyer would be able to obtain debt financing at a rate equal to bank prime average over the prior 10 years (4.08%) plus 2%.to 3% We deducted the tax savings at the marginal tax rate. We, therefore, concluded on the after-tax Cost of Debt in the range of 4.47% to 5.21%.

The after-tax cost of equity ("Ke")

6.15. A common method to calculate the cost of equity for a small, privately held business is the *build-up method*.

The typical build-up model for estimating the cost of equity consists of the following components:

Cost of equity =
Risk-free rate of return
+ Equity risk premium
+ Industry risk adjustment (premium or discount)
+ Size premium
+ Company specific adjustment (premium or discount)

The after-tax cost of equity of a company represents the sum of following components, namely:

Equity risk premium

6.16. This is the return, over and above the risk-free rate, that investors would need to justify their investment in equities as a class. The equity risk premium provides an allowance for additional risks associated with an investment in common shares relative to an investment in government bonds. The Cost of Capital Professional Database (the "Database") an Equity Risk Premium (ERP) of 7.15% was suggested, representing the Historical ERP calculated using the S&P 500 average annual return of 11.94% derived from CRSP data for the 1928 - 2024 period and a 4.79% 10-year T-Bond average annual return (Dr. Damodaran) for the same timeframe.

Size risk premium

6.17. A size premium, which may be appropriate to reflect that the subject Company being valued may have more risk than others in the industry due to factors such as:

- The degree of market influence.
- Smaller customer base.
- Availability of economies of scale.
- Greater difficulty in accessing capital, etc.

6.18. Research has shown that the smaller-sized businesses have considerably more risk than larger ones. We have selected size premium based on the Database for the smallest subsection of stocks is 7.12% (10 decile).

Industry risk premium

- 6.19. An industry risk adjustment, which reflects the fact that owning an equity portfolio in a specific industry may be more or less risky than owning a general equity portfolio. This may be due to factors such as:
- The susceptibility to fluctuations due to changes in economic conditions.
 - The regulatory environment.
 - The competitive environment.
 - The effect of technological change on the industry.
 - Availability of workforce.
 - Political environment.
 - Many other factors that may be specific to the individual industry being examined.
- 6.20. The Company's principal business activity is providing educational services through content- and online-based services to its client base, and we concluded that the Company would fall under Education Services industry. The Database implied industry risk premium for this industry is negative 1.86%.

Risk-free rate of return

- 6.21. A risk-free rate of return represents the rate of return associated with very low-risk long-term investments (usually the interest rate on long-term government bonds). As of the Valuation Date, we have considered the Database suggested risk-free rate as at the Valuation Date of 4.11%.

Specific company risks

- 6.22. A Company-specific risk adjustment, which may be appropriate to reflect additional risk factors not already captured in the equity, industry or size premiums. This is referred to as unsystematic risk and is the distinction between public market equities and the valuation of a privately held business. This risk adjustment is the most challenging to quantify since it is entirely subjective and depends upon the CBV's experience and professional judgment.
- 6.23. In considering the incremental risk premium that may be attributable to Company, we considered the following strengths and weaknesses with respect to the Company's operations, among others.

Strengths and Weaknesses of the Company

6.24. The table below summarizes the operating results of the Company from 2020 to 2024:

In \$CAN	December 31 2020 Actual	December 31 2021 Actual	December 31 2022 Actual	December 31 2023 Actual	December 31 2024 Actual
SALES	2,102,054	2,639,850	2,272,764	2,392,384	2,433,632
EXPENSES	756,701	1,675,121	2,114,191	2,269,504	2,178,879
Net income before taxes and other	1,345,353	964,729	158,573	122,880	254,753
Other income	(41,531)	3,267	(67,012)	(13,762)	266,184
NET INCOME BEFORE TAXES	1,303,822	967,996	91,561	109,118	520,937
Income taxes	193,443	188,903	278,163	68,545	162,143
NET INCOME	1,110,379	779,093	(186,602)	40,573	358,794

Strengths

- **Strong historical profitability:** Net income was robust in 2020 (\$1.1M) and 2021 (\$0.78M).
- **Industry projected to expand:** The digital English language learning market size is valued at USD 13.94 billion in 2025 and is forecast to reach USD 27.88 billion by 2030, expanding at a 14.87% CAGR.
- **Resilient revenue base:** Sales have remained relatively stable around \$2.3–\$2.6M from 2020–2024, primarily supported by the PEP publishing contract in China.
- **Large non-capital loss carryforwards (~\$21M):** Provides a future tax shield, limiting corporate income tax exposure and preserving cash flows.
- **Strong management team:** The Company has a strong management team with significant experience in the industry.

Weaknesses

- **Dependence on single contract (PEP Contract):** Nearly all profitable cash flows are derived from this agreement, which expires in 2028, creating material renewal risk.
- **Web-based business underperformance:** Despite industry growth, the Company's Web-based business continues to generate negative EBITDA, requiring sustained investment without clear profitability. Management indicates that it does not project annual growth to exceed 3%.
- **China regulatory risk:** Educational publishing and foreign participation in the Chinese education market remain subject to policy shifts that could affect revenues.

- **High operating expenses:** Expenses increased sharply from \$0.76M in 2020 to over \$2.1M by 2022 and remain elevated, significantly compressing margins.
 - **Revenue stagnation:** Sales have hovered between \$2.2–\$2.6M since 2021, indicating limited organic growth.
 - **AI disruption:** Rapid adoption of AI-based language learning tools may reduce demand for the Company’s legacy Web-based offerings
 - **Sustained cash burn in Web-based business:** Continued losses could erode shareholder value and strain resources if growth or acquisition opportunities do not materialize.
- 6.25. After considering the foregoing Company-specific factors, together with other relevant considerations, we concluded that an additional company-specific risk premium in the range of 4% to 6% is appropriate for the period from 2025 to 2028, during which time the Company will continue to benefit from the PEP Contract.
- 6.26. This premium reflects risks not captured in the base WACC assumptions, including the Company’s reliance on a single contract for substantially all of its cash flows during this period, the ongoing losses and uncertainty associated with the Web-based business, and liquidity concerns due to thin trading of the Company’s shares. The renewal risk of the PEP Contract has not been considered here, as Scenario 1 explicitly assumes expiry in 2028.

Summary

- 6.27. Based on the foregoing, we determined the weighted average cost of capital ("WACC") for the Company to be in the range of 18% to 20%.

Net present value of cash flow and terminal value

- 6.28. As summarized on Schedule 3, we have calculated the net present value of the future cash flows of the Company for the fiscal years subsequent to the Valuation Date using a WACC in the range of 18% to 20%, as determined above.

Company Enterprise value

- 6.29. As calculated on Schedule 3, we have made the above-noted calculations and estimated the business enterprise value of the Company as of the Valuation Date to be approximately \$900,000.

Fair market value

- 6.30. The value of the Company and operating assets, as determined above, represents the fair market value of the operations on an enterprise basis (i.e., total debt plus equity). On Schedule 2, to determine the fair market value of the Company under Scenario 1, we have added the redundant assets, deducted potential severance liability at the end of the PEP Contract, and adjusted for working capital requirements as at the valuation date to estimate the fair market value of the Company (an equity value).

- 6.31. Redundant assets are not required in the business's day-to-day operations and, therefore, do not influence the going concern value of the net operating assets. We have added the cash balance as reported in the Company's financial statements.
- 6.32. The Company does not have any interest-bearing debt or equivalents as at the Valuation Date.
- 6.33. In the attached Schedule 3a, we calculated the fair market value of severance costs based on information provided by Management.
- 6.34. Based on the foregoing, the resulting fair market value of the Company as of the Valuation Date was as follows:

SCENARIO 1 - NON-RENEWAL OF PEP CONTRACT	
In \$CAN	November 6, 2025
	FMV
Business enterprise value, rounded	\$ 900,000
Add - Redundant assets:	
Cash	1,986,040
Less Closure costs	
Severance	(360,000)
Working capital adjustment	(89,108)
FMV of Equity, Rounded	\$ 2,440,000

- 6.35. This value represents the enterprise's equity value on a stand-alone basis under Scenario 1. Consistent with CBV standards and MI 61-101, no adjustments have been made for minority discounts, liquidity, or potential purchaser-specific synergies.

7 Valuation of ELL – Scenario 2: Renewal of PEP Contract for a 5- Year Term

Overview

- 7.1. Under Scenario 2, we have assumed that the PEP Contract is renewed for an additional five-year term following its scheduled expiry in 2028. The Company is valued on a going-concern basis using the discounted cash flow (“DCF”) approach, with projected cash flows reflecting the continued contribution of the PEP Contract during the renewal period, together with the results of the Web-based business. In this scenario, the risk of non-renewal has not been incorporated, as that outcome is addressed in Scenario 1. Instead, a higher discount rate has been applied to reflect the uncertainty regarding the terms and conditions of renewal, including potential changes in royalty rates, regulatory requirements, and overall contract enforceability as represented by Management. We did not have direct access to personnel in China responsible for decision-making regarding the PEP Contract.
- 7.2. For clarity, Scenario 1 addresses the outcome where the PEP Contract expires in 2028 with no renewal, while Scenario 2 assumes the PEP Contract is renewed for an additional five years commencing in 2029. These two scenarios are mutually exclusive and are presented to illustrate the Company’s sensitivity to renewal versus expiry of its principal revenue stream.

Application of Methodology

- 7.3. The DCF methodology applied in Scenario 2 is consistent with the approach described in Scenario 1, except as modified below. Accordingly, we have not repeated the detailed discussion of the methodology or the derivation of the Weighted Average Cost of Capital (“WACC”), other than to highlight adjustments specific to the renewal assumption.
- 7.4. Under this scenario, the projected cash flows have been extended for an additional five-year period to reflect the potential continuation of the PEP Contract, with the contribution of the Web-based business also included. Management has informed us that, if the PEP Contract were renewed, the renewal terms would likely be less favourable to ELL than the current agreement. **We caution readers that we have not assessed or validated the likelihood of such renewal or the potential renewal terms, and no supporting documentation or market evidence was available to substantiate these assumptions.**
- 7.5. A higher discount rate has been applied to reflect the uncertainty associated with renewal terms and conditions.

Estimated after-tax discretionary cash flows

- 7.6. Schedule 5 summarizes the projected after-tax discretionary cash flows of the Company for the fiscal years ending 2025 through 2033, reflecting the assumed five-year renewal of the PEP Contract beyond its scheduled expiry in 2028. These projections extend the PEP Contract cash flows through 2033 and also incorporate the contribution of the Web-based business. Adjustments to Management's EBITDA forecasts include:

Income taxes: A withholding tax of 16% applied to revenue from the PEP Contract. No adjustment was made for corporate income taxes, as the Company has approximately \$21.9 million of non-capital loss carryforwards available.

Non-cash working capital: Adjusted in accordance with the non-cash working capital ("NCWC") requirement presented in Schedule 3b.

- 7.7. The resulting debt-free net cash flows represent the projected undiscounted cash flows of the Company, which were discounted to present value using a WACC reflective of the Company's risk profile, adjusted as noted above to account for uncertainty in renewal terms.

Weighted Average Cost of Capital

- 7.8. The Company's Weighted Average Cost of Capital ("WACC") was determined using the same methodology described in Scenario 1. As such, we have not repeated the detailed discussion of the calculation or its components.
- 7.9. For Scenario 2, the WACC has been adjusted upward to incorporate an incremental premium reflecting the uncertainties associated with the assumed five-year renewal of the PEP Contract — including potential changes to royalty rates, regulatory requirements, counterparty risk, and enforceability. The specific risk of non-renewal has not been considered in this scenario, as that outcome is separately addressed under Scenario 1.

Company Specific Risk

- 7.10. The strengths and weaknesses of the Company's operations, considered under Scenario 1, apply equally here. No additional factors were identified that would alter our assessment under Scenario 2, other than the continued reliance on the PEP Contract under the assumed renewal terms.

Summary

- 7.11. Based on the foregoing, we determined the WACC for Scenario 2 to be in the range of 19% to 24%. This reflects the same base methodology used in Scenario 1, but with an additional premium to capture the uncertainties specific to the assumed five-year renewal of the PEP Contract — including potential changes to royalty rates, regulatory requirements, counterparty risk, and overall contract enforceability.

Net present value of cash flow

- 7.12. As summarized in Schedule 5, we have calculated the net present value of the Company's projected cash flows under Scenario 2, using the adjusted WACC noted above.

Company Enterprise value

7.13. As calculated on Schedule 5, we have made the above-noted calculations and estimated the business enterprise value of the Company as of the Valuation Date to be approximately \$1.6 million.

Fair market value

7.14. The enterprise value determined above represents the fair market value of the operations on a debt-free basis. In Schedule 4, we have adjusted for redundant assets, severance obligations, and working capital requirements as at the Valuation Date to estimate the Company's equity value under Scenario 2.

7.15. Based on the foregoing, the resulting fair market value of the Company under Scenario 2 as of the Valuation Date was as follows:

SCENARIO 2 - RENEWAL OF PEP CONTRACT FOR 5-YEAR TERM	
In \$CAN	November 6, 2025
	FMV
Business enterprise value, rounded	\$ 1,599,000
Add - Redundant assets:	
Cash	1,986,040
Less Closure costs	
Severance	(115,000)
Working capital adjustment	(89,108)
FMV of Equity	\$ 3,380,000

7.16. This conclusion represents the equity value of the Company on a stand-alone basis. Consistent with CBV standards and the requirements of MI 61-101, no adjustments have been made for minority discounts, liquidity, or purchaser-specific synergies.

8 Market Data Considerations

- 8.1. As part of our analysis, we reviewed market transaction data (**Schedule 10**) relating to companies in the education, e-learning, and web-based business sectors.
- 8.2. Given Management's representations that the Web-based business is projected to grow at approximately 3% annually, is not expected to achieve positive EBITDA until 2033, and that the PEP Contract is unlikely to be renewed after 2028, we concluded that none of the market benchmarks summarized in Schedule 10 are directly applicable to this valuation. In our view, the underlying assumptions and risk profile of the Company differ materially from those of the comparable market participants, limiting the relevance of such external benchmarks.
- 8.3. Accordingly, our valuation conclusions rely primarily on the **discounted cash flow (DCF) approach**, which, in our view, provides a more meaningful measure of intrinsic value for the purposes of MI 61-101.

9 Valuation conclusion

- 9.1. Based on our analysis and our limited scope of review (Appendix A) and our restrictions, limitations and major assumptions (Appendix B), the estimate of fair market value of all the issued and outstanding shares of the Company as at the Valuation Date under Scenario 1 & 2 is as follows:

In \$CAN	November 6, 2025	
	Fair Market Value	Reference
Scenario 1 - Non-Renewal of PEP Contract	\$ 2,440,000	Schedule 2
Scenario 2 - Renewal of PEP Contract for a 5-Year Term	\$ 3,380,000	Schedule 4

Note: Fair market value estimates do not reflect a separate valuation of the Company's tax attributes, including non-capital loss carryforwards of approximately \$21.9 million and net capital losses of approximately \$2.4 million as at November 6, 2025.

- 9.2. For reference, the Company's fully diluted market capitalization based on the November 6, 2025, closing share price of \$0.06 on the TSX Venture Exchange was approximately \$2.2 million, reflecting 37.1 million fully diluted shares outstanding. However, daily trading volume in the Company's shares is minimal, with only a few thousand shares traded on active days and no trades occurring on certain days. Given this lack of liquidity, the quoted share price may not accurately reflect the fair market value.
- 9.3. Under Multilateral Instrument 61-101 ("MI 61-101"), fair market value is required to be determined without regard to the liquidity of the securities or the effect that the transaction may have on the market price of the securities. Consistent with this standard, no liquidity discount has been applied in determining the fair market value.
- 9.4. The accompanying letter, report, schedules and appendices are an integral part of this valuation and provide a summary of our findings and the methodology leading to our value conclusion.

Schedules and appendices

Schedule 1 – Fair Market Value Summary

In \$CAN	November 6, 2025	
	Fair Market Value	Reference
Scenario 1 - Non-Renewal of PEP Contract	\$ 2,440,000	Schedule 2
Scenario 2 - Renewal of PEP Contract for a 5-Year Term	\$ 3,380,000	Schedule 4

Note: Fair market value estimates do not reflect a separate valuation of the Company's tax attributes, including non-capital loss carryforwards of approximately \$21.9 million and net capital losses of approximately \$2.4 million as at November 6, 2025.

Schedule 2 – Fair Market Value – Scenario 1

SCENARIO 1 - NON-RENEWAL OF PEP CONTRACT			
In \$CAN	November 6, 2025		Reference
	\$	FMV	
Business enterprise value, rounded	\$	900,000	Schedule 3
Add - Redundant assets:			
Cash		1,986,040	Schedule 8
Less - Closure costs			
Severance		(360,000)	Schedule 3a
Working capital adjustment		(89,108)	Schedule 3b
FMV of Equity, Rounded	\$	2,440,000	

[F1] Source: Information provided by Management. We have not discounted the severance cost, as any discounting is presumed to be offset by a corresponding increase in the severance liability from additional years of employee service

Schedule 3 – Estimate of Business Enterprise Value – Scenario 1

SCENARIO 1 - NON-RENEWAL OF PEP CONTRACT				
Fiscal Years Ending December 31				
Forecast Period-->	2025 3 months	2026 12 months	2027 12 months	2028 2 months
Notes				
REVENUE				
PEP/PEP AV (LLI) <i>Growth ---></i>	[F1] \$ 935,176 <i>n/a</i>	\$ 1,867,888 <i>7.0%</i>	\$ 1,867,888 <i>0.0%</i>	\$ 311,315 <i>-83.3%</i>
Government Grant <i>Growth ---></i>	[F1] 66,750 <i>n/a</i>	258,292 <i>0.0%</i>	258,292 <i>0.0%</i>	- <i>-100.0%</i>
Online Sales -Web-based <i>Growth ---></i>	[F1] 155,609 <i>n/a</i>	789,327 <i>-17.8%</i>	813,007 <i>3.0%</i>	119,300 <i>-85.3%</i>
	1,157,535 <i>N/A</i>	2,915,507 <i>-1.6%</i>	2,939,187 <i>0.8%</i>	430,615 <i>-85.3%</i>
COST OF SALES				
Cost of Sales - Content-based <i>Growth ---></i>	[F1] 30,802 <i>n/a</i>	151,297 <i>-27%</i>	191,118 <i>26%</i>	- <i>-100%</i>
Cost of Sales - Web-based <i>Growth ---></i>	[F1] 79,727 <i>51%</i>	178,419 <i>23%</i>	183,772 <i>23%</i>	26,967 <i>23%</i>
	110,529	329,716	374,890	26,967
GROSS PROFIT <i>% of revenue ---></i>	[F1] 1,047,006 <i>90%</i>	2,585,791 <i>89%</i>	2,564,297 <i>87%</i>	403,649 <i>94%</i>
OPERATING EXPENSES				
Operating Expense: Content-based <i>% of PEP/PEP AV (LLI) ---></i>	[F1] 115,558 <i>12%</i>	491,474 <i>26%</i>	544,123 <i>29%</i>	82,888 <i>27%</i>
Operating Expense: Web-based <i>% of online sales ---></i>	[F2] 126,198 <i>81%</i>	464,596 <i>59%</i>	494,152 <i>61%</i>	70,524 <i>59%</i>
Development Expense: Web-based <i>% of online sales ---></i>	[F2] 174,121 <i>112%</i>	444,757 <i>56%</i>	311,901 <i>38%</i>	44,435 <i>37%</i>
Head Office <i>% of total sales ---></i>	[F1] 95,521 <i>8%</i>	522,352 <i>18%</i>	551,857 <i>19%</i>	78,737 <i>18%</i>
	511,398	1,923,179	1,902,033	276,584
Bonus - Gali Bar-Ziv <i>% of total sales ---></i>	[F1] 53,230 <i>49%</i>	40,751 <i>67%</i>	41,461 <i>66%</i>	2,967 <i>65%</i>
	564,628	1,963,930	1,943,494	279,551
EBITDA <i>% of revenue ---></i>	482,378 <i>41.7%</i>	621,861 <i>21.3%</i>	620,803 <i>21.1%</i>	124,097 <i>28.8%</i>
Withholding tax	[F1] 149,628	298,862	298,862	49,810
AFTER-TAX DEBT FREE CASH FLOWS	[F3] 332,750	322,999	321,941	74,287
CASH FLOW ADJUSTMENTS				
Capital Expenditure	[F4] -	-	-	-
Incr./ (dec.) in Non-Cash Working Capital	[F4] (23,316)	14,218	(6,905)	-
DEBT- FREE NET CASH FLOW	309,434	337,217	315,036	74,287
Percent of year remaining	15.1%	100.0%	100.0%	14.2%
Periods Discounting	0.08	0.65	1.65	1.72
Present Value Factor @ 19.0%	[F5] 98.7%	89.3%	75.0%	74.1%
Present Value of Cash Flows	305,405	301,129	236,405	55,059
TOTAL PRESENT VALUE OF CASH FLOWS/ BUSINESS ENTERPRISE VALUE, ROUNDED	\$ 900,000			

Schedule 3 – Notes

- [F1] Source: Schedule 6 projections provided by Management for the years ending 2025 to 2028 ("Management Projections"). We have assumed under this Scenario that the PEP Contract will not be renewed beyond February 21, 2028.
- [F2] Management has represented to us that the projected operating and development costs are necessary to support ongoing platform and operational enhancements, enabling the Company to remain competitive with other EdTech providers that may bid for the PEP contract after 2028 and to attract and retain other online customers.
- [F3] The Company had in excess of \$21 million in non-capital loss carryforwards available. Accordingly, no adjustments were made to the projections for income taxes.
- [F4] Given the nature of its operations, the Company requires minimal annual capital expenditures.
- [F5] Source: Schedule 9
- [F6] We adjusted projections for 2028 in Schedule 6 based on discussions with Management.

Schedule 3a – FMV of Severance Costs

Termination Costs		Fiscal Years Ending December 31			
		2025 3 months	2026 12 months	2027 12 months	2028 2 months
Notes					
MANAGEMENT'S ESTIMATE OF SEVERENCE COSTS	[F1]	458,000	467,160	476,503	486,033
Percent of year remaining		15.1%	100.0%	100.0%	14.2%
Periods Discounting		0.08	0.65	1.65	1.72
Present Value Factor @	19.0%	98.7%	89.3%	75.0%	74.1%
Present Value of Cash Flows		-	-	-	360,230
PRESENT VALUE OF SEVERENCE COSTS		\$ 360,000			

Notes:

[F1] Source: Based on information provided by Management. Salaries and consulting fees are assumed to increase at an annual rate of 2%.

Employee/Consultant	Monthly	# of month	Total
Consultant	15,500.00	9	\$ 139,500.00
Consultant	6,500.00	3	\$ 19,500.00
Employee	9,416.67	6	\$ 56,500.00
Consultant	8,000.00	18	\$ 144,000.00
Employee	7,666.67	2	\$ 15,333.33
Employee	10,416.67	2	\$ 20,833.33
Employee	9,166.67	2	\$ 18,333.33
Employee	4,333.33	2	\$ 8,666.67
Employee	8,333.33	2	\$ 16,666.67
Employee	9,166.67	2	\$ 18,333.33
Rounded			\$ 458,000.00

Schedule 3b – Non-Cash Working Capital

In \$CAN	Unaudited December 31 2020	Unaudited December 31 2021	Unaudited December 31 2022	Unaudited December 31 2023	Unaudited December 31 2024	Unaudited September 30 2025
Current assets						
Accounts receivable	973,852	1,101,908	1,650,766	869,838	788,909	985,269
Prepaid and other receivables	168,932	96,756	358,951	259,691	246,437	380,402
	<u>1,142,784</u>	<u>1,198,664</u>	<u>2,009,717</u>	<u>1,129,529</u>	<u>1,035,346</u>	<u>1,365,671</u>
Current liabilities						
Accounts payable	82,125	63,571	294,686	100,231	107,610	42,926
Accrued liabilities	138,715	115,742	116,679	130,502	133,916	178,553
Contract liabilities	218,566	187,770	187,988	158,418	289,347	368,927
	<u>439,406</u>	<u>367,083</u>	<u>599,353</u>	<u>389,151</u>	<u>530,873</u>	<u>590,406</u>
Non-cash working capital ("NCWC")	703,378	831,581	1,410,364	740,378	504,473	775,265
Revenue	2,102,054	2,639,850	2,272,764	2,392,384	2,433,632	2,964,267
NCWC % of Revenue	33.5%	31.5%	62.1%	30.9%	20.7%	26.2%
			Average 2020 to 2024 (excluding 2022 as an outlier)			29.2%
			Normal NCWC			864,373
			Actual NCWC			775,265
			Working capital adjustment			89,108
						[B]*[C] = [D]
						[D]-[A]

Schedule 4 – Fair Market Value – Scenario 2

SCENARIO 2 - RENEWAL OF PEP CONTRACT FOR 5-YEAR TERM		
In \$CAN	November 6, 2025	Reference
	FMV	
Business enterprise value, rounded	\$ 1,599,000	Schedule 5
Add - Redundant assets:		
Cash	1,986,040	Schedule 8
Less Closure costs		
Severance	(115,000)	Schedule 5a
Working capital adjustment	(89,108)	Schedule 3b
FMV of Equity	\$ 3,380,000	

Schedule 5 – Estimate of Business Enterprise Value – Scenario 2

Forecast Period-->	Fiscal Years Ending December 31											
	2025 3 months	2026 12 months	2027 12 months	2028 12 months	2029 12 months	2030 12 months	2031 12 months	2032 12 months	2033 2 months			
REVENUE												
PEP/PEP AV (LLI) <i>Growth ---></i>	\$ 935,176	\$ 1,867,888	\$ 1,867,888	\$ 1,867,888	\$ 1,867,888	\$ 1,867,888	\$ 1,867,888	\$ 1,867,888	\$ 1,867,888	\$ 266,110		
Government Grant <i>Growth ---></i>	n/a	258,292	258,292	258,292	258,292	258,292	258,292	258,292	258,292	\$ 36,798		
Online Sales -Web-based <i>Growth ---></i>	155,609	789,327	813,007	837,397	862,519	888,394	915,046	942,498	942,498	138,302		
	0.2%	-17.8%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%		
	1,157,535	2,915,507	2,939,187	2,963,577	2,988,699	3,014,574	3,041,226	3,068,678	3,068,678	441,210		
	N/A	-1.6%	0.8%	0.8%	0.8%	0.9%	0.9%	0.9%	0.9%	-65.6%		
COST OF SALES												
Cost of Sales - Content-based <i>Growth ---></i>	30,802	151,297	191,118	191,118	191,118	191,118	191,118	191,118	191,118	27,228		
Cost of Sales - Web-based <i>Growth ---></i>	79,727	178,419	183,772	189,285	194,964	200,812	206,837	213,042	213,042	31,262		
	51%	23%	23%	23%	23%	23%	23%	23%	23%	23%		
GROSS PROFIT	110,529	329,716	374,890	380,403	386,082	391,930	397,955	404,160	404,160	58,489		
	1,047,006	2,585,791	2,564,297	2,583,174	2,602,617	2,622,644	2,643,271	2,664,518	2,664,518	382,720		
	90%	89%	87%	87%	87%	87%	87%	87%	87%	87%		
OPERATING EXPENSES												
Operating Expense: Content-based <i>% of PEP/PEP AV (LLI) ---></i>	115,558	491,474	544,123	581,811	581,811	581,811	581,811	581,811	581,811	82,888		
Operating Expense: Web-based <i>% of online sales ---></i>	126,198	464,596	494,152	495,023	509,874	525,170	540,925	557,153	557,153	81,756		
Development Expense: Web-based <i>% of online sales ---></i>	174,121	444,757	311,901	311,901	215,630	222,099	228,762	235,624	235,624	34,575		
Head Office <i>% of total sales ---></i>	95,521	522,352	551,857	552,675	557,360	562,185	567,156	572,275	572,275	82,281		
	8%	18%	19%	19%	19%	19%	19%	19%	19%	19%		
Bonus - Gali Bar-Ziv <i>% of total sales ---></i>	511,398	1,923,179	1,902,033	1,941,410	1,864,674	1,891,265	1,918,653	1,946,863	1,946,863	281,501		
	53,230	40,751	41,461	2,967	28,393	29,813	31,303	32,868	32,868	4,917		
	564,628	1,963,930	1,943,494	1,944,377	1,893,067	1,921,078	1,949,957	1,979,732	1,979,732	286,418		
	49%	67%	66%	66%	63%	64%	64%	65%	65%	65%		
EBITDA	482,378	621,861	620,803	638,797	709,550	701,566	693,315	684,786	684,786	96,303		
	149,628	298,862	298,862	298,862	298,862	298,862	298,862	298,862	298,862	42,578		
Withholding tax												
AFTER-TAX DEBT FREE CASH FLOWS	332,750	322,999	321,941	339,935	410,688	402,704	394,453	385,924	385,924	53,725		
CASH FLOW ADJUSTMENTS												
Capital Expenditure	(23,316)	14,218	(6,905)	(7,112)	(7,325)	(7,545)	(7,772)	(8,005)	(8,005)	-		
Incr./(dec.) in Non-Cash Working Capital												
DEBT- FREE NET CASH FLOW	309,434	337,217	315,036	332,823	403,362	395,159	386,681	377,919	377,919	53,725		
Percent of year remaining	15.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		
Periods Discounting	0.08	0.65	1.65	2.65	3.65	4.65	5.65	6.65	7.15	7.15		
Present Value Factor @	98.7%	89.3%	75.0%	63.1%	45.6%	36.8%	29.7%	23.9%	23.9%	21.5%		
Present Value of Cash Flows	305,405	301,129	236,405	209,876	183,926	145,311	114,672	90,382	90,382	11,538		
Percent of year remaining	24.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		
Periods Discounting	0.08	0.65	1.65	2.65	3.65	4.65	5.65	6.65	7.15	7.15		
Present Value Factor @	98.7%	89.3%	75.0%	63.1%	45.6%	36.8%	29.7%	23.9%	23.9%	21.5%		
Present Value of Cash Flows	305,405	301,129	236,405	209,876	183,926	145,311	114,672	90,382	90,382	11,538		
TOTAL PRESENT VALUE OF CASH FLOWS/ BUSINESS ENTERPRISE VALUE, ROUNDED	1,599,000											

Schedule 5 – Notes

- [F1] Source: Schedule 6, Management Projections for fiscal years 2025 to 2028. Under this Scenario, we have assumed that the PEP Contract will be renewed for an additional five years following its expiry in 2028.
- [F2] As of the Valuation Date, the terms of renewal after the expiry of the PEP contract in 2028 are uncertain. We therefore extended Management’s projections beyond the contract term with no growth assumption and applied a higher discount rate to reflect this uncertainty related to renewal terms .
- [F3] In a letter dated September 11, 2025, Management stated that, given the impact of the AI explosion on all existing players, they do not expect an annual growth rate exceeding 3%.
- [F4] Management did not provide projections beyond 2028, and reliable public company data on web-business cost of sales was unavailable. We therefore projected results beyond 2028 using the Company’s historical cost-of-revenue to online-sales ratio
- [F5] We estimated operating expenses for the web business beyond 2028 on the assumption that they would grow in line with revenues.
- [F6] According to Management, higher development costs were required in 2025 and 2026 to upgrade the technology platform. Beginning in 2029, we reduced development costs to 25% of online revenue, as a higher percentage would not be sustainable given minimal projected revenue growth. Our review of public company disclosures did not yield relevant data, as EduTech companies generally do not report development costs separately in their financial statements.
- [F7] The Company had in excess of \$21 million in non-capital loss carryforwards available. Accordingly, no adjustments were made to the projections for income taxes.
- [F8] Given the nature of its operations, the Company requires minimal annual capital expenditures.
- [F9] Management has indicated that renewal of the PEP Contract beyond 2033 remains highly uncertain due to the competitive dynamics of the EdTech sector. In the absence of the PEP Contract, and based on Management’s assumptions regarding projected operating and development costs, the Company’s operations are not expected to be sustainable.
- [F10] Source: Schedule 9
- [F11] We have increased the discount rate substantially by 5% after 2028 to account for increased risk and uncertainty associated with the PEP Contract renewal terms and the web-business.

Schedule 5a – Fair Market Value – Severance Costs

Forecast Period-->	Fiscal Years Ending December 31									
	2025 3 months	2026 12 months	2027 12 months	2028 12 months	2029 12 months	2030 12 months	2031 12 months	2032 12 months	2033 12 months	

Notes

MANAGEMENT'S ESTIMATE OF SEVERANCE COSTS [F1]	458,000	467,160	476,503	486,033	495,754	505,669	515,782	526,098	536,620
Percent of year remaining	15.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Periods Discounting	0.08	0.65	1.65	2.65	3.65	4.65	5.65	6.65	7.15
Present Value Factor @ 19.0%	98.7%	89.3%	75.0%	63.1%	45.6%	36.8%	29.7%	23.9%	21.5%
Present Value of Cash Flows	-	-	-	-	-	-	-	-	-
Percent of year remaining									
Periods Discounting									
Present Value Factor @ 24.0%									
Present Value of Cash Flows									
TOTAL PRESENT VALUE OF CASH FLOWS/ BUSINESS ENTERPRISE VALUE, ROUNDED	115,000								115,249

Notes:

Source: Based on information provided by Management. Salaries and consulting fees are assumed to increase at an annual rate of 2%.

Employee/Consultant	Monthly	# of month	Total
Consultant	15,500.00	9	\$ 139,500.00
Consultant	6,500.00	3	\$ 19,500.00
Employee	9,416.67	6	\$ 56,500.00
Consultant	8,000.00	18	\$ 144,000.00
Employee	7,666.67	2	\$ 15,333.33
Employee	10,416.67	2	\$ 20,833.33
Employee	9,166.67	2	\$ 18,333.33
Employee	4,333.33	2	\$ 8,666.67
Employee	8,333.33	2	\$ 16,666.67
Employee	9,166.67	2	\$ 18,333.33
Rounded			\$ 458,000.00

Schedule 6 – Projections

In \$CAN	MANAGEMENT PROJECTIONS			
	December 31 2025	December 31 2026	December 31 2027	December 31 2028
REVENUE				
PEP/PEP AV (LLI)	\$ 1,746,251	\$ 1,867,888	\$ 1,867,888	\$ 311,315
Government Grant	258,292	258,292	258,292	-
	2,004,543	2,126,180	2,126,180	311,315
Online Sales -Web-based	959,724	789,327	813,007	837,397
TOTAL REVENUE	2,964,267	2,915,507	2,939,187	1,148,712
COST OF SALES				
Cost of Sales - Content-based	206,053	151,297	191,118	-
Cost of Sales - Web-based	308,558	178,419	183,772	189,285
TOTAL COST OF SALES	514,610	329,716	374,889	189,285
GROSS PROFIT	2,449,657	2,585,791	2,564,298	959,427
OPERATING EXPENSES				
Operating Expense: Content-based	463,437	491,474	544,123	581,811
Operating Expense: Web-based	380,054	464,596	494,152	495,023
Development Expense: Web-based	633,774	444,757	311,901	311,901
Head Office	491,596	522,352	551,857	552,675
TOTAL OPERATION EXPENSES	1,968,861	1,923,179	1,902,033	1,941,410
Depreciation	862	-	-	-
Net interest income	-	-	-	-
Foreign exchange loss	-	-	-	-
Withholding Tax	238,866	298,862	298,862	49,810
Bonus - Gali Bar-Ziv	53,230	40,751	41,461	2,967
NET INCOME / (LOSS)	187,838	322,999	321,942	(1,034,760)

Schedule 7 – Income Statements Summary

In \$CAN	December 31 2020		December 31 2021		December 31 2022		December 31 2023		December 31 2024		September 30 2025	
	Actual	[F1]	Actual	[F1]	Actual	[F1]	Actual	[F1]	Actual	[F2]	Actual	[F3]
REVENUE	2,102,054	100.0%	2,639,850	100.0%	2,272,764	100.0%	2,392,384	100.0%	2,433,632	100.0%	1,615,190	100.0%
	n/a		25.6%		-13.9%		5.3%		1.7%			
EXPENSES												
Selling, general and administration	74,108	3.5%	1,036,314	39.3%	1,308,661	57.6%	1,245,434	52.1%	1,109,937	45.6%	806,268	49.9%
Direct costs	329,409	15.7%	317,627	12.0%	282,433	12.4%	411,483	17.2%	522,777	21.5%	404,083	25.0%
Development costs	266,462	12.7%	242,904	9.2%	429,513	18.9%	499,084	20.9%	499,818	20.5%	459,653	28.5%
Share-based payments	23,144	1.1%	55,932	2.1%	89,832	3.9%	94,027	3.9%	43,666	1.8%	37,315	2.3%
Bad debts	32,386	1.5%	-	0.0%	-	0.0%	16,149	0.7%	-	0.0%	-	0.0%
Amortization - right-of-use asset	17,346	0.8%	16,788	0.6%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Amortization - property and equipment	13,846	0.7%	5,556	0.2%	3,752	0.2%	3,327	0.1%	2,681	0.1%	861	0.1%
	756,701	36.00%	1,675,121	63.46%	2,114,191	93.02%	2,269,504	94.86%	2,178,879	89.53%	1,708,180	105.76%
NET INCOME BEFORE TAXES AND OTHER	1,345,353	64.00%	964,729	36.54%	158,573	6.98%	122,880	5.14%	254,753	10.47%	(92,990)	-5.76%
Other income (expense)												
Interest income	(7,331)	-0.35%	(13,690)	-0.52%	904	0.04%	41,306	1.73%	64,383	2.65%	40,347	2.50%
Foreign exchange (loss)	(34,200)	-1.63%	16,957	0.64%	215,996	9.50%	(55,068)	-2.30%	201,801	8.29%	(124,592)	-7.71%
Exchange difference related to disposal of foreign subsidiary		0.00%	-	0.00%	(283,912)	-12.49%	-	0.00%	-	0.00%	-	0.00%
	(41,531)	-1.98%	3,267	0.12%	(67,012)	-2.95%	(13,762)	-0.56%	266,184	10.94%	(84,245)	-5.22%
Net income before taxes	1,303,822	62.03%	967,996	36.67%	91,561	4.03%	109,118	4.56%	520,937	21.41%	(177,235)	-10.97%
Income taxes	193,443		188,903		278,163		68,545		162,143		89,238	
NET INCOME FOR THE YEAR	1,110,379	52.82%	779,093	29.51%	(186,602)	-8.21%	40,573	1.70%	358,794	14.74%	(266,473)	-16.50%

[F1] Source: Financial statements prepared by RSM Canada LLP, Chartered Professional Accountant.

[F2] Source: Financial statements prepared by AGT Partners LLP, Chartered Professional Accountant.

[F3] Source: Sedar

Schedule 8 – Balance Sheet Summary

In \$CAN	Audited December 31 2020	Audited December 31 2021	Audited December 31 2022	Audited December 31 2023	Audited December 31 2024	Unaudited September 30 2025
	[F1]	[F1]	[F1]	[F1]	[F2]	[F3]
ASSETS						
Current						
Cash	1,212,778	1,880,830	1,463,247	1,906,303	2,466,331	1,986,040
Accounts receivable	973,852	1,101,908	1,650,766	869,838	788,909	985,269
Prepaid and other receivables	168,932	96,756	358,951	259,691	246,437	380,402
	2,355,562	3,079,494	3,472,964	3,035,832	3,501,677	3,351,711
Non-current prepaid and other receivable	-	-	-	376,640	330,795	330,795
Right-of-use assets	16,788	-	-	-	-	-
Capital assets						
Computer and office equipment	23,685	17,123	14,362	11,035	9,817	8,956
	23,685	17,123	14,362	11,035	9,817	8,956
	2,396,035	3,096,617	3,487,326	3,423,507	3,842,289	3,691,462
LIABILITIES						
Current						
Accounts payable	82,125	63,571	294,686	100,231	107,610	42,926
Accrued liabilities	138,715	115,742	116,679	130,502	133,916	178,553
Contract liabilities	218,566	187,770	187,988	158,418	289,347	368,927
Loans payable	-	-	80,000	80,000	-	-
Lease obligation	19,600	-	-	-	-	-
Total liabilities	459,006	367,083	679,353	469,151	530,873	590,406
Other liabilities						
Loans payable	70,000	80,000	-	-	-	-
Total liabilities	529,006	447,083	679,353	469,151	530,873	590,406
SHAREHOLDER'S EQUITY						
Share capital	21,914,722	21,914,722	21,927,007	21,927,007	21,927,007	21,927,007
Share-based payment reserve	4,072,176	4,128,108	4,212,455	4,306,482	4,350,148	4,387,463
Accumulated other comprehensive income	(352,764)	(405,284)	(156,875)	(145,092)	(190,492)	(171,694)
Deficit	(23,767,105)	(22,988,012)	(23,074,393)	(22,973,882)	(22,552,655)	(22,769,415)
Equity attributable to the shareholders of ELL Corp	1,867,029	2,649,534	2,908,194	3,114,515	3,534,008	3,373,361
Non-controlling interest	-	-	(100,221)	(160,159)	(222,592)	(272,305)
	1,867,029	2,649,534	2,807,973	2,954,356	3,311,416	3,101,056
	2,396,035	3,096,617	3,487,326	3,423,507	3,842,289	3,691,462

[F1] Source: Financial statements prepared by RSM Canada LLP, Chartered Professional Accountant.

[F2] Source: Financial statements prepared by AGT Partners LLP, Chartered Professional Accountant.

[F3] Source: Sedar

Schedule 9 – Weighted Average Cost of Capital ("WACC")

Component	Reference	Low	High
Cost of Debt			
Base debt rate	A Bank of Canada - prime rate (average of the prior 10 years)	4.08%	4.08%
Premium on base debt rate	B Based on Company-specific cost of borrowing (estimated)	2.00%	3.00%
Cost of debt	C $C = A + B$	6.08%	7.08%
Tax rate	D Federal and Ontario tax rate based on current and future legislated rates	26.50%	26.50%
After-tax cost of debt	E $E = C \times (1-D)$	4.47%	5.21%
Cost of Equity			
General equity risk premium	F Cost of Capital Professional	7.15%	7.15%
Size premium	G Cost of Capital Professional	7.12%	7.12%
Industry risk premium	H Source: Salvidio & Partners 2023 US 5-Year beta for Education Services	-1.86%	-1.86%
Risk free rate	I Cost of Capital Professional	4.11%	4.11%
Company specific	J Based on specific risks unique to the entity.	4.00%	6.00%
Equity discount rate	K	20.52%	22.52%
Capitalization			
Proportion of debt	L Debt-to-Capital (Estimated)	16.28%	16.28%
Proportion of equity	M Equity-to-Capital (Estimated)	83.72%	83.72%
Weighted-average cost of capital, rounded			
	N $N = (E * L) + (K * M)$	18.00%	20.00%
		Midpoint	19.00%

Schedule 10 – DealStats – SIC 8299

Target SIC 1	Target Type	Sale Date	Target Business Description	Net Sales	Operating Profit	EBITDA	MVIC Price	MVIC/Net Sales	MVIC/EBITDA
8299	Private	11/15/2024	Learning Center Franchise	\$285,130			\$125,000	0.44x	
8299	Private	10/31/2024	Education Tutoring Franchise	\$646,704	\$81,907		\$145,000	0.22x	
8299	Private	05/01/2024	Educational Tutoring Center Franchise	\$222,130	\$54,101		\$12,500	0.06x	
8299	Private	04/01/2024	Education Tutoring	\$9,001,195	\$3,188,176		\$12,500,000	1.39x	
8249	Private	10/20/2023	Tutoring Services	\$111,847	\$39,875		\$20,000	0.18x	
8299	Private	09/28/2023	Education Services Franchise	\$1,548,012	\$464,182	\$464,182	\$1,450,000	0.94x	3.1x
8299	Private	10/27/2022	Franchise Educational Learning Center	\$903,973	\$333,821	\$365,168	\$1,100,000	1.22x	3.0x
8299	Private	09/19/2022	Online Teaching and Education Services	\$927,342	\$387,790		\$1,500,000	1.62x	
8249	Private	08/16/2022	Online Information Technology (IT) Education Company	\$2,439,879	\$378,489	\$378,489	\$250,000	0.10x	0.7x
8299	Private	06/24/2022	Online and In-Person Math Tutoring and College Entrance Exam Prep Business	\$200,000	(\$22,000)	(\$22,000)	\$120,000	0.60x	
8299	Private	03/04/2022	Learning Center Franchise	\$925,000			\$679,408	0.73x	
8299	Private	03/01/2022	Franchised K-12 Tutoring Center	\$160,000			\$100,000	0.63x	
8299	Private	12/23/2021	Education Tutoring	\$600,000	\$107,476		\$240,000	0.40x	
8299	Private	09/01/2021	Education Tutoring	\$319,475	\$23,331	\$23,331	\$430,000	1.35x	18.4x
8299	Private	08/31/2021	Tutoring Center Focusing on Dyslexia	\$359,000	\$66,000	\$66,000	\$306,000	0.85x	4.6x
8299	Private	05/13/2020	Language School	\$419,460	\$35,632	\$36,004	\$50,000	0.12x	1.4x
8299	Private	12/31/2019	Web-Based Education and Testing Service	\$2,373,053	\$517,333	\$608,196	\$5,010,000	2.11x	8.2x
8299	Private	10/10/2019	Language Training Center Franchise	\$264,832	\$48,545		\$85,000	0.32x	
8299	Private	04/15/2016	Language Education School	\$1,570,322	\$72,213	\$72,213	\$496,000	0.32x	6.9x
8299	Private	08/25/2015	Language Institute	\$245,344	\$37,337	\$37,337	\$190,000	0.77x	5.1x
8299	Private	06/16/2014	English as Second Language School	\$354,664	(\$38,447)	(\$5,690)	\$130,000	0.37x	
8299	Private	04/01/2013	Operates an Online Language Learning Community	\$3,898,692	(\$4,846,066)	(\$4,796,312)	\$8,371,000	2.15x	
8299	Private	07/30/2012	Language Training and Translation School	\$119,173	\$42,554	\$42,554	\$90,000	0.76x	2.1x
8299	Private	01/05/2011	Provides Business English and Communication Skills Training	\$1,901,396	(\$220,056)	(\$212,194)	\$426,960	0.22x	
8299	Private	05/17/2007	Learning Center that Teaches Basic Reading, Writing, and Arithmetic	\$82,073	\$18,493		\$75,000	0.91x	
8299	Public	06/12/2006	Classroom and E-Learning Courses	\$7,032,000	(\$944,000)	(\$537,000)	\$1,511,362	0.21x	
8299	Private	06/28/2001	Language Instruction and Services	\$419,403	\$48,504	\$55,911	\$390,000	0.93x	7.0x

Appendix A – Scope of Review

In determining the value of the Company, we have reviewed and/or relied upon the following information *among other things*, without audit or verification by us:

1. Audited financial statements of the Company prepared by Management for the 5-years ended December 31, 2024
2. Interim financial statements for the 9-months ended September 30, 2025
3. T2 corporate tax return for the Company for the year ended December 31, 2024
4. Income statement projections for the fiscal years 2025 to 2028 prepared by Management
5. Company Management Discussion & Analysis (“MDA”) for the year ended December 31, 2024
6. Letter of Intent (“LOI”) for the Acquisition of the Company by ELL Ventures Ltd. dated May 29, 2025
7. Review of IBISWorld Report 61163CA Language Instruction in Canada, October 2025
8. Online research of Mordor Intelligence industry Report for Digital English Language Learning Market
9. Representation Letter from Management that they have read our report, agree with the facts outlined therein, our basis of value and all underlying assumptions; and have no information or knowledge of any facts or material information not specifically noted in our report that would reasonably be expected to affect our calculations and comments; and
10. Discussions and conversations with Management

Appendix B – Restrictions, Qualifications and Assumptions

- We have prepared an *Estimate Valuation Report*, which does not constitute a *Comprehensive Valuation Report*, as per Practice Standard 110 of the CICBV (www.cicbv.ca). The provision of such reports would require greater information gathering, research, analysis, corroboration of information and a broader scope of review. Had we prepared a Comprehensive Valuation Report, our scope of review, assumptions, approach, findings, and conclusions may have differed than that stated herein. For clarity, an Estimate Valuation Report contains a conclusion as to the value of shares, assets or an interest in a business that is based on minimal review and analysis and little or no corroboration of relevant information and generally set out in a brief Valuation Report.
- We have not conducted an audit or review of the financial and business information provided to us and have not sought external verification of information provided by management and others. Accordingly, we take no responsibility for the underlying data presented or relied on in the Report. Our report cannot be used to uncover errors, omissions of information or fraud. We advise the Client to consult with a lawyer, accountant, and other advisors, as required, to verify all information presented, for accuracy and completeness.
- For this Report, we did not expose the Company to the open market and attempt to sell the assets or shares. Instead, we operate in a *notional market* which is a theoretical market, not an actual one.
- We reserve the right (but will be under no obligation) to review all calculations, research, opinions, comments, and conclusions included in the Report and, if we consider it necessary, to revise them in light of any facts, information, changing trends or conditions at the Valuation date, but which becomes apparent to us subsequent to the date of this Report.
- This Report is not intended for general circulation or to be used by a third party, nor is it to be reproduced, in whole or in part, or used for any purpose other than that stated without our written permission in each specific instance. We do not assume any responsibility or liability for losses occasioned to the Company or its shareholder's, the Company, shareholder of the Company or to any other parties as a result of the circulation, publication, reproduction or use of our report contrary to the provisions of this paragraph.
- This Report must be considered in its entirety by the reader, including any schedules and appendices. The preparation of valuation is a complex process, and it is not appropriate to extract only partial information from the Report. Selecting and relying only on specific sections of the Report without considering all of the analyses and factors together could create a misleading understanding of the Report.

Appendix C – Curriculum Vitae

Monty Bhardwaj

CPA, CA, CBV, CFF, DIFA

Managing Director

MNB Valuation Inc.

Suite #502

55 Commerce Valley Drive, West,
Thornhill Hill, Ontario

L

Office: 416-848-7477

monty@mnvaluation.com

www.valuquest.ca

Services provided through MNB Valuation Inc

Profile

Monty is a Chartered Accountant, Chartered Business Valuator and CA-designated specialist in investigative and forensic accounting with 25-years of experience in the areas of business valuation, forensic accounting, due diligence, income determination for family law purposes and damage quantification. He has extensive experience preparing valuation reports for tax and financial reporting purposes under IFRS and ASPE.

He holds a Diploma in Investigative and Forensic Accounting from the Rotman School of Business, University of Toronto.

He has qualified as an expert in the areas of business/asset valuation, income determination for family law purposes.

Monty has advised and prepared reports for clients in connection with shareholder and partnership disputes, due diligence, family law matters, arbitrations, mediations, fraud investigations mergers and acquisitions, intangible asset valuations including software, tax and estate planning, business interruption litigation and personal injury litigation.

He was the member of the CICBV Professional Practice Committee which is responsible for setting professional and ethical standards for CBV's, 2008 to 2009. Member of the CICBV task force on various types of reports – Calculation, Estimate and Comprehensive, 2011. Member of the Education Committee of IACVA (The International Association of Consultants, Valuators and Analysts), 2013 and a current Board Member.

He obtained the highest mark in Canada in the *Advanced Business Valuation* exam towards his CBV designation.

Professional memberships

- Chartered Accountant/Chartered Professional Accountant – Member
- Canadian Institute of Chartered Business Valuators – Member – obtained the highest mark in Canada in the Advanced Business Valuation Course
- CA-Designated Specialist in Forensic and Investigative Accounting (CA*IFA)
- AICPA - Certified in Financial Forensics (CFF)
- Diploma in Investigative and Forensic Accounting (DIFA), Rotman School of Management – University of Toronto

Community and professional involvement

- Member of the task force on Advisory Report – CBV Institute 2020
- Member of the Professional Practice Committee CBV Institute, 2007 to 2009
- Member of the CBV Institute on various types of reports – Calculation, Estimate and Comprehensive, 2011
- Member of the CICBV Continuing Education/Events Committee, 2011
- Member of the Board of Directors, Income Security Legal Clinic, 2003

Publications & presentations

- Article – “*Avoid being caught in the corporate shell game*” – The Lawyers Weekly – April 23, 2004
- Article – “Companies going private when others are going public” – The Lawyers Weekly – January 28, 2005
- Article – “A business’s value should be maximized before it is sold” – The Lawyers Weekly – October 14, 2005
- Article – “Out of Sight” – Canadian Treasurer – April/May 2005
- Participant – “Osler Expert Witness Program” – Osler, Hoskin & Harcourt LLP – November 2009
- Chapter – “Valuing a Businesses in Emerging Markets: Opportunities & Challenges,” in the Valuation Book - “Valuing a Business in Volatile Markets,” James L. Horvath, FCBV, ASA, CA, MBA – Carswell - 2010
- Presentation - “Introduction to CBV Profession” – CGA Ontario, January 22, 2014
- Presentation - “Business valuation and value enhancement” – CIMA, February 22, 2014
- Presentation – “Income determination and valuation issues in family law context” – Simmons da Silva LLP, May 9, 2014

APPENDIX E OVERVIEW OF DISSENTING SHAREHOLDERS RIGHTS

Capitalized terms not defined in this **Appendix E** will have the meanings ascribed thereto in the accompanying Management Information Circular (the "**Circular**").

The procedure to be followed by a Shareholder who intends to dissent from the Special Resolution approving the Amalgamation and who wishes to require ELL to acquire his or her ELL Common Shares and pay him or her the fair value thereof, determined as of the close of business on the day before the Special Resolution is adopted, is set out in section 185 of the *Business Corporations Act* (Ontario) ("OBCA").

Section 185 provides that a Shareholder may only make such a claim with respect to all the ELL Common Shares held by him or her on behalf of any one beneficial owner and registered in the Shareholder's name. One consequence of this provision is that a **Shareholder may only exercise the right to dissent under section 185 in respect of ELL Common Shares which are registered in that Shareholder's name**. In many cases, ELL Common Shares beneficially owned by a person (a "Non-Registered Holder") are registered either: (a) in the name of an intermediary that the Non-Registered Holder deals with in respect of the shares (such as banks, trust companies, securities dealers and brokers, trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans, and their nominees); or (b) in the name of a clearing agency (such as CDS) of which the intermediary is a participant. Accordingly, a Non-Registered Holder will not be entitled to exercise the right to dissent under section 185 directly (unless the ELL Common Shares are re-registered in the Non-Registered Holder's name). A Non-Registered Holder who wishes to exercise the right to dissent should immediately contact the intermediary with whom the Non-Registered Holder deals in respect of the ELL Common Shares and either: (i) instruct the intermediary to exercise the right to dissent on the Non-Registered Holder's behalf (which, if the ELL Common Shares are registered in the name of CDS or other clearing agency, would require that the ELL Common Shares first be re-registered in the name of the intermediary); or (ii) instruct the intermediary to re-register the ELL Common Shares in the name of the Non-Registered Holder, in which case the Non-Registered Holder would have to exercise the right to dissent directly.

A registered Shareholder who wishes to invoke the provisions of section 185 of the OBCA must send to ELL a written objection to the Special Resolution (the "Notice of Dissent") at or before the time fixed for the Meeting at which the Special Resolution is to be voted on. The sending of a Notice of Dissent does not deprive a registered Shareholder of his or her right to vote on the Special Resolution but a vote either in person or by proxy against the Special Resolution does not constitute a Notice of Dissent. A vote in favour of the Special Resolution will deprive the registered Shareholder of further rights under section 185 of the OBCA.

Within 10 days after the adoption of the Special Resolution by the Shareholders, ELL is required to notify in writing each Shareholder who has filed a Notice of Dissent and has not voted for the Special Resolution or withdrawn his or her objection (a "Dissenting Shareholder") that the Special Resolution has been adopted. A Dissenting Shareholder shall, within 20 days after he or she receives notice of adoption of the Special Resolution or, if he or she does not receive such notice, within 20 days after he or she learns that the Special Resolution has been adopted, send to ELL, a written notice (the "Demand for Payment") containing his or her name and address, the number of ELL Common Shares in respect of which he or she dissents, and a demand for payment of the fair value of such ELL Common Shares. Within 30 days after sending his or her Demand for Payment, the Dissenting Shareholder shall send the certificates representing the ELL Common Shares in respect of which he or she dissents to ELL or its transfer agent. ELL or the transfer agent shall endorse on the share certificates notice that the holder thereof is a Dissenting Shareholder under section 185 of the OBCA and shall forthwith return the share certificates to the Dissenting Shareholders.

If a Dissenting Shareholder fails to send the Notice of Dissent, the Demand for Payment or his or her share certificates, he or she has no right to make a claim under section 185 of the OBCA.

After sending a Demand for Payment, a Dissenting Shareholder ceases to have any right as a holder of ELL Common Shares in respect of which he or she has dissented other than the right to be paid the fair value of such ELL Common Shares as determined under section 185 of the OBCA, unless: (i) the Dissenting Shareholder withdraws his or her Demand for Payment before ELL makes a written offer to pay (the "Offer to Pay"); (ii) ELL fails to make a timely Offer to Pay to the Dissenting Shareholder and the Dissenting Shareholder withdraws his or her Demand for Payment;

or (iii) the directors of ELL revoke the Special Resolution, in all of which cases the Dissenting Shareholder's rights as a shareholder are reinstated.

Not later than seven days after the later of the effective date of the Amalgamation and the day ELL receives the Demand for Payment, ELL shall send, to each Dissenting Shareholder who has sent a Demand for Payment, an Offer to Pay for the ELL Common Shares of the Dissenting Shareholder in respect of which he or she has dissented in an amount considered by the directors of ELL, to be the fair value thereof, accompanied by a statement showing how the fair value was determined. Every Offer to Pay made to Dissenting Shareholders for ELL Common Shares shall be on the same terms. The amount specified in an Offer to Pay which has been accepted by a Dissenting Shareholder shall be paid by ELL within 10 days of the acceptance, but an Offer to Pay lapses if ELL has not received an acceptance thereof within 30 days after the Offer to Pay has been made.

If an Offer to Pay is not made by ELL or if a Dissenting Shareholder fails to accept an Offer to Pay, ELL may, within 50 days after the effective date of the Amalgamation or within such further period as a court may allow, apply to the Superior Court of Justice of Ontario (the "court") to fix a fair value for the shares of any Dissenting Shareholder. If ELL fails to apply to the court, a Dissenting Shareholder may apply to the court for the same purpose within a further period of 20 days or within such further period as the court may allow. A Dissenting Shareholder is not required to give security for costs in any application to the court.

Before making application to the court or not later than seven days after receiving notice of an application to the court by a Dissenting Shareholder, ELL shall give to each Dissenting Shareholder who has sent to ELL a Demand for Payment and has not accepted an Offer to Pay, notice of the date, place and consequences of the application and of his or her right to appear and be heard in person or by counsel. A similar notice shall be given to each Dissenting Shareholder who, after the date of the first mentioned notice and before termination of the proceedings commenced by the application, sends ELL a Demand for Payment and does not accept an Offer to Pay, such notice to be sent within three days thereafter. All such Dissenting Shareholders shall be joined as parties to any such application to the court to fix a fair value and shall be bound by the decision rendered by the court in the proceedings commenced by such application. The court is authorized to determine whether any other person is a Dissenting Shareholder who should be joined as a party to such application.

The court shall fix a fair value for the ELL Common Shares of all Dissenting Shareholders and may in its discretion allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the Effective Date of the Amalgamation until the date of payment of the amount ordered by the court. The final order of the court in the proceedings commenced by an application by ELL or a Dissenting Shareholder shall be rendered against ELL and in favour of each Dissenting Shareholder who, whether before or after the date of the order, sends ELL a Demand for Payment and does not accept an Offer to Pay. The cost of any application to a court by ELL or a Dissenting Shareholder will be in the discretion of the court. Where, however, ELL fails to make an Offer to Pay, the costs of the application by a Dissenting Shareholder are to be borne by ELL unless the court otherwise orders.

The above is only a summary of the dissenting shareholder provisions of the OBCA, which are technical and complex. It is suggested that a Shareholder wishing to exercise a right to dissent should seek legal advice, as failure to comply strictly with the provisions of the OBCA may result in the loss or unavailability of the right to dissent.

APPENDIX F
SECTION 185 OF THE BUSINESS CORPORATIONS ACT (ONTARIO)

Rights of dissenting shareholders

185 (1) Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,

- (a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;
- (b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
- (c) amalgamate with another corporation under sections 175 and 176;
- (d) be continued under the laws of another jurisdiction under section 181; or

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 185 (1) of the Act is amended by striking out "or" at the end of clause (d) and by adding the following clauses: (See: 2017, c. 20, Sched. 6, s. 24)

- (d.1) be continued under the *Co-operative Corporations Act* under section 181.1;
- (d.2) be continued under the *Not-for-Profit Corporations Act, 2010* under section 181.2; or
- (e) sell, lease or exchange all or substantially all its property under subsection 184 (3),

a holder of shares of any class or series entitled to vote on the resolution may dissent. R.S.O. 1990, c. B.16, s. 185 (1).

Idem

(2) If a corporation resolves to amend its articles in a manner referred to in subsection 170 (1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,

- (a) clause 170 (1) (a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or
- (b) subsection 170 (5) or (6). R.S.O. 1990, c. B.16, s. 185 (2).

One class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares. 2006, c. 34, Sched. B, s. 35.

Exception

(3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,

(a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 277; or

(b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986. R.S.O. 1990, c. B.16, s. 185 (3).

Shareholder's right to be paid fair value

(4) In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted. R.S.O. 1990, c. B.16, s. 185 (4).

No partial dissent

(5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (5).

Objection

(6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent. R.S.O. 1990, c. B.16, s. 185 (6).

Idem

(7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6). R.S.O. 1990, c. B.16, s. 185 (7).

Notice of adoption of resolution

(8) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection. R.S.O. 1990, c. B.16, s. 185 (8).

Idem

(9) A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights. R.S.O. 1990, c. B.16, s. 185 (9).

Demand for payment of fair value

(10) A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,

(a) the shareholder's name and address;

(b) the number and class of shares in respect of which the shareholder dissents; and

(c) a demand for payment of the fair value of such shares. R.S.O. 1990, c. B.16, s. 185 (10).

Certificates to be sent in

(11) Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent. R.S.O. 1990, c. B.16, s. 185 (11); 2011, c. 1, Sched. 2, s. 1 (9).

Idem

(12) A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section. R.S.O. 1990, c. B.16, s. 185 (12).

Endorsement on certificate

(13) A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (13).

Rights of dissenting shareholder

(14) On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,

- (a) the dissenting shareholder withdraws notice before the corporation makes an offer under subsection (15);
- (b) the corporation fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or
- (c) the directors revoke a resolution to amend the articles under subsection 168 (3), terminate an amalgamation agreement under subsection 176 (5) or an application for continuance under subsection 181 (5), or abandon a sale, lease or exchange under subsection 184 (8),

in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10). R.S.O. 1990, c. B.16, s. 185 (14); 2011, c. 1, Sched. 2, s. 1 (10).

Same

(14.1) A dissenting shareholder whose rights are reinstated under subsection (14) is entitled, upon presentation and surrender to the corporation or its transfer agent of any share certificate that has been endorsed in accordance with subsection (13),

- (a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or
- (b) if a resolution is passed by the directors under subsection 54 (2) with respect to that class and series of shares,
 - (i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and

(ii) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Same

(14.2) A dissenting shareholder whose rights are reinstated under subsection (14) and who held uncertificated shares at the time of sending a notice to the corporation under subsection (10) is entitled,

(a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under subsection (10); and

(b) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Offer to pay

(15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (10), send to each dissenting shareholder who has sent such notice,

(a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (15).

Idem

(16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms. R.S.O. 1990, c. B.16, s. 185 (16).

Idem

(17) Subject to subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (15) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made. R.S.O. 1990, c. B.16, s. 185 (17).

Application to court to fix fair value

(18) Where a corporation fails to make an offer under subsection (15) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (18).

Idem

(19) If a corporation fails to apply to the court under subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow. R.S.O. 1990, c. B.16, s. 185 (19).

Idem

(20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19). R.S.O. 1990, c. B.16, s. 185 (20).

Costs

(21) If a corporation fails to comply with subsection (15), then the costs of a shareholder application under subsection (19) are to be borne by the corporation unless the court otherwise orders. R.S.O. 1990, c. B.16, s. 185 (21).

Notice to shareholders

(22) Before making application to the court under subsection (18) or not later than seven days after receiving notice of an application to the court under subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

(a) has sent to the corporation the notice referred to in subsection (10); and

(b) has not accepted an offer made by the corporation under subsection (15), if such an offer was made,

of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions. R.S.O. 1990, c. B.16, s. 185 (22).

Parties joined

(23) All dissenting shareholders who satisfy the conditions set out in clauses (22) (a) and (b) shall be deemed to be joined as parties to an application under subsection (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application. R.S.O. 1990, c. B.16, s. 185 (23).

Idem

(24) Upon an application to the court under subsection (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (24).

Appraisers

(25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (25).

Final order

(26) The final order of the court in the proceedings commenced by an application under subsection (18) or (19) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses (22) (a) and (b). R.S.O. 1990, c. B.16, s. 185 (26).

Interest

(27) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment. R.S.O. 1990, c. B.16, s. 185 (27).

Where corporation unable to pay

(28) Where subsection (30) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (28).

Idem

(29) Where subsection (30) applies, a dissenting shareholder, by written notice sent to the corporation within thirty days after receiving a notice under subsection (28), may,

(a) withdraw a notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders. R.S.O. 1990, c. B.16, s. 185 (29).

Idem

(30) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that,

(a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities. R.S.O. 1990, c. B.16, s. 185 (30).

Court order

(31) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if the corporation is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission. 1994, c. 27, s. 71 (24).

Commission may appear

(32) The Commission may appoint counsel to assist the court upon the hearing of an application under subsection (31), if the corporation is an offering corporation. 1994, c. 27, s. 71 (24).

APPENDIX G AUDIT COMMITTEE CHARTER

Name

There shall be a committee of the Board of Directors (the "**Board**") of Everybody Loves Languages Corp. (the "**Company**") known as the Audit Committee (the "**Committee**").

General Purpose

The Committee has been established to assist the Board in fulfilling its oversight responsibilities with respect to the following areas: the Company's external audit function; internal control and management information systems; the Company's accounting and financial reporting requirements; the Company's compliance with law and regulatory requirements; the Company's risks and risk management policies and such other functions as are delegated to it by the Board. Specifically, with respect to the Company's external audit function, the Committee assists the Board in fulfilling its oversight responsibilities relating to: the quality and integrity of the Company's financial statements; the independent auditors' qualifications; and the performance of the Company's independent auditors.

The Committee is intended to facilitate and provide a means of open communication between management, the external auditors and the Board.

Composition and Qualifications

The Committee shall consist of as many members as the Board shall determine, but in any event not fewer than three (3) members who are appointed by the Board. The composition of the Committee shall meet all applicable independence, financial literacy and other legal and regulatory requirements. More specifically, all members of the Committee shall be "financially literate" and a majority shall be "independent", as such terms are defined by the applicable securities law¹.

The Board shall designate the Chairman of the Committee, who shall have responsibility for overseeing that the Committee fulfills its mandate and duties effectively.

Each member of the Committee shall continue to be a member until a successor is appointed, unless the member resigns, is removed or ceases to be a director. The Board may fill a vacancy which occurs in the Committee at any time.

Meetings

The Chairman of the Committee, in consultation with the Committee members, shall determine the schedule and frequency of the Committee meetings provided that the Committee will meet at least four (4) times in each fiscal year and at least once in every fiscal quarter. The Committee shall have the authority to convene additional meetings as circumstances require. A schedule for each of the meetings will be disseminated to the Committee members prior to the start of each fiscal year. A detailed agenda for each meeting will be disseminated to the Committee members as far in advance of each meeting as is practicable.

The Committee shall meet separately, periodically, with management, counsel and the external auditors. The Committee shall meet separately with the external auditors at every meeting of the Committee at which external auditors are present.

¹National Instrument 52-110, Sections 1.4 and 1.6

Responsibilities

The Committee is mandated to carry out the following responsibilities:

A. External Auditors

1. Subject to applicable law, the Committee shall be responsible for the appointment, compensation, oversight and termination of the external auditor. The external auditor shall report directly to the Committee and shall be accountable to the Board and the Committee as representatives of the shareholders.
2. The Committee shall pre-approve all non-audit mandates for services the external auditor shall undertake.
3. The Committee shall satisfy itself, on behalf of the Board, that the external auditor is independent of management. In assessing such independence, the Committee shall discuss with the external auditors, and may require a letter from the external auditor outlining, any relationships between the external auditors and the Company or its affiliates.
4. The Committee shall review the audit plan of the external auditors, the integration of the external audit with the internal control program, and the results of the audit, which shall include reviewing the external auditor's letter to management and management's response thereto and other material written communications between management and the external auditors.
5. The Committee shall satisfy itself, annually or more frequently as the Committee considers appropriate, as to the external auditors' internal quality control procedures and any material issues raised by the most recent internal quality control review, or peer review, of the external auditor, or by any public enquiry, review, or investigation by governmental, professional or other regulatory authorities.
6. The Committee shall periodically review and discuss with management and the external auditors the quality and acceptability of the Company's accounting policies and practices, the materiality levels which the external auditors propose to employ, any significant changes in the accounting policies and any proposed changes in accounting or financial reporting that may have a significant impact on the Company.
7. The Committee shall discuss with management and the external auditors all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management by the external auditors, the ramifications of these alternative treatments and the treatment preferred by the external auditors.

B. Financial Information

1. The Committee shall discuss with management and the external auditors whether the audited annual financial statements present fairly (in accordance with Canadian generally accepted accounting principles) in all material respects the financial condition, results of operations and cash flows of the Company as of and for the periods presented and, where appropriate, recommend for approval to the Board, the annual audited financial statements of the Company.
2. The Committee shall discuss with management and the external auditors whether the unaudited quarterly financial statements present fairly (in accordance with generally accepted accounting principles) in all material respects the financial condition, results of operations and cash flows of the Company as of and for the periods presented and, where appropriate, recommend for approval to the Board, the unaudited quarterly financial statements of the Company.
3. The Committee shall review the Annual Report to Shareholders and other financial information (including the annual and quarterly Management's Discussion and Analysis of Financial Condition and Results of Operations, the Annual Information Form and any prospectus or offering circular) prepared by the

Company with management and, where appropriate, recommend for approval to the Board and recommend for filing with regulatory bodies.

4. The Committee shall review any news releases and reports to be issued by the Company containing earnings guidance or financial information for research, analysts and rating agencies. The Committee shall also review the Company's policies relating to financial disclosure and the release of earnings guidance and the Company's compliance with financial disclosure rules and regulations.

The Committee shall discuss with management and the external auditors important trends and developments in financial reporting practices and requirements and their effect on the Company's financial statements.

C. Internal Control

1. The Committee shall oversee the adequacy and effectiveness of the Company's internal control systems, through discussions with the Company's external auditors and management and shall report to the Board on an annual basis.
2. The Committee shall review annually the Company's Whistleblower Policy and its effectiveness and enforcement.

D. Risk Management

1. The Committee shall review with management the principal risks facing the Company, and the policies, processes and procedures for management's monitoring and managing of such risks or exposures. If necessary, the Committee will mandate, monitor and evaluate the steps management has taken to monitor and manage such exposures, including insuring against such risks, where appropriate.

E. Compliance with Legal and Regulatory Requirements

1. The Committee shall review with management, and any internal or external counsel as the Committee considers appropriate, any legal matters (including the status of pending litigation) that may have a material impact on the Company and any material reports or inquiries from regulatory or governmental agencies.
2. The Committee shall review with counsel the adequacy and effectiveness of the Company's procedures to ensure compliance with the legal and regulatory responsibilities.

F. Other

1. The Committee shall also perform such other activities related to this Charter as requested by the Board.
2. The Committee shall review and assess the adequacy of this Charter annually and shall submit any proposed changes to the Board for approval.
3. The Committee may delegate its authority and duties to subcommittees or individual members of the Committee as it deems appropriate.

Reporting

The Committee shall report its deliberations and discussions regularly to the Board and shall submit to the Board the minutes of its meetings.

Resources

The Committee shall have the authority, in its sole discretion, to retain independent legal, accounting and other consultants to advise the Committee at the expense of the Company. The Committee shall be provided with the necessary funding to compensate the external auditors and any other advisors they engage.

The Committee may request any officer or employee of the Company or the Company's external counsel or external auditors to attend a meeting of the Committee or to meet with any member of, or consultants to, the Committee. The Committee shall have full access to all of the Company's books, records, facilities and personnel.

Complaints Procedure

Any director, officer or employee who has any concern or complaints regarding accounting, internal control or auditing matters or any potential violations of law or regulatory provisions may, in accordance with the Company's Whistleblower Policy, make an anonymous submission to any member of the Committee. The Committee shall establish procedures for the review and resolution of such complaints.

Limitation on the Oversight Role of the Committee

Nothing in this Charter is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board are subject. Each member of the Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Company from whom he or she receives financial and other information, and the accuracy of the information provided to the Company by such persons or organizations.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and in accordance with generally accepted accounting principles in Canada and applicable rules and regulations. These are the responsibility of management and the external auditors.