



**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS OF
MOLECULE HOLDINGS INC.**

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of shareholders (“**Shareholders**”) of Molecule Holdings Inc. (“**Molecule**” or the “**Corporation**”) will be held at 4:00 p.m. (Toronto time) on April 30, 2021 at the office of Positive Venture Group Inc. at 1400 St. Laurent Blvd. 5th Floor, Ottawa, Ontario, K1K 4H4, **and by telephone conference by calling in to the following toll-free number: 1 (888) 892-3255**, for the following purposes, more as described in the accompanying management information circular dated March 24, 2021 (the “**Circular**”):

1. to receive the consolidated financial statements of Molecule together with the auditor’s report thereon for the fiscal year ended October 31, 2020;
2. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution to appoint McGovern Hurley LLP as the auditors of Molecule for the ensuing year and to authorize the directors of Molecule to fix their remuneration;
3. to fix the board of directors at five (5);
4. to elect the directors of Molecule for the ensuing year;
5. to consider and, if deemed advisable, to pass a special resolution allowing for the Corporation, pursuant to the *Canada Business Corporations Act* (“**CBCA**”) to amend its articles to change its registered office address from a location in the Province of Quebec to a location in the Province of Ontario (the “**Registered Office Resolution**”);
6. to consider and, if deemed advisable, to pass an ordinary resolution confirming Amended and Restated By-Law No. 1 to allow the Corporation to hold shareholder meetings solely using telephonic or other electronic means (the “**Virtual Meeting Resolution**”);
7. to consider and, if deemed advisable, to pass, an ordinary resolution confirming Amended and Restated By-Law No. 1 to recognize and permit electronic notices, communications and instruments subject to the CBCA, in order to allow the Corporation to rely on the “notice-and-access” mechanism for shareholder meetings, as defined in and pursuant to National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (the “**Notice-and-Access Resolution**”); and
8. to transact such other business as may properly be brought before the Meeting or any adjournment thereof.

The record date (the “**Record Date**”) for determination of shareholders entitled to receive notice of and to vote at the Meeting (the “**Shareholders**”) is the close of business on March 26, 2021. Only Shareholders whose names have been entered in the register of the shareholders of the Corporation at the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting. Each common share of the Corporation (the “**Shares**”) entitled to be voted on each resolution at the Meeting will entitle the Shareholder to one vote at the Meeting on all matters to come before the Meeting.

COVID-19 GUIDANCE

In the context of the effort to mitigate potential risk to the health and safety associated with COVID-19 and in compliance with the orders and directives of the Government of Canada, the Province of Ontario and the City of Ottawa, the shareholders are being discouraged from attending the Meeting in person. All shareholders are encouraged to vote on the matters before the Meeting by proxy in the manner set out herein and in the accompanying Circular dated March 24, 2021 of the Corporation.

Shareholders may call in to the Meeting at 1 (888) 892-3255, toll-free, at 4:00 p.m. (Toronto time) on April 30, 2021. Shareholders may also attend in person at 1400 St. Laurent Blvd. 5th Floor, Ottawa, Ontario, K1K 4H4, noting the above “COVID GUIDANCE”. Via the telephone meeting service provider, the Corporation will be able to note the attendance of all participants and will also allow for Shareholders to vote by a show of hands (or its equivalent by phone) unless a ballot is required or demanded during the Meeting as described in the attached Circular. It is recommended that shareholders call a few minutes prior to 4:00pm (Toronto time) in order to be recorded as present.

DUE TO THE LARGELY VIRTUAL NATURE OF THE MEETING, THE CORPORATION ENCOURAGES VOTES TO BE CAST BY PROXY IN ADVANCE OF THE MEETING AS INDICATED IN THIS NOTICE. If unable to attend and given the COVID19 Guidance, Shareholders are requested to vote only or date, sign, and return the accompanying form of proxy (the “Proxy”) for use at the Meeting or any adjournment thereof. To be effective, the Proxy must be received by the Corporation’s transfer agent, Computershare Trust Company of Canada: 100 University Ave. 8th Floor, Toronto, On, M5J 2Y1, not later than April 28, 2021 at 4:00 p.m. (Toronto time) or 48 hours (other than a Saturday, Sunday or holiday) prior to the time to which the Meeting may be adjourned. Notwithstanding the foregoing, the Chair of the Meeting has the discretion to accept proxies received after such deadline.

If a Shareholder receives more than one form of Proxy because such Shareholder owns Shares registered in different names or addresses, each form of Proxy should be completed and returned.

If you are a non-registered shareholder and have received these materials through your broker, custodian, nominee, or other financial intermediary, please complete and return the form of Proxy or voting instruction form provided to you by your broker, custodian, nominee, or other financial intermediary in accordance with the instructions provided therein.

The Proxy confers discretionary authority with respect to: (i) amendments or variations to the matters of business to be considered at the Meeting; and (ii) other matters that may properly come before the Meeting. As of the date hereof, management of Molecule knows of no amendments, variations or other matters to come before the Meeting other than the matters set forth in this Notice of Meeting. Shareholders who are planning on returning the accompanying Proxy are encouraged to review the Circular carefully before submitting the Proxy form. It is the intention of the persons named in the enclosed Proxy, if not expressly directed to the contrary in such proxy, to vote in favour of each respective resolution above.

DATED at Ontario this 24th day of March, 2021.

BY ORDER OF THE BOARD OF DIRECTORS

“Andre Audet”

Andre Audet

Chairman

MOLECULE HOLDINGS INC.
(the "Corporation")

INFORMATION CIRCULAR
(Containing information as at March 24, 2021 unless indicated otherwise)

SOLICITATION OF PROXIES

THIS MANAGEMENT INFORMATION CIRCULAR ("CIRCULAR") IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT OF MOLECULE HOLDINGS INC. (the "Corporation") of proxies to be used at the annual and special meeting of shareholders of the Corporation to be held on Friday, April 30, 2021 at 4:00 p.m. (Toronto time), at the office of Positive Venture Group Inc. at 1400 St. Laurent Blvd. 5th Floor, Ottawa, Ontario, K1K 4H4, **and by telephone conference by calling in to the following toll-free number: 1 (888) 892-3255**, and at any adjournment or postponement thereof (the "**Meeting**") for the purposes set out in the enclosed notice of meeting (the "**Notice**"). Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with brokerage houses and clearing agencies, custodians, nominees, fiduciaries or other intermediaries to send the Company's proxy solicitation materials (the "**Meeting Materials**") to the beneficial owners of the common shares of the Corporation (the "**Shares**") held of record by such parties. If you cannot attend the Meeting in person, complete and return the enclosed form of proxy following the instructions therein.

COVID-19 GUIDANCE

In the context of the effort to mitigate potential risk to the health and safety associated with COVID-19 and in compliance with the orders and directives of the Government of Canada, the Province of Ontario and the City of Ottawa, the shareholders are being discouraged from attending the Meeting in person. All shareholders are encouraged to vote on the matters before the Meeting by proxy in the manner set out herein.

QUORUM FOR THE TRANSACTION OF BUSINESS

The Corporation's By-Laws provide that the quorum at a meeting of the shareholders of the Corporation (the "**Shareholders**") shall be constituted by the attendance of two or more shareholders, present in person or represented by proxy, holding at least 10% of the votes attached to outstanding voting shares.

APPOINTMENT OF PROXIES

The persons named in the enclosed form of proxy (the "**Proxy**") are directors and officers of the corporation. A Shareholder has the right to appoint as his or her proxy a person, who need not be a Shareholder, other than those whose names are printed on the accompanying form of Proxy. A Shareholder who wishes to appoint some other person to represent him or her at the meeting may do so either by inserting such other person's name in the blank space provided in the form of Proxy and signing the form of Proxy or by completing and signing another proper form of Proxy.

REVOCAION OF PROXIES

A Shareholder may revoke a Proxy at any time by sending an instrument in writing executed by such Shareholder or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized in writing, at the same address where the form of Proxy was sent and within the delays mentioned therein or two business days preceding the date the meeting resumes if it is adjourned, or remit to the chairman of such meeting on the day of the meeting or any adjournment thereof if applicable.

VOTING OF COMMON SHARES REPRESENTED BY PROXIES

If the enclosed form of Proxy is properly completed and submitted in favour of the persons designated in the printed portion thereof, the Shares represented by such form of Proxy will be voted on any ballot that may be called for and where the person whose proxy is solicited specifies a choice with respect to any matter identified therein, the Shares shall be voted in accordance with the specification so made. **Where Shareholders have not specified in the form of Proxy the manner in which the designated proxy holders are required to vote the Shares represented thereby as to any matter to be voted on, such Shares will be voted in favour of such matter.**

The enclosed form of Proxy confers discretionary authority with respect to amendments or variations to the matters identified in the notice of meeting and with respect to matters other than those identified in the notice of meeting which may properly come before the meeting. As of the date hereof, the management of the Corporation is not aware that any such amendments, variations, or other matters are to be presented for action at the meeting. **If such amendments or new points were to be brought before the meeting, the persons named in the enclosed form of Proxy will vote on such matters in the way they consider advisable.**

ADVICE TO NON-REGISTERED SHAREHOLDERS

Only registered holders of Shares (common shares) of the Corporation, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, common shares of the Corporation beneficially owned by a holder (a “**Non-Registered Shareholder**”) are registered either:

- A. in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Shareholder deals with in respect of the common shares, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered retirement savings plans, registered retirement income funds and registered educational savings plans and similar plans; or
- B. in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Corporation has distributed copies of the Meeting Materials to the clearing agencies and Intermediaries for onward distribution to Non-Registered Shareholders.

Intermediaries are required to forward Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

- A. be given a proxy which has already been signed by the Intermediary (typically by facsimile, stamped signature) which is restricted as to the number of Shares beneficially owned by the Non-Registered Shareholder but which is otherwise uncompleted. This form of proxy need not be signed by the Non-Registered Shareholder. In this case, the Non-Registered Shareholder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it as described in the form of Proxy; or
- B. more typically, be given a voting instruction form that must be completed and signed by the Non-Registered Shareholder in accordance with the directions on the voting instruction form (which may in some cases permit the completion of the voting form by telephone).

The purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the common shares they beneficially own. Should a Non-Registered Shareholder who receives either a form of Proxy, a proxy or a voting instruction form wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the names of the persons named in the proxy and insert the Non-Registered Shareholder’s (or such other corresponding directions on the form.) **In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediaries, including those regarding when and where the proxy or the proxy authorization form is to be delivered, and the instructions of their service companies.**

Non-Registered Shareholders who wish to vote their Shares in person at the Meeting must insert their own name in the space provided on the request for voting instructions or proxy form, as the case may be, in order to appoint themselves as proxy holders and follow the signature and return instructions provided by their nominees. Non-Registered Shareholders who appoint themselves as proxy holders should present themselves at the Meeting to a representative of Computershare Investor Services Inc.

All references to Shareholders in this Circular, the enclosed form of Proxy and the Notice of Meeting are to the registered shareholders unless specifically stated otherwise.

RECORD DATE

The board of directors of the Corporation (the “**Board**”) fixed the close of business on March 26, 2021, as the record date (the “**Record Date**”) for determining which shareholders shall be entitled to receive Notice of the Meeting and to vote in person or by proxy at the Meeting or any adjournment thereof. Pursuant to the *Canada Business Corporations Act*, the Corporation is required to prepare, no later than ten (10) days after the Record Date, an alphabetical list of the shareholders entitled to vote as of the record date that shows the number of shares held by each Shareholder. A Shareholder whose name appears on the list referred to above is entitled to vote the shares shown opposite his or her name at the meeting. The list of Shareholders is available for inspection during usual business hours at the management office of the Corporation and at the meeting.

AUTHORIZED CAPITAL STOCK, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital stock of the Corporation consists of an unlimited number of common shares (Shares) without par value. Each Share entitles its holder to one vote. On the date hereof, there were 91,363,778 common shares of the Corporation issued and outstanding.

As at the date hereof, to the knowledge of management of the Corporation, no person holds 10% or more of the issued shares of the Corporation.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any of the following persons in any matter to be acted upon at the Meeting:

- a) each person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation’s last financial year;
- b) each proposed nominee for election as a director of the Corporation; and
- c) each associate or affiliate of any of the foregoing.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board considers good corporate governance to be important to the effective operations of the Corporation and to ensure that the Corporation is managed so as to enhance shareholder value. The Board is responsible for ensuring that the Corporation addresses all relevant corporate governance issues in compliance with the corporate governance guidelines set forth in Policy Statement 58-201 to Corporate Governance Guidelines.

The Corporation's disclosure of corporate governance practices pursuant to Regulation 58-101 respecting Disclosure of Corporate Governance Practices is set out below.

Board of Directors

Independent Directors

The independent directors of the Corporation are Amy Proulx, David Reingold and Lindsay Weatherdon.

Non-Independent Director

The non-independents director of the Corporation are Philip Waddington in light of his position as President and CEO of the Corporation and André Audet in light of his former position as President and CEO of the Corporation

Composition

There are currently five (5) members of the Board, which directors are nominated for election at the Meeting.

The articles and by-laws of the Corporation provide that the Board of the Corporation shall consist of a minimum of one and a maximum of ten directors, the number of which may be fixed from time to time by the shareholders. As there are five (5) directors nominated for election, the Corporation seeks to fix the number of directors at five (5). The CBCA also allows for the Board to appoint additional directors provided the number appointed does not exceed one third of the number of existing directors.

Directorships

The following Directors are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction:

| Name of Director | Issuer |
|-------------------------|---|
| Lindsay Weatherdon | Focus Graphite Inc. Braile Energy Systems Inc (BESI) |

Orientation and Continuing Education

The Board takes the following steps to ensure that all new directors receive orientation regarding the role of the Board, its committees and its directors, and the nature and operation of the Corporation: reports and other documentation relating to the Corporation's business and affairs are provided to new directors and Board meetings are held at the Corporation's main site to give the directors additional insight into the Corporation's business and operations.

The Board has not at this time taken any measures to provide continuing education for the directors. However, the directors of the Corporation are encouraged to attend, at the Corporation's expense, any seminar given by the Canadian Securities Administrators relating to the management of a public company or relating to their responsibilities as a director of a public company. Furthermore, the directors are given access to the Corporation's legal advisors for any questions they may have relating to such responsibilities.

Ethical Business Conduct

The Board has taken steps to encourage and promote a culture of ethical business conduct by adopting a code of business conduct and ethics (the “Code”) applicable to all employees, officers, directors, consultants and contractors of the Corporation and its subsidiaries. All such persons are expected to adhere to the principles contained in the Code and failure to observe the terms of the Code may result in disciplinary action, including suspension, termination of employment or removal from the Board.

The Code covers a wide range of business practices and principles including the need for: (i) compliance with applicable laws and regulations, (ii) acting honestly and in good faith having in view the Corporation’s best interest (iii) advancing the Corporation’s legitimate interests, (iv) compliance at all times with prescribed accounting, internal accounting, and auditing procedures and controls (to this regard, the Corporation has instituted a “whistleblower” program whereby any infractions can be reported to the Chair of the Audit Committee), (v) compliance with applicable securities laws prohibiting trading in the securities of a company while in possession of material, non-public information regarding such company (insider trading), (vi) respect of confidential information regarding the Corporation, (vii) protection and proper use of the Corporation’s assets (viii) property of inventions, developments and improvements conceived by employees during their period of employment, (ix) respect of co-workers, their integrity and their dignity and (x) respect of applicable environmental laws and regulations. The Corporation expects employees and directors to take all responsible steps to prevent a violation of the Code and in this regard, are encouraged to report any violations thereto.

No material change report has been filed that pertains to any conduct of a director or executive officer that constitutes a departure from the Code.

Nomination of Directors

The Chairman of the Board and President of the Corporation seek qualified candidates to be considered for nomination as directors. Proposed nominations are subject to review and approval by the Board.

Any new appointees or nominees to the Board must have a favourable track record in general business management, special expertise in areas of strategic interest to the Corporation, the ability to devote the time required and a willingness to serve as a director.

Compensation

On an annual basis, the Chairman of the Board and the Compensation Committee evaluate the adequacy of compensation of the directors. After sufficient review and analysis, the Compensation Committee recommends the remuneration of the directors and the President to the Board for approval.

Other Board Committees

Other than the Audit Committee, the Board has also formed a Corporate Governance Committee, Nomination and Compensation Committee, and Communications and Investor Relations Committee. The members of each committee are indicated in the section below entitled “FIXING THE NUMBER AND ELECTION OF DIRECTORS”.

Assessments

The Board has not established any formal procedures for assessing the performance of the Board or its committees and members. Generally, those responsibilities have been carried out on an informal basis by the Board itself. Furthermore, it is the view of the Board that, in light of its small size and the close and open relationship among its members, the formality of a committee would not be as effective as the current arrangement and is unnecessary.

MATTERS FOR CONSIDERATION AT THE MEETING

PRESENTATION OF FINANCIAL STATEMENTS

The audited financial statements of the Corporation for the financial year ended October 31, 2020 and the auditors' report thereon will be placed before the Meeting but no vote with respect thereto is required.

APPOINTMENT OF AUDITORS AND TO FIX RENUMERATION OF THE AUDITORS

Since September 16, 2020 McGovern Hurley LLP was appointed as auditors of Molecule (following the Corporation's reverse takeover transaction ("RTO")). Prior thereto DeVisser Gray LLP served as auditors of the Corporation.

At the Meeting, the Shareholders will be asked to vote on the following ordinary resolution:

"BE IT RESOLVED THAT BY ORDINARY RESOLUTION McGovern Hurley LLP be appointed as auditors of Molecule until the close of the next annual general meeting of Molecule and that the board of directors of Molecule is hereby authorized to fix the remuneration of the auditors."

In the absence of instruction to the contrary, the persons designated by management in the Proxy intend to vote "FOR" the preceding resolution.

FIXING THE NUMBER AND ELECTION OF DIRECTORS

The By-laws of the Corporation provide that the members of the Board are elected annually. Each director holds office until the next annual meeting of shareholders or until his successor is elected or appointed.

The articles and by-laws of the Corporation provide that the Board of the Corporation shall consist of a minimum of one and a maximum of ten directors, the number of which may be fixed from time to time by the shareholders. As there are five (5) directors nominated for election, the Corporation seeks to fix the number of directors at five (5). The CBCA also allows for the Board to appoint additional directors provided the number appointed does not exceed one third of the number of existing directors.

The mandates of André Audet, Philip Waddington, David Reingold, Amy Proulx and Lindsay Weatherdon will expire at the Meeting of April 30, 2021. **At the Meeting, the nominees named hereunder will be proposed for election as directors of the Corporation. Except where authority to vote in favour of the election of directors is withheld, the nominees named in the accompanying form of proxy will vote the Shares represented by such proxy FOR the election of the five persons named hereunder.** The persons named hereunder have all been members of the Board since the dates indicated hereinafter. Management does not contemplate that any nominee will be unable or unwilling to serve as a director. Each elected director will hold office until the next annual meeting or until a successor is duly elected or appointed unless his office is earlier vacated in accordance with the by-laws of the Corporation.

Set out below in tabular form, are the names of all individuals proposed to be nominated by the management of the Corporation as directors together with related information:

| Name | Director since | Office held | Number of shares controlled | Present occupation |
|---|--------------------|---------------------------|-----------------------------|---|
| Philip Waddington Chelsea, QC <i>President and CEO</i> | September 16, 2020 | President, CEO | 2,187,500 | President and CEO of the Corporation |
| André Audet ⁽¹⁾⁽²⁾⁽⁴⁾ Mallorytown, ON <i>Chair of Board</i> | November 2002 | Director (Chair of Board) | 8,379,670 | Founder of BUSL cider |
| David Reingold ⁽¹⁾⁽³⁾⁽⁴⁾ Toronto, ON <i>Director</i> | September 16, 2020 | Director | 1,712,500 | Principal at Roar Beverages Canada |
| Amy Proulx ⁽²⁾⁽³⁾ Fenwick, ON <i>Director</i> | September 16, 2020 | Director | 1,000,000 | Professor and Academic Program Coordinator, Culinary Innovation and Food Technology program |
| Lindsay Weatherdon ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ Burlington, ON <i>Director</i> | September 16, 2020 | Director | 1,000,000 | President at Concord National Inc. |

(1) Members of the Audit Committee

(2) Members of the Corporate Governance Committee

(3) Members of the Compensation Committee

(4) Members of the Communications and Investor Relations Committee

Each nominee as director has supplied information concerning the number of Shares over which he or she exercises control or direction. All the above-mentioned nominees have been previously elected as directors of the Corporation at a shareholders' meeting for which an information circular was issued.

Corporate Cease Trade Orders, Bankruptcy and Penalties

To the knowledge of the Corporation and other than as set out below, none of the foregoing nominees for election as a director of the Corporation:

- (a) is, or within the last ten years has been, a director, chief executive officer or chief financial officer of any company that:
 - (i) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
 - (ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
- (b) is, or within the last ten years has been, a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the last ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets;

or

To the knowledge of the Corporation none of the nominees for election as directors of the Corporation have been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

North Bud Farms Inc. (“North Bud”), of which corporation Andre Audet was an independent director until his resignation on June 30, 2020, was been subject to a Management Cease Trade Order as of March 31, 2020 in connection with the delay by North Bud in filing its annual financial statements, management's discussion and analysis and related officer certifications for the financial year ended November 30, 2019 before the prescribed deadline of March 30, 2020, and thereafter a Cease Trade Order (“CTO”) as of June 2nd, 2020 and the CTO is still in effect.

You can vote for the election of all the candidates described above, vote for the election of some of them and withhold from voting for others, or withhold from voting for all of them. Unless otherwise instructed, the persons named in the accompanying form of Proxy will vote: “FOR” the fixing of the number of directors at five (5); and the election of each of the candidates described above as director of the Corporation.

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

Compensation of Executive Officers

Interpretation

For the purposes of this section, “named executive officer” (“NEO”) means:

- a Chief Executive Officer;
- a Chief Financial Officer;
- each of the three most highly compensated executive officers of Molecule, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of Everton, nor acting in a similar capacity, at the end of that financial year.

The NEOs who are the subject of this Compensation Discussion and Analysis are André Audet, former President and Chief Executive Officer (resigning as of September 16, 2020 in connection with the completion of the RTO), Philip Waddington, current President and Chief Executive Officer (as of September 16, 2020 in connection with the completion of the RTO), Lucie Letellier and Brendan Stutt, each a former Chief Financial Officer (resigned effective February 28, 2019 and November 10, 2020 respectively) and Jeff Stoss, current Chief Financial Officer (as of November 10, 2020).

Compensation Program Objectives

Molecule’s process with respect to executive compensation is not based on any formal criteria or analysis, however, in determining compensation, Molecule’s compensation committee (the “**Compensation Committee**”) ensures that

compensation is internally equitable. When determining the compensation of the NEO's, the Board takes into account the limited resources of Molecule and certain general principles including: to attract, retain and motivate talented executives who create and sustain Molecule's continued success, to align the interests of Molecule's executives with the interests of the Shareholders, and to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Overall, the executive compensation program aims to design executive compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics.

Purpose of the Compensation Program

Molecule's executive compensation program has been designed to reward executives for reinforcing Molecule's business objectives and values, for achieving Molecule's performance objectives and for their individual performances.

Elements of Compensation Program

The executive compensation program consists of a combination of base salary, performance bonus, stock option and non-option (such as restricted share unit) incentives.

Purpose of Each of the Executive Compensation Programs

The base salary of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

In addition to a fixed base salary, each NEO is eligible to receive a performance-based bonus meant to motivate the NEO to achieve short-term goals. Awards under this plan have historically been made by way of cash payments only, which payment was typically made during the first calendar quarter following the end of a fiscal year. No bonus payments have been made since the completion of the RTO on September 16, 2020.

Options and restricted share units ("RSUs") are generally awarded to NEOs on an annual basis. The granting of Options and/or RSUs upon hire aligns NEOs' rewards with an increase in Shareholder value over the long term. The use of Options and RSUs encourages and rewards performance by aligning an increase in each NEO's compensation with increases in Molecule's performance and in the value of the Shareholders' investments.

Determination of the Amount of Each Element of the Executive Compensation Program

Intervention of the Board

Compensation of the NEOs of Molecule is reviewed annually by the Board upon recommendation by the Compensation Committee.

Base Salary

The base salary and/or compensation of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

The base salary and/or compensation of the NEOs of Molecule, is reviewed annually by the Compensation Committee. The Compensation Committee then makes its recommendations to the Board. The Board approves the base salary and/or compensation of each NEO based on the recommendations of the Compensation Committee.

The base salary and/or compensation are based on the executive officer's personal performance and expertise, contribution to the business of Molecule and the stage of development of Molecule.

Performance Bonuses

The Compensation Committee may, from time to time, exercise its discretion to recommend to the Board to allow that a bonus be paid based on the overall performance of Molecule, exceptional market conditions or when exceptional strategic achievements that could increase the value of Molecule are realized during the year. The bonus is not based on known or measured corporate or individual performance objectives.

Stock Options

Molecule has established the Stock Option Plan under which Options are granted to directors, officers, employees, and consultants as an incentive to serve Molecule in attaining its goal of improved Shareholder value. The Board determines which NEOs (and other persons) are entitled to participate in the Stock Option Plan, determines the number of Options granted to such individuals, and determines the date on which each Option is granted and the corresponding exercise price, upon recommendation by the Compensation Committee.

Restricted Share Units

Molecule has also established a Restricted Share Unit Plan (the “**RSU Plan**”) under which RSUs are granted to Directors, officers, employees, and consultants as an incentive to serve Molecule in attaining its goal of improved Shareholder value. The Board determines which NEOs (and other persons) are entitled to participate in the RSU Plan, determines the number of RSUs granted to such individuals, and determines the date on which each RSU is granted and the vesting dates.

The Board makes these determinations, on the advice of its Compensation Committee, subject to the provisions of the existing Stock Option Plan and RSU Plan, respectively and, where applicable, the policies of the Canadian Securities Exchange (CSE).

Link to Overall Compensation Objectives

Each element of the executive compensation program has been designed to meet one or more objectives of the overall program.

The fixed base salary of each NEO, combined with the performance bonuses and granting of Options and RSUs, has been designed to provide total compensation which the Board believes is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Director Compensation

For the year ended October 31, 2020, the Board was composed of a total of four directors until the completion of the RTO on September 16, 2020 and five directors as of the same date for the remainder of the year ended October 31, 2020. Except in relation to the RTO, all directors are elected annually. The Corporation's four directors prior to the RTO were Andre Audet, Keith Stein, Steve Mintz and Michel Fontaine. As of the completion of the RTO, the five directors were Andre Audet, Philip Waddington, David Reingold, Amy Proulx and Lindsay Weatherdon.

For the year ended October 31, 2020, a majority (three of four until September 16, 2020 and thereafter three of five) of the Corporation's directors were independent. Messrs. Stein, Mintz and Fontaine prior to the RTO and Messrs. Reingold, Weatherdon and Ms. Proulx post-RTO were independent directors as contemplated by applicable securities laws. In determining whether a director is independent, the Board considers the specific circumstances of a director and the nature, as well as materiality, of any relationship between the director and the Corporation.

Since the completion of the RTO, the directors (other than NEOs) have been paid by way of Options and/or RSUs.

Summary Compensation Tables

Summary Compensation Tables

The following tables sets forth the summary information concerning compensation, both equity and non-equity, earned by the Corporation’s President, Chief Executive Officers (former and current) (“**CEOs**”) and Chief Financial Officers (former and current) (“**CFOs**”), and the directors of the Corporation during the most recently completed financial years ended on or after October 31, 2019.

Director and named executive officer compensation, excluding compensation securities

| Name and Position | Year | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meetings fees (\$) | Value of perquisites (\$) | Value of all other compensation⁽²⁾⁽³⁾ (\$) | Total Compensation (\$) |
|---|-------------|--|-------------------|--|----------------------------------|--|--------------------------------|
| Andre Audet ⁽¹⁾⁽²⁾⁽⁷⁾ <i>Former CEO and current director</i> | 2020 | 57,500 | Nil | Nil | Nil | Nil | 57,500 |
| | 2019 | 75,000 | Nil | Nil | Nil | Nil | 75,000 |
| Philip Waddington ⁽³⁾⁽⁷⁾ <i>Current President and CEO</i> | 2020 | 7,500 | Nil | Nil | Nil | Nil | 7,500 |
| | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |
| Lucie Letellier ⁽⁵⁾ <i>Former CFO</i> | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | 18,000 | Nil | Nil | Nil | Nil | 18,000 |
| Brendan Stutt ⁽²⁾⁽⁶⁾ <i>CFO as at October 31, 2020</i> | 2020 | 67,500 | Nil | Nil | Nil | Nil | 67,500 |
| | 2019 | 40,000 | Nil | Nil | Nil | Nil | 40,000 |
| Jeff Stoss <i>Current CFO</i> | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |
| David Reingold ⁽⁴⁾ <i>Director</i> | 2020 | 15,750 | Nil | Nil | Nil | Nil | 15,750 |
| | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |
| Amy Proulx <i>Director</i> | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |
| Lindsay Weatherdon <i>Director</i> | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |

| | | | | | | | |
|--|------|-----|-----|-----|-----|-----|-----|
| Keith Stein⁽⁸⁾ <i>Former Director</i> | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |
| Steve Mintz⁽⁸⁾ <i>Former Director</i> | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |
| Michel Fontaine⁽⁸⁾ <i>Former Director</i> | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |

- (1) Andre Audiet earned \$75,000 in the year ended October 31, 2019 and \$57,500 in the year ended October 31, 2020 in his capacity as President and CEO. No fees were paid to Mr. Audet in his capacity as director.
- (2) Amounts indicated include compensation paid by Molecule Inc., a wholly owned subsidiary of Molecule following the completion of the RTO, as of September 16, 2020.
- (3) Amount indicates compensation paid by Molecule as of the completion of the RTO on September 16, 2020. Additional amounts were paid to Mr. Waddington pursuant to his employment agreement with Molecule Inc. prior to the completion of the RTO.
- (4) David Reingold provided consulting services to Molecule Inc. prior to and following the RTO. Amount indicates compensation paid by Molecule as of the completion of the RTO on September 16, 2020
- (5) Lucie Letellier resigned as Chief Financial Officer on February 28, 2019 and was replaced by Brendan Stutt.
- (6) Brendan Stutt resigned as Chief Financial Officer on November 10, 2020, following the year ended October 31, 2020, and was replaced by Jeff Stoss.
- (7) Philip Waddington replaced Andre Audet as President and Chief Executive Officer following the completion of the RTO, as of September 16, 2020. Mr. Audet remained a director (and Chair).
- (8) Keith Stein, Steve Mintz and Michel Fontaine resigned as a result of the completion of the RTO as of September 16, 2020.

Stock options and other compensation securities

The following tables sets forth the summary information concerning compensation securities earned by the Corporation's President, Chief Executive Officers (former and current) ("CEOs") and Chief Financial Officers (former and current) ("CFOs"), and the directors of the Corporation during the most recently completed financial years ended on or after October 31, 2019.

Compensation Securities

| Name and Position | Type of compensation security | Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾ | Date of issue of grant | Issue, conversion or exercise of price (\$) ⁽¹⁾ | Closing price of security or underlying security on date of grant (\$) | Closing price of security or underlying security at year end (\$) | Expiry date |
|--|--|--|------------------------|--|--|---|---|
| Andre Audet <i>Former CEO and current director</i> | Stock options ⁽²⁾⁽⁵⁾ | 300,000, 300,000 underlying, 0.3% | July 12, 2019 | 0.10 | N/A | 0.085 | July 12, 2024 Final vesting June 1, 2021 |
| | Restricted Share Units ⁽²⁾⁽³⁾ | 250,000, 250,000, 0.27% | June 1, 2020 | N/A | N/A | 0.085 | |
| Philip Waddington <i>Current President and CEO</i> | Stock options ⁽²⁾⁽⁵⁾ | 300,000, 300,000 underlying, 0.3% | July 12, 2019 | 0.10 | N/A | 0.085 | July 12, 2024 Final vesting June 1, 2021 |
| | Restricted Share Units ⁽²⁾⁽³⁾ | 250,000, 250,000, 0.27% | June 1, 2020 | N/A | N/A | 0.085 | |
| Lucie Letellier <i>Former CFO</i> | N/A | Nil | N/A | N/A | N/A | N/A | N/A |
| Brendan Stutt <i>CFO as at October 31, 2020</i> | Stock options ⁽²⁾⁽⁵⁾ | 300,000, 300,000 underlying, 0.3% | July 12, 2019 | 0.10 | N/A | 0.085 | July 12, 2024 Final vesting June 1, 2021 |
| | Restricted Share Units ⁽²⁾⁽³⁾ | 500,000, 500,000, 0.55% | June 1, 2020 | N/A | N/A | 0.085 | |
| Jeff Stoss <i>Current CFO</i> | N/A | Nil | N/A | N/A | N/A | N/A | N/A |
| David Reingold <i>Director</i> | Restricted Share Units ⁽²⁾⁽³⁾ | 500,000, 500,000, 0.55% | June 1, 2020 | N/A | N/A | 0.085 | Final vesting June 1, 2021 |
| Amy Proulx <i>Director</i> | N/A | Nil | N/A | N/A | N/A | N/A | N/A |

| | | | | | | | |
|---|------------------------------|------------------------------------|--------------------|------|-----|-------|--------------------|
| Lindsay Weatherdon <i>Director</i> | N/A | Nil | N/A | N/A | N/A | N/A | N/A |
| Keith Stein ⁽⁴⁾ <i>Former Director</i> | Stock Options ⁽⁵⁾ | 250,000, 250,000 underlying, 0.27% | September 15, 2020 | 0.20 | N/A | 0.085 | September 15, 2021 |
| Steve Mintz ⁽⁴⁾ <i>Former Director</i> | Stock Options ⁽⁵⁾ | 250,000, 250,000 underlying, 0.27% | September 15, 2020 | 0.20 | N/A | 0.085 | September 15, 2021 |
| Michel Fontaine ⁽⁴⁾ <i>Former Director</i> | Stock Options ⁽⁵⁾ | 250,000, 250,000 underlying, 0.27% | September 15, 2020 | 0.20 | N/A | 0.085 | September 15, 2021 |

(1) Post-consolidation.

(2) Granted by Molecule Inc. (wholly owned subsidiary of Molecule) prior to the completion of the RTO.

(3) RSUs vest 25% on September 17, 2020; 25% on December 1, 2020; 25% on March 1, 2021; and 25% on June 1, 2021;

(4) Granted prior to the completion of the RTO, immediately prior to re-listing of the Shares (on CSE, following TSX Venture Exchange delisting).

(5) 100% vested as at October 31, 2020.

Pension Plan Benefits

Everton does not have a pension plan or other similar plan.

Termination and Change of Control Benefits

During the most recently completed financial year there were no employment contracts, agreements, plans, or arrangements for payments to a NEO, at, following or in connection with any termination (whether voluntary, involuntary, or constructive), resignation, retirement, a change in control of Everton, or a change in a NEO's responsibilities.

Management & Employment Agreements

The provision of services by each of the NEOs is governed by employment or management agreements with the Corporation. The following summarizes the relevant features of each agreement including any subsequent amendments:

Philip Waddington entered into an employment agreement with Molecule Inc., a wholly owned subsidiary of Molecule as a result of the RTO, on November 1, 2019. The Corporation is currently in the process of entering into an employment agreement with Mr. Waddington directly. Mr. Waddington would be prohibited from competing with the Corporation during any applicable notice period following the termination of his employment with the Corporation and from soliciting employees or clients or customers of the Corporation for a period of 12 months following the termination of his employment.

The Corporation entered into a service agreement with Positive Venture Group Inc. ("PVG") for the services of Jeff Stoss as Chief Financial Officer on November 10, 2020, which terminates on October 31, 2021 (unless renewed or extended). PVG also provides outsourced finance services to Molecule. The compensation for the 12 month period of the initial term of the agreement is expected to be \$140,500, including for the use of the software used by PVG

for Molecule's business. PVG would be prohibited from soliciting employees or clients or customers of the Corporation for a period of 12 months following the termination of the agreement.

Directors' and Officers' Liability Insurance

Molecule maintains liability insurance for the directors and officers acting in their respective capacities. The current policy contains standard industry exclusions, and no claims have been made thereunder to date. The premium is \$120,000 for coverage of \$3,000,000 with following deductibles: \$100,000 (Clause B) and \$100,000 (Clause C). The current policy came into effect on September 16, 2020 as of the completion of the RTO. The liability insurance for directors and officers related to the business of Molecule prior to the RTO (Everton Resources) is in a 6 year run-off period.

Incentive Plans

The Corporation has both a Stock Option Plan and RSU Plan (each a "Plan", collectively the "Plans") in place, each as described below. As the policies of the CSE do not required shareholder approval for incentive plans, except as may be required under National Instrument 45-106 ("NI-45-106"), the Shareholders are not being asked to approve either the Stock Option Plan nor the RSU Plan. Both Plans comply with the rules of the CSE and NI 45-106.

Stock Option Plan

The Stock Option Plan was adopted by the Board in 2005, amended August 31, 2012, and amended again on January 21, 2021 to reflect minor changes relating to the delisting of the Corporation from the TSX Venture Exchange and listing on the CSE in connection with the RTO.

Pursuant to the Stock Option Plan:

- the number of Shares which may be reserved under the Stock Option Plan is limited to 10% of the aggregate number of Shares issued and outstanding, as the case may be. Consequently, the number of Shares reserved under the Stock Option Plan could automatically increase or decrease as the number of issued and outstanding Shares increases or decreases. This is known as a "rolling" stock option plan;
- no more than 10% of the number of shares reserved for issuance pursuant to options (together with any other incentive securities, such as RSUs) may be held by "related persons" (as that term is defined in NI 45-106);
- no more than 5% (together with any other incentive securities, such as RSUs) of the number of shares reserved for issuance pursuant to options may be held by any one related person;
- options (together with any other incentive securities, such as RSUs) may not be granted to related persons if the number of securities, calculated on a fully diluted basis, issued within 12 months to related persons exceeds 10% of the issued and outstanding securities of the issuer; and
- options (together with any other incentive securities, such as RSUs) may not be granted to any one related person if the number of securities, calculated on a fully diluted basis, issued within 12 months to such related person exceeds 5% of the issued and outstanding securities of the issuer;
- the exercise price of Options granted under the Stock Option Plan must be greater than or equal to the market price on the date of grant or date immediately prior to the date of grant, whichever is greater;
- Options are exercisable for a maximum period of ten (10) years;
- upon the optionee's ceasing to be a director, officer, employee or consultant of Molecule, the Options will expire twelve (12) months from the date of termination, subject to the Option's date of expiration and thirty (30) days in the case of a person engaged in investor relations activities. If the cessation of office,

directorship, consulting arrangement or employment is by reason of death, the Option may be exercised up to twelve (12) months after such death, subject to the expiry date of such Options; and

- the Options are non-assignable and not transferable.

RSU Plan

The RSU Plan was adopted by the Board on January 21, 2021. Pursuant to the RSU Plan:

- the number of Shares which may be reserved under the RSU Plan is limited to 10% of the aggregate number of Shares issued and outstanding, as the case may be. Consequently, the number of Shares reserved under the RSU Plan could automatically increase or decrease as the number of issued and outstanding Shares increases or decreases;
- no more than 10% of the number of shares reserved for issuance pursuant to RSUs (together with any other incentive securities, such as Options) may be held by “related persons” (as that term is defined in NI 45-106);
- no more than 5% (together with any other incentive securities, such as Options) of the number of Shares reserved for issuance pursuant to RSUs may be held by any one related person;
- RSUs (together with any other incentive securities, such as Options) may not be granted to related persons if the number of securities, calculated on a fully diluted basis, issued within 12 months to related persons exceeds 10% of the issued and outstanding securities of the issuer; and
- RSUs (together with any other incentive securities, such as Options) may not be granted to any one related person if the number of securities, calculated on a fully diluted basis, issued within 12 months to such related person exceeds 5% of the issued and outstanding securities of the issuer;
- RSUs may vest at any time as determined by the Board by the end of the third year following the date of grant;
- upon the optionee’s ceasing to be a director, officer, employee or consultant of Molecule, the RSUs will be forfeited unless otherwise agreed by the Board; and
- the RSUs are non-assignable and not transferable.

Securities Authorized for Issuance Under Equity Compensation Plan

The following tables set out, as of the end of the most recently completed financial years, all required information with respect to compensation plans under which equity securities of Everton are authorized for issuance.

| 2020 | | | |
|---|--|--|---|
| Plan Category | Number of securities to be issued upon exercise of outstanding options | Weighted-average exercise price of outstanding options | Number of securities available for future issuance under equity compensation plans (excluding securities reflected in the first column of this chart) |
| Equity compensation plans approved by security holders | 3,560,000 | 0.21 | 5,063,574 |
| Equity compensation plans not approved by security holders ⁽¹⁾ | - | - | - |

(1) RSU Plan was implemented following the year ended October 31, 2020.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the fiscal year ended October 31, 2020 and the fiscal year ended October 31, 2019, and as at the date of this Circular, none of the directors, executive officers, employees, each proposed nominee for election as a director of Molecule (or any associate of a director, executive officer or proposed nominee) was or is indebted to Molecule with respect to the purchase of securities of Molecule and for any other reason pursuant to a loan.

INTEREST OF MANAGEMENT AND OTHER MATERIAL TRANSACTIONS

Other than transactions carried out in the ordinary course of business of Molecule or disclosed herein, none of the directors or executive officers of Molecule, any shareholder directly or indirectly beneficially owning, or exercising control or direction over, more than 10% of the outstanding Shares, nor an associate or affiliate of any of the foregoing persons has had, during the most recently completed financial year of Molecule or during the current financial year, any material interest, direct or indirect, in any transactions that materially affected or would materially affect Molecule.

AUDIT COMMITTEE

Molecule is a “venture issuer” as defined under NI 52-110 and each venture issuer is required to disclose annually in its information circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth below.

The Audit Committee’s Charter

A copy of the Corporation’s Audit Committee Charter is attached as Schedule “A” hereto. The Audit Committee Charter (the “**Charter**”) was adopted by the Board and governs the actions and decisions of the Audit Committee.

Composition of the Audit Committee

The current Audit Committee members are Andre Audet, Lindsay Weatherdon and David Reingold. All Audit Committee members are “financially literate” within the meaning of NI 52-110. Messrs Weatherdon and Reingold are “independent” within the meaning of NI 52-110; Andre Audet, while not an officer of Molecule, is not considered “independent” as he was previously (prior to the RTO) the President and Chief Executive Officer of Molecule.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with Molecule. A material relationship means a relationship which could, in the Board's reasonable opinion, interfere with the exercise of a member's independent judgement.

A member of the Audit Committee is considered financially literate if he or she has the ability to read and understand a set of financial statements presenting a breadth and level of complexity of accounting issues generally comparable to the breadth and complexity of issues one can reasonably expect to be raised by Molecule.

Relevant Education and Experience

Each member of the Audit Committee has adequate education and experience relevant to their performance as an Audit Committee member and, in particular, the requisite education and experience that provides the member with:

- 1.1 an understanding of the accounting principles used by Molecule to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and provisions;
- 1.2 experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by Molecule's financial statements or experience actively supervising individuals engaged in such activities; and
- 1.3 an understanding of internal controls and procedures for financial reporting.

Relevant Skills and Experience

André Audet – Director

Mr. Audet is a proven cannabis industry player as a Co-Founder of Tetra Bio-Pharma (TSXV:TBP, OTCQB:TBPMF). With over 25 years of experience in the financing of public companies, he provides strategic direction and oversight to guide company execution. Since 2003, he served as Chairman & CEO of Everton Resources Inc. (TSXV:EVR) (prior to completion of the RTO). From 1989 to 1999, he was a Vice-President at BMO Nesbitt Burns, where he specialized in private portfolios. He is also the founder of BUSL Cider, and is passionate about genuine, locally sourced, craft beverage production. Mr. Audet graduated in 1983 from the University of Ottawa and obtained a Bachelor of Commerce (Major in Finance).

Lindsay Weatherdon – Director

Lindsay Weatherdon is currently President and CEO of Concord National Ontario & Quebec Divisions (since 2002) one of Canada's leading Consumer Packaged Goods sales & marketing agencies, as well as President of Braille Energy Systems Inc. Mr. Weatherdon has a diverse background in global sales, holding executive positions in Hardgoods Manufacturing, developing retail strategies across large box and warehouse club formats. Mr. Weatherdon graduated from Algonquin College, 1982-85, with a Business Major, Marketing.

David Reingold – Director

Mr. Reingold is a leader in the Canadian grocery industry, specializing in the health food sector. With over 25 years of brand building experience, David first built the Natural Life brand under the DMR Food Corporation (1990 to 2011) umbrella along with My Organic Baby (2004 to 2011), Canada's first full line of organic baby food. Both companies were sold to Clearly Canadian beverage Corporation in 2018 and 2019, respectively. In 2010, David Created Central Roast brands, a clean snacking brand that was later sold to Greenspace Brands in 2015. Currently, he is a principal with Roar Beverages Canada (since January 2018). Roar Beverages is a low calorie, coconut water-based, electrolyte and vitamin-enhanced hydration drink, which is targeted to millennial females. Mr. Reingold graduated from the Canadian Securities Course, 1985.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of Molecule's financial year ended October 31, 2019 has Molecule relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-Audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Charter attached hereto as Schedule "A".

External Auditor Service Fees

The aggregate fees billed by the Corporation's external auditors in each of the last two (2) fiscal years for audit fees are as follows:

| Financial Year Ending | Audit Fees | Audit-Related Fees | Tax Fees | All Other Fees |
|------------------------------|-------------------|---------------------------|-----------------|-----------------------|
| October 31, 2020 | \$9,500 | - | \$1,000 | \$3,500 |
| October 31, 2019 | \$8,000 | - | - | \$4,100 |

Exemption

Molecule is a "venture issuer" as defined in NI 52-110 and is relying on the exemptions in Part 6.1 (*Reporting Obligations*) of NI 52-110 and is not required to comply with Part 3 and Part 5 of NI 52-110.

DIVERSITY

Nomination and Compensation Committee

The Nomination and Compensation Committee assists the Board in carrying out its responsibilities relating to personnel matters, including performance, compensation and succession. The Nomination and Compensation Committee currently consists of Andre Audet, Amy Proulx and Lindsay Weatherdon. The Nomination and Compensation Committee develops annual objectives against which to assess members of management including the President and CEO, and reviews and makes recommendations to the Board with respect to employee and contractor compensation arrangements including stock options and management succession planning.

Meetings, in whole or in part, of the Nomination and Compensation Committee are conducted without management present, including for the purpose of specifically discussing the compensation of the President and CEO.

The Nomination and Compensation Committee is responsible for finding and nominating new directors, taking into consideration the competencies, skills, experiences, and ability to devote the required time.

Molecule has not adopted term limits for its directors or other mechanisms of Board renewal. Molecule is aware of the positive impacts of bringing new perspectives to the Board, and therefore does occasionally add new members; however, it values continuity on the Board and the in-depth knowledge and, following the change of all but one members of the Board as a result of the RTO, intends to continue to growth with its current members.

Molecule does not currently have a written policy relating to the identification and nomination of women, Aboriginal peoples, persons with disabilities or members of visible minorities as directors. Historically, Molecule

has not felt that such a policy was needed. However, Molecule is currently considering the adoption of such a policy.

When the Board selects candidates for executive or senior management positions or for director positions, it considers not only the qualifications, personal qualities, business background and experience of the candidates, it also considers the composition of the group of nominees, to best bring together a selection of candidates allowing Molecule's management or Board, as the case may be to perform efficiently and act in the best interest of Molecule and its shareholders. Molecule is aware of the benefits of diversity at the executive and senior management levels and on the Board, and therefore the level of representation of women, Aboriginal peoples, persons with disabilities and members of visible minorities is one factor taken into consideration during the search process for executive and senior management positions or for directors.

Everton has not adopted a "target" number or percentage regarding women, Aboriginal peoples, persons with disabilities or members of visible minorities on the Board or in executive or senior management positions. Molecule considers candidates based on their qualifications, personal qualities, business background and experience, and does not feel that targets necessarily result in the identification or selection of the best candidates.

There is at present one woman (Amy Proulx), no Aboriginal peoples, persons with disabilities or members of visible minorities on the Board or as executive officers of Molecule.

OTHER BUSINESS

Management knows of no other matter to become before the Meeting. However, if any other matters which are known to the management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons' named therein to vote on such matters in accordance with their best judgement.

ADDITIONAL INFORMATION

Additional financial information is provided in the consolidated financial statements of the Corporation and in the management's discussion and analysis report of the financial condition of operations for the fiscal year ended October 31, 2020. Copies of this circular and the documents mentioned hereinabove are available on SEDAR (www.sedar.com).

Additional copies are also available by contacting the Corporation at its administrative office:

591 Reynolds Road,
Lansdowne, Ontario, Canada K0E 1L0
Telephone: 888 665-2853
Email: phil@molecule.ca

The Corporation may request the payment of reasonable fees if the requesting party is not a shareholder of the Corporation.

APPROVAL OF INFORMATION CIRCULAR

The contents and the sending of the Circular have been approved by the Directors of the Corporation.

Ottawa, March 24, 2021

By order of the Board of Directors

André Audet,
Chairman

SCHEDULE A

AUDIT COMMITTEE CHARTER

The following charter is adopted in compliance with *Multilateral Instrument 52-110 Audit Committees* (“**MI 52-110**”).

1. MANDATE AND OBJECTIVES

The mandate of the audit committee of the Corporation (the “**Committee**”) is to assist the board of directors of the Corporation (the “**Board**”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation’s systems of internal controls regarding finance and accounting and the Corporation’s auditing, accounting and financial reporting processes.

The objectives of the Committee are to:

- (i) serve as an independent and objective party to monitor the Corporation’s financial reporting and internal control system and review the Corporation’s financial statements;
- (ii) ensure the independence of the Corporation’s external auditors; and
- (iii) provide better communication among the Corporation’s auditors, the management and the Board.

2. COMPOSITION

The Committee shall be comprised of at least three (3) directors as determined by the Board. The majority of the members of the Committee shall be independent, within the meaning of MI 52-110.

At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices.

For the purposes of this Charter, the definition of “financially literate” is 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 issues that can presumably be expected to be raised by the Corporation’s financial statements.

The members of the Committee shall be elected by the Board at its first meeting following each annual shareholders’ meeting. Unless a Chairman is elected by the Board, the members of the Committee may designate a Chairman by a majority vote of all the Committee members.

3. MEETINGS AND PROCEDURES

- 3.1 The Committee shall meet at least four (4) times a year or more frequently if required.
- 3.2 At all meetings of the Committee, every question shall be decided by a majority of the votes cast. In the case of an equality of votes, the Chairman shall not be entitled to a second vote.

- 3.3 A quorum for meetings of the Committee shall be a majority of its members and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing meetings of the Board.

4. DUTIES AND RESPONSIBILITIES

The following are the general duties and responsibilities of the Committee:

4.1 Financial Statements and Disclosure Matters

- a) review the Corporation's financial statements, MD&A and any press releases regarding annual and interim earnings, before the Corporation publicly discloses such information, and any reports or other financial information which are submitted to any governmental body or to the public;
- b) must be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure referred to in subsection a) above and must periodically assess the adequacy of those procedures.

4.2 External Auditors

- a) recommend to the Board the selection and, where applicable, the replacement of the external auditors to be nominated annually as well the compensation of such external auditors;
- b) oversee the work and review annually the performance and independence of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Corporation;
- c) on an annual basis, review and discuss with the external auditors all significant relationships they may have with the Corporation that may impact their objectivity and independence;
- d) consult with the external auditors about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements;
- e) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation;
- f) review the audit plan for the year-end financial statements and intended template for such statements;
- g) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, as well as any non-audit services provided by the external auditors to the Corporation or its subsidiary entities. The pre-approval requirement is satisfied with respect to the provision of non-audit services if:
 - i) the aggregate amount of all such non-audit services provided to the Corporation constitutes no more than 5% of the total amount of fees paid by the Corporation and its subsidiary entities to its external auditors during the fiscal year in which the non-audit services are provided;

- ii) such services were not recognized by the Corporation or its subsidiary entities as non-audited services at the time of the engagement; and
- iii) such services are promptly brought to the attention of the Committee by the Corporation and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.

The Committee may delegate to one or more independent members of the Committee the aforementioned authority to pre-approve non-audit services, provided the pre-approval of the non-audit services is presented to the Committee at its first scheduled meeting following such approval.

4.3 Financial Reporting Processes

- a) in consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external;
- b) consider the external auditor's judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting;
- c) consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management;
- d) review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- e) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- f) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters and the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters.

SCHEDULE "B"

**SPECIAL RESOLUTION OF THE SHAREHOLDERS
OF**

MOLECULE HOLDINGS INC.

AMENDMENT TO ARTICLES OF ARRANGEMENT – CHANGE OF REGISTERED OFFICE

"BE IT RESOLVED BY SPECIAL RESOLUTION THAT:

1. The articles of Molecule Holdings Inc. (the "Corporation") be amended to change the province where the registered office of the Corporation is located from the Province of Quebec to the Province of Ontario (the "**Registered Office Change**");
2. notwithstanding that this resolution has been duly passed by the shareholders of the Corporation, the directors of the Corporation be, and they are hereby authorized and empowered to revoke this resolution at any time prior to the issue of a certificate of amendment giving effect to the Registered Office Change and to determine not to proceed with the amendment of the articles of the Corporation without further approval of the shareholders of the Corporation; and
3. any director or officer of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation, 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, including, without limitation, the execution and delivery of the articles of amendment in the prescribed form to the Director appointed under the Canada Business Corporations Act, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

SCHEDULE "C"

**EXTRACTS OF AMENDED AND RESTATED BY-LAW NO. 1 RELATING TO THE VIRTUAL
MEETING RESOLUTION**

[SEE ATTACHED]

7.03 Unclaimed Dividends

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

SECTION 8 MEETINGS OF SHAREHOLDERS

8.1 Chairman, Secretary, and Scrutineers

The chairman of any meeting of shareholders, who need not be a shareholder of the Corporation, shall be the first mentioned of the following officers as has been appointed and is present and is willing to so act at the meeting: chairman of the board, president or a vice-president (in order of seniority). If no such officer is present and willing to act as chairman within fifteen minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chairman. The chairman shall conduct the proceedings at the meeting in all respects and his decision in any matter or thing, including, but without in any way limiting the generality of the foregoing, any question regarding the validity or invalidity of any instruments of proxy and any question as to the admission or refraction of a vote, shall be conclusive and binding upon the shareholders.

The secretary of any meeting of shareholders shall be the secretary of the Corporation, provided that, if the Corporation does not have a secretary or if the secretary of the Corporation is absent, the chairman shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. The board may from time to time appoint in advance of any meeting of shareholders one or more persons to act as scrutineers at such meeting and, in the absence of such appointment, the chairman may appoint one or more persons to act as scrutineers at any meeting of shareholders. Scrutineers so appointed may, but need not be, shareholders, directors, officers or employees of the Corporation.

8.02 Persons Entitled to be Present

The only persons entitled to be present at a meeting of shareholders, including by telephonic, electronic or other communication facility, shall be: (a) those entitled to vote at such meeting; (b) the directors and auditors of the Corporation; (c) 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; (d) legal counsel to the Corporation when invited by the Corporation to attend the meeting; and (e) any other person on the invitation of the chairman or with the consent of the meeting.

8.03 Quorum

A quorum for the transaction of business at any meeting of shareholders shall be at least two persons present in person, each being a shareholder entitled to vote thereat or a duly appointed proxy or representative for an absent shareholder so entitled, and representing in the aggregate not less than five percent (5%) of the outstanding shares of the Corporation carrying voting rights at the meeting, provided that, if there should be only one shareholder of the Corporation entitled to vote at any meeting of

shareholders, the quorum for the transaction of business at a meeting of shareholders shall consist of the one shareholder.

8.04 Representatives

The authority of an individual to represent a body corporate or association at a meeting of shareholders of the Corporation shall be established by depositing with the Corporation a certified copy of the resolution of the directors or governing body of the body corporate or association, as the case may be, granting such authority, or in such other manner as may be satisfactory to the chairman of the meeting.

8.05 Action by Shareholders

The shareholders shall act by ordinary resolution unless otherwise required by the Act, articles, by-laws or any unanimous shareholders agreement. In case of an equality of votes either upon a show of hands or upon a poll, including, subject to the Act, an online poll or ballot or other poll or ballot capable of being conducted by telephonic, electronic or communication facility, the chairman of the meeting shall not be entitled to a second or casting vote.

8.06 Show of Hands

Subject to the Act, any question at a meeting of shareholders shall be decided by a show of hands, which may include such other indication of a vote made by means of the telephonic, electronic or other communication facility, if any, made available by the Corporation for that purpose, unless a ballot thereon is required or demanded as provided in section 8.07. Upon a show of hands, every person who is present, in person or by means of the telephonic, electronic or other communications facility, if any that the Corporation has made available for such purpose, 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 chairman 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. For the purpose of this section, if at any meeting the Corporation has made available to shareholders the means to vote electronically, any vote made electronically shall be included in tallying any votes by show of hands.~~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 required or demanded, a declaration by the chairman 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 that 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.~~

8.07 Ballots

A ballot required or demanded shall be taken in such manner as the chairman shall direct, including an online poll or ballot or other poll or ballot capable of being conducted by telephonic, electronic or

communication facility, subject to the Act. 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 he 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.

8.08 Meetings by Telephone

With the consent of the chairman of the meeting or the consent as evidenced by a resolution of the persons present and entitled to vote at the meeting, a shareholder or any other person entitled to attend a meeting of shareholders may participate in the meeting by means of telephonic, electronic or other communication facilities that permit all persons participating in the meeting to hear each other, and a person participating in such a meeting by those means shall be considered present at the meeting and at the place of the meeting.

8.09 Place of Meetings

Meetings of the shareholders may be held at any place in Canada or outside of Canada as the corporate legislation governing the Corporation allows. Subject to the Act, the directors may also determine that a meeting of shareholders shall be held entirely by means of telephonic, electronic or other communication facility permitting all persons participating in the meeting to communicate adequately with each other, provided that the notice requirements set out in this by-law are met.

8.10 Nomination of Directors

Subject to the provisions of the *Business Corporations Act* (Québec) (the "Act") and the articles of the Corporation (the "Articles"), a nominee will not be eligible for election as director of the Corporation unless such nomination is made in accordance with the following procedures.

Nominations of a person for election to the Board of Directors may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:

- (1) by or at the direction of the Board of Directors or an authorized officer of the Corporation, including pursuant to a notice of meeting;
- (2) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition to call a shareholders' meeting made in accordance with the provisions of the Act; or
- (3) by any person (a "Nominating Shareholder") (i) who, at the close of business on the date of the giving of the notice provided for below and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and (ii) who complies with the notice procedures set forth below:

- (a) In addition to any other applicable requirements for a nomination to be made by a Nominating Shareholder, such person must have given timely notice thereof in proper written form to the Corporate Secretary of the Corporation at the registered office of the Corporation in accordance with the requirements of this Section **8.10**.

- (b) To be timely, a Nominating Shareholder's notice to the Corporate Secretary of the Corporation must be made:
 - (i) In the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 40 days after the date on which the first Public Announcement (as defined below) of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following such Public Announcement; and

 - (ii) In the case of a special meeting (other than an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

- (c) Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in paragraph **8.10(3)(b)**. In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice.

- (d) To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Corporation must set forth (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (i) the name, age, business address and residence address of the nominee, (ii) the principal occupation or employment of the nominee, (iii) the class or series and number of shares in the share capital of the Corporation which are controlled or which are owned beneficially or of record by the nominee as of the record date for the meeting of shareholders (if such date shall then have been made publicly available) and as of the date of such notice, and (iv) any other information relating to the nominee that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and (b) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below). The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation.

- (e) No person shall be eligible for election as a director of the Corporation unless

nominated in accordance with the provisions of this Section **8.10**; provided, however, that nothing in this Section **8.10** shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in oticethe foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

- (f) For purposes of this Section **8.10**, (i) “**Public Announcement**” shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and (ii) “**Applicable Securities Laws**” means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.

- (g) Notwithstanding any other provision of the By-laws, notice given to the Corporate Secretary of the Corporation pursuant to this Section **8.10** may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Corporate Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Corporate Secretary at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Montréal time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

The By-laws of the Corporation, as amended from time to time, and this By-law 2013-1 shall be read together. All terms contained in this by-law which are defined in By-laws, as amended from time to time, shall, for all purposes hereof, have the meanings given to such terms in the said By-laws.

8.11 Participation in Meetings

Any person entitled to attend a meeting of shareholders may participate in the meeting by means of telephonic, electronic or other communication facility, provided that the chairperson of the meeting is satisfied that all participants will be able to communicate adequately with each other during such meeting and the Corporation makes such a communication facility available. Any person participating in a meeting of shareholders by means of telephonic, electronic or other communication facility shall be deemed to be present at that meeting of shareholders for all purposes.

8.12 Notice of Meeting.

Notice of the time and place of each meeting of shareholders shall be given in the manner provided in Section 9.03 not less than twenty-one (21) nor more than sixty (60) 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. A shareholder may in any manner either before, during or after a meeting of shareholders waive notice of or otherwise consent to a meeting of shareholders and attendance at a meeting of shareholders is a waiver of notice of the meeting, except where a shareholder attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

SCHEDULE "D"

**EXTRACTS OF AMENDED AND RESTATED BY-LAW NO. 1 RELATING TO THE NOTICE AND
ACCESS RESOLUTION**

[SEE ATTACHED]

Notice of the time and place of each meeting of shareholders shall be given in the manner provided in Section 9.03 not less than twenty-one (21) nor more than sixty (60) 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. A shareholder may in any manner either before, during or after a meeting of shareholders waive notice of or otherwise consent to a meeting of shareholders and attendance at a meeting of shareholders is a waiver of notice of the meeting, except where a shareholder attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

SECTION 9 NOTICES

9.01 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.

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

9.03 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 directors shall be sufficiently given if delivered personally to the person to whom it is to be given; delivered to the recorded address of the person; mailed to the person's recorded address by prepaid or ordinary or air mail; sent to the person's recorded address by any means of prepaid transmitted or recorded communication; or an electronic document is provided in accordance with section 9.04 of this by-law, subject to the Act. A notice delivered as set out in this section is deemed to have been given when it is delivered personally or to the recorded address; a notice mailed as set out in this section shall be deemed to have been given when deposited in a post office or public letter box; and a notice sent by means of transmitted or recorded communication as set out in this section is deemed to have been dispatched or delivered to the appropriate communication company or agency or its representative for dispatch; and a notice sent by electronic means as set out in this section and section 9.04 of this by-law, subject to the Act, shall be deemed to have been given upon reasonable confirmation of transmission. The corporate secretary may change or cause to be changed the recorded address of any shareholder, director, officer, auditor or

member of a committee of the directors in accordance with any information believed by him or her to be reliable.

9.04 Electronic Documents and Notice

Unless the Corporation's articles provide otherwise, and subject to and in accordance with the Act, the Corporation may satisfy any requirement of the Act to create or provide a notice, document or other information to any person by the creation or provision of an electronic document. Except as provided in the Act, "electronic document" means any form of representation of information or of concepts fixed in any medium in or by electronic, optical or other similar means that can be read or perceived by a person by any means.