

HAPPY SUPPLEMENTS INC.

**NOTICE OF ANNUAL GENERAL & SPECIAL MEETING
OF SHAREHOLDERS
TO BE HELD ON OCTOBER 15, 2021**

AND

INFORMATION CIRCULAR

September 10, 2021

This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this Information Circular, you should immediately contact your advisor.

HAPPY SUPPLEMENTS INC.
Suite 800 - 1199 West Hastings Street
Vancouver, BC V6E 3T5

NOTICE OF ANNUAL GENERAL & SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS GIVEN THAT an annual general and special meeting (the “**Meeting**”) of the holders of common shares (the “**Shareholders**”) of Happy Supplements Inc. (“**Happy**” or the “**Company**”) will be held at Suite 800 - 1199 West Hastings Street, Vancouver, BC V6E 3T5, on October 15, 2021, at 10:30 a.m. (Vancouver time), for the following purposes:

1. to receive the Company’s audited financial statements for the fiscal year ended December 31, 2020, and 2019;
2. to set the number of directors;
3. to elect directors of the Company to hold office until the next annual meeting of Shareholders;
4. to appoint Dale Matheson Carr-Hilton Labonte, LLP, as the Company’s auditor for the ensuing year and to authorize the board of directors to fix the remuneration to be paid to the auditor;
5. to consider, and if thought appropriate, to pass, with or without variation, an ordinary resolution ratifying, confirming, and approving the Company’s Restricted Share Unit Plan (the “**RSU Plan**”), the 20% stock option Plan (the “**Option Plan**”) (together, the “**Plans**” as more particularly described in the accompanying information circular (“**Circular**”)); and
6. to transact such other business as may be properly brought before the Meeting or any adjournment thereof.

The Company’s board of directors (the “**Board**”) has fixed September 10, 2021, as the record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered Shareholder at the close of business on that date is entitled to receive such notice and to vote at the Meeting in the circumstances set out in the accompanying Circular.

If you are a registered Shareholder of Happy and are unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with Happy’s transfer agent, Endeavor Trust Corporation , 702 – 777 Hornby Street, Vancouver, BC V6Z 1S4, no later than 10:30 a.m. on October 13, 2021 or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting.

If you are a non-registered Shareholder and received this notice of Meeting (“**Notice**”) and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (the “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

In view of the current and rapidly evolving COVID-19 outbreak, the Company asks that, in considering whether to attend the Meeting in person, shareholders follow the instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html>). The Company encourages Shareholders not to attend the Meeting in person if experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing. The Company may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak. As always, the Company encourages shareholders to vote prior to the Meeting. Shareholders are encouraged to vote on the matters before the Meeting by proxy.

Dated at Vancouver, BC, this September 10, 2021.

BY ORDER OF THE BOARD OF DIRECTORS

Steven Pear
Director and Chief Executive Officer

HAPPY SUPPLEMENTS INC.
Suite 800 - 1199 West Hastings Street
Vancouver, BC V6E 3T5

INFORMATION CIRCULAR

This Information Circular (the “**Circular**”) accompanies the Notice of the annual general and special meeting (the “**Meeting**”) of the Shareholders of Happy Supplements Inc. (the “**Company**” or “**Happy**”) and is furnished to Shareholders holding shares of Happy (the “**Shares**”), in connection with the solicitation by the management of Happy of proxies to be voted at the Meeting to be held at 10:30 a.m. (Vancouver time) on October 15, 2021, at Suite 800 - 1199 West Hastings Street, Vancouver, BC V6E 3T5 or at any adjournment or postponement thereof.

COVID-19

In view of the current and rapidly evolving COVID-19 outbreak, the Company asks that, in considering whether to attend the Meeting in person, shareholders follow the instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html>). The Company encourages Shareholders not to attend the Meeting in person if experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing. The Company may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak. As always, the Company encourages shareholders to vote prior to the Meeting. Shareholders are encouraged to vote on the matters before the meeting by proxy.

INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR

The date of this Circular is September 10, 2021. Unless otherwise stated, all amounts herein are in Canadian dollars. The following documents filed by the Company on SEDAR at <http://www.sedar.com> are specifically incorporated by reference into, and form an integral part of, this Circular: the audited consolidated financial statements of the Company and the related notes thereto, for the financial years ended December 31, 2020 and 2019; the report of the Company’s auditor thereon; and management’s discussion and analysis related to the above financial statements.

No person has been authorized to give any information or to make any representation in connection with any matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by the Company.

This Circular does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

Information contained in this Circular should not be construed as legal, tax or financial advice and Shareholders are urged to consult their own professional advisers in connection therewith.

PROXIES AND VOTING RIGHTS

Management Solicitation

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. Happy does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that has requested brokers and nominees who hold stock in their respective names to furnish the proxy-related materials to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by Happy. No person has been authorized to give any information or to make any representation other than as contained in this Circular in connection with the solicitation of proxies.

If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Circular. This Circular does not constitute the

solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

The Company has arranged for intermediaries to forward the Meeting materials to beneficial owners of Shares (the “**Beneficial Shareholders**”) held of record by those intermediaries. The Company has distributed or made available for distribution, copies of the Notice, this Circular and form of proxy to clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the “**Intermediaries**”) for distribution to Beneficial Shareholders held of record by those Intermediaries. Such Intermediaries are required to forward such documents to the Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by Happy if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. Happy will pay the permitted fees and costs of the Intermediaries for reasonable fees and disbursements incurred in connection with the distribution of these materials.

Happy does not intend to pay for Intermediaries to forward to objecting Beneficial Shareholders under NI 54-101 the proxy-related materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*. An objecting Beneficial Shareholder will not receive such materials unless the objecting Beneficial Shareholder’s Intermediary assumes the cost of delivery.

These proxy-related materials are being sent to both registered and non-registered Shareholders. If you are a non-registered Shareholder, and the Company or its agent has sent these materials directly to you, your name and address and information about your Shares, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

Appointment of Proxy

Registered Shareholders are entitled to vote at the Meeting. On a show of hands, every Shareholder is entitled to one vote for each Share that such Shareholder holds on the record date of September 10, 2021, on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting. The list of Registered Shareholders is available for inspection during normal business hours at the offices of Endeavor Trust Corporation (“**Endeavor**”) and will be available at the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of Happy.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.

TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE’S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER’S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

In order to be voted, the completed form of proxy must be received by the Company’s registrar and transfer agent, Endeavor at their offices located at 702 – 777 Hornby Street, Vancouver, BC V6Z 1S4, by mail, or by fax at 604-559-8908, or by email at proxy@endeavortrust.ca, no later than 10:30 a.m. on October 13, 2021 or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder’s attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

The persons named in the enclosed form of proxy will vote the shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. In the absence of such direction, such shares will

be voted in the discretion of the person named in the proxy. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the time of printing of this information circular, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters which are not now known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.

Revocation of Proxy

A Shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder's attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last Business Day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (a) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (b) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Voting of Common Shares and Proxies and Exercise of Discretion by Designated Persons

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the Shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the Shares represented will be voted or withheld from the vote on that matter accordingly. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE NOMINEES OF THE BOARD FOR DIRECTORS AND AUDITOR.

The enclosed form of proxy confers discretionary authority upon the Designated Persons with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of Happy is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to those Shareholders who do not hold shares in their own name. Beneficial Shareholders who do not hold their shares in their own name should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Shares can be recognized and acted upon at the Meeting.

If Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Shares will not be registered in the Shareholder's name on the records of the Company. Such Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many

Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person well in advance of the Meeting.**

The Company does not have access to names of Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the Form of Proxy provided to Registered Shareholders by Happy. However, its purpose is limited to instructing the Registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of Shares to be voted at the Meeting. Beneficial Shareholders are requested to complete and return the voting instructions to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have its Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for a Registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the Registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the proxy well in advance of the Meeting to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent).

Alternatively, a Beneficial Shareholder may request in writing that his, her or its broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend the Meeting and vote his, her or its Shares.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of common shares without par value. As of the record date, determined by the Board to be the close of business on September 10, 2021, a total of 46,006,168 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting.

Only Registered Shareholders as of the record date, September 10, 2021, are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to the outstanding Shares of Happy, other than as set forth below:

Name of Shareholder	Number of Shares Owned	Percentage of Outstanding Shares (1)
CDS & Co ⁽³⁾	23,200,696 ⁽²⁾	50.43%
Joel Shacker	12,750,000	27.71%

Notes:

- (1) Based on 46,006,168 Shares issued and outstanding as of the date of this Circular.
- (2) CDS & CO is a share depository, the beneficial ownership of which is unknown to the Company.
- (3) The above information was supplied by the Transfer Agent, as of the record date.

AUDITED FINANCIAL STATEMENTS

The Company's audited financial statements for the fiscal period ended December 31, 2020, and 2019, and the report of the auditors on those statements will be placed before the Meeting. Receipt at the Meeting of the audited financial statements of Happy will not constitute approval or disapproval of any matters referred to in those statements. No vote will be taken on the audited financial statements. These audited financial statements are available at www.sedar.com.

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations* and National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, both of the Canadian Securities Administrators, a person or corporation who in the future wishes to receive annual and interim financial statements from Happy must deliver a written request for such material to Happy. Shareholders who wish to receive annual and interim financial statements are encouraged to complete the appropriate section on the Request form attached to this Circular and send it to the transfer agent, Endeavor.

NUMBER OF DIRECTORS

The Company's articles provide for a Board of no fewer than three directors and no greater than a number as fixed or changed from time to time by ordinary resolution passed by the Shareholders.

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of Happy for the ensuing year at five (5). The number of directors will be approved if the affirmative vote of the majority of Shares present or represented by proxy at the Meeting and entitled to vote, are voted in favour to set the number of directors at five (5).

Management recommends the approval of the resolution to set the number of directors of the Company at five (5).

ELECTION OF DIRECTORS

At present, the directors of Happy are elected at each annual meeting and hold office until the next annual meeting or until their successors are duly elected or appointed in accordance with the Company's articles or until such director's earlier death, resignation, or removal. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the proxy, all of whom are presently members of the Board.

Management of the Company proposes to nominate the persons named in the table below for election by the Shareholders as directors of Happy. Information concerning such persons, as furnished by the individual nominees, as of the date of this Circular, is as follows:

Name, Province, Country of Residence & Position(s)	Principal Occupation Business or Employment for Last Five Years	Periods during which Nominee has Served as a Director⁽¹⁾	Number of Happy Shares Owned⁽¹⁾
Steven Pear Texas, USA Director & Chief Executive Officer	Businessman and former corporate beverage executive for Coca-Cola, MillerCoors, and Odwalla Inc.	December 21, 2020	Nil
Geoff Balderson⁽²⁾ Vancouver, BC Director, Chief Financial Officer and Corporate Secretary	From 2015 to present, Mr. Balderson has acted an officer and director of various companies and is the President of Harmony Corporate Services Ltd., a Vancouver based company that provides administrative services to publicly listed companies.	March 8, 2021	Nil

Name, Province, Country of Residence & Position(s)	Principal Occupation Business or Employment for Last Five Years	Periods during which Nominee has Served as a Director⁽¹⁾	Number of Happy Shares Owned⁽¹⁾
Joel Shacker⁽²⁾ Vancouver, BC Director	Mr. Shacker is CEO and Director of Core One Labs Inc. since May 2020, and President and Director of Thoughtful Bands Inc since April 2019 (formerly Mota Ventures Corp.). Mr. Shacker was a former Associate at Stadnyk and Partners from 2018 to 2019, former Director and consultant of Weekend Unlimited Inc. from 2018 to 2019.	March 8, 2021	12,750,000 (27.71%)
Patrick Morris⁽²⁾ Vancouver, BC Director	Former Chief Executive Officer of Primary Energy Metals Inc. from 2017 to 2019, corporate consultant and has served as a director and officer of several publicly listed companies.	May 28, 2021	Nil
Stephen Horgan Georgia, USA Director	Businessman	December 11, 2020	Nil
Total as a group			12,750,000 Shares (27.71%)

Notes:

- (1) Shares beneficially directly or indirectly owned or over which control or direction is exercised, at the date of this Circular, based upon information furnished to the Company by the individual directors. These numbers do not include outstanding stock options or warrants available for exercise.
- (2) Audit Committee member.

Management recommends the approval of each of the nominees listed above for election as a director of Happy for the ensuing year.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the Shares represented by proxy for the election of any other persons as directors.

Cease Trade Orders and Conflicts of Interest

Other than as described below, to the knowledge of the Company, as of the date hereof, no Nominee is, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to a cease trade order or similar order or an order that denied the corporation access to any statutory exemptions for a period of more than 30 consecutive days (an “**Order**”), which was issued while the proposed director or executive officer was acting in the capacity as director, CEO or CFO; or
- (b) was subject to an Order that was issued after the director or executive officer 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, CEO or CFO.

The directors are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests that they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the best of the Company’s knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among the Company, its promoters, directors and officers or other members of management of the Company or of any proposed promoter, director, officer or other member of management as a result of their outside business interests, except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director

or officer of such other companies. All related party transactions during each reporting period are detailed in the Company's Management Discussion & Analysis for the fiscal year ended December 31, 2020, and 2019.

Mr. Balderson, a director of the Company, was (from August 2014 to May 2017) the President and CEO and was (from July 2007 to present) a director of Argentum Silver Corp. ("**Argentum**"), a company publicly trading on the TSXV. A management cease trade order was issued on November 2, 2015, for failure to file its annual financial statements in the required time. Argentum's annual financial statements were subsequently filed and the BCSC issued a revocation order on December 16, 2015. In addition, a management cease trade order was issued on November 3, 2016, for failure to file its annual financial statements in the required time. Argentum's annual financial statements were subsequently and the BCSC issued a revocation order on December 5, 2016. Mr. Balderson is CFO and Secretary of Core One Labs Inc. ("**Core**"), a company publicly trading on the CSE. A management cease trade order was issued on May 3, 2021, for failure to file its annual financial statements in the required time. Core's annual financial statements were subsequently filed and the BCSC issued a revocation order on June 29, 2021. Mr. Balderson is CFO and Secretary of Thoughtful Brands Inc. ("**Thoughtful**"), a company publicly trading on the CSE. A management cease trade order was issued on May 4, 2021, and a cease trade order was issued on July 8, 2021. Thoughtful is in the process of completing its annual financial statements at which time Thoughtful anticipates that the cease trade order will be revoked.

Joel Shacker, a director of the Company, and is CEO and Director of Core One Labs Inc. ("**Core**"), a company publicly trading on the CSE. A management cease trade order was issued on May 3, 2021, for failure to file its annual financial statements in the required time. Core's annual financial statements were subsequently filed and the BCSC issued a revocation order on June 29, 2021. Mr. Shacker is President and Director Thoughtful Brands Inc. ("**Thoughtful**"), a company publicly trading on the CSE. A management cease trade order was issued on May 4, 2021, and a cease trade order was issued on July 8, 2021.

Thoughtful is in the process of completing its annual financial statements at which time Thoughtful anticipates that the cease trade order will be revoked

Bankruptcies

To the best of the Company's knowledge, no proposed director of Happy is, or within ten (10) years before the date of this Circular, has been a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 made a proposal under any legislation relating to bankruptcies or insolvency.

Personal Bankruptcies

To the best of the Company's knowledge, no proposed director of Happy has, within ten (10) years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Securities Related Penalties and Sanctions

To the best of the Company's knowledge, no proposed director has been subject to, or entered into a settlement agreement resulting from:

- (a) a court order 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.

STATEMENT OF EXECUTIVE COMPENSATION

Definitions

"**CEO**" means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"**CFO**" means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

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

- (a) a CEO;
- (b) a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of National Instrument 51-102, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year;

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

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

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

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

NAMED EXECUTIVE OFFICER AND DIRECTOR COMPENSATION

The following table summarizes the compensation paid to the directors and NEOs of Happy for the last two financial years:

Table of Compensation Excluding Compensation Securities							
Name and Position	Year Ended Sept. 30	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Steven Pear ⁽¹⁾ Director & CEO	2020 2019	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
Geoff Balderson ⁽²⁾ Director, CFO and Corporate Secretary	2020 2019	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
Joel Shacker ⁽³⁾ Director	2020 2019	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
Patrick Morris ⁽⁴⁾ Director	2020 2019	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
Stephen Horgan ⁽⁵⁾ Director	2020 2019	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
Michael Gonzalez ⁽⁶⁾ Former Director and CEO	2020 2019	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
Dominic Verdejo ⁽⁷⁾	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil

Former Director	2019	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Joseph Meagher ⁽⁸⁾ Former CFO and Corporate Secretary	2020 2019	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil
Mark Edwards ⁽⁹⁾ Former Director, President and CEO	2020 2019	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil
Karly Oliver ⁽¹⁰⁾ Former Director	2020 2019	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil
Nathan Tribble ⁽¹¹⁾ Former Director	2020 2019	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil

- (1) Mr. Pear was appointed as director of December 11, 2020.
- (2) Mr. Balderson was appointed as director, CFO and Corporate Secretary on March 8, 2021.
- (3) Mr. Shacker was appointed as director on March 8, 2021.
- (4) Mr. Morris was appointed as director on May 28, 2021.
- (5) Mr. Horgan was appointed as director on December 11, 2020.
- (6) Michael Gonzalez resigned as director on March 8, 2021 and as CEO on December 21, 2020.
- (7) Dominic Verdejo resigned as director of May 28, 2021.
- (8) Mark Edwards resigned as President and CEO on December 9, 2019.
- (9) Karly Oliver resigned as director on December 11, 2020.
- (10) Nathan Tribble resigned as director on December 11, 2020.

Other than as set forth in the foregoing table, the named executive officers and directors have not received, during the most recently completed financial year, compensation pursuant to any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments, any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors, or any arrangement for the compensation of directors for services as consultants or experts.

Stock Options and Other Compensation Securities

No compensation securities were granted or issued during the most recently completed financial year.

No named executive officer or director of the Company exercised any outstanding compensation securities during the most recently completed financial year of the Company.

Employment, Consulting and Management Agreements

Other than as set out below, the Company did not enter into any employment, consulting or managements during the most recently completed fiscal year.

Subsequent to the year end, the Company entered into a consulting agreement (the “CEO Agreement”) dated April 23, 2021 with Steven Pear to provide the services of Chief Executive Officer to the Company in accordance with the terms of the CEO Agreement for the following: (i) a one-time cash fee of (USD)\$23,688.00; and (ii) effective July 1, 2021, a monthly cash fee of (USD)\$4,000.00, with the first such payment due and owing on the first business day of each month during the term of this Agreement, plus, applicable taxes and reimbursement of all reasonable out-of-pocket expenses incurred on behalf of the Company. The monthly cash fee payable to the Consultant will be subject to annual review by the board of directors of the Company and may be increased from time-to-time at the sole discretion of the board of directors. The CEO Agreement is for an initial term of 12 months, to be re-negotiated at the discretion of the consultant and the Company for a longer-term agreement following completion of the initial term. Under the Terms of the CEO Agreement, the consultant is also entitled to receive 200,000 stock options that vest immediately. The consultant will be entitled to participate in other monetary incentive programs that may be established by the Company from time to time, at the discretion of the board of directors. The consultant may terminate the CEO Agreement on one month’s notice to the Company and at any time after 90 days following the date on which there is a change of control. The Company may terminate the CEO Agreement at any time without notice upon a material breach of the agreement, on one month’s notice and equivalent pay to the consultant, and vesting of all common stock, options and cash bonus as applicable or upon a change of control.

Oversight and Description of Named Executive Officer and Director Compensation

The Board is responsible for determining, by way of discussions at board meetings, the compensation to be paid to the Company's executive officers. The Company presently has two NEOs, Steven Pear as CEO and Geoff Balderson as CFO and Corporate Secretary.

For the financial year ended December 31, 2020, and 2019, the Company did not have a formal compensation program with specific performance goals. All tasks related to developing and monitoring the Company's approach to the compensation of officers were performed by the members of the Board. The compensation of each of the NEOs was reviewed, recommended, and approved by the Company's independent directors.

Compensation is designed to achieve the following key objectives:

- (a) to support our overall business strategy and objectives;
- (b) to provide market competitive compensation that is substantially performance-based;
- (c) to provide incentives that encourage superior corporate performance and retention of highly skilled and talented employees; and
- (d) to align executive compensation with corporate performance and therefore Shareholders' interests.

Our compensation package is comprised of short-term compensation in the form of base salary or service fees, medium-term compensation in the form of discretionary cash bonuses and long-term compensation in the form of option-based awards. The Company does not have a formal compensation program which sets benchmarks for performance by NEOs. Base salary is determined by the Board largely based on market standards. In addition, the Board may consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is discretionary, depending on, among other factors, the financial performance of the Company and the position of a participant. The Board considers that the payment of such discretionary annual cash bonuses satisfies the medium-term compensation component. No bonuses were awarded for the financial year ended December 31, 2020, and 2019. Lastly, the Company chooses to grant stock options to executive officers to satisfy the long-term compensation component.

The Board has not directly considered the implications of the risks associated with our compensation policies and practices. The Company does not have a set policy preventing an NEO or director from purchasing financing instruments such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such person. The Company does not use a peer group to determine compensation.

Pension Disclosure

The Company does not have any pension, defined benefit, defined contribution, or deferred compensation plans in place.

STOCK OPTION PLAN AND OTHER INCENTIVE PLANS

The Board of Directors approved a 20% rolling stock option plan (the "Option Plan") and a restricted share unit plan on September 10, 2021 (the "RSU Plan") (together, the "Plans") to grant restricted share units ("RSUs") and incentive stock options ("Options") to directors, officers, key employees, and consultants of the Company. Pursuant to the RSU Plan and the Option Plan, the Company may reserve up to a maximum of 20% of the issued and outstanding common shares at the time of grant pursuant to awards granted under the Plans.

The Company's directors, officers, employees, and certain consultants are entitled to participate in the Plans. The Option Plan and RSU plan is designed to encourage share ownership and entrepreneurship on the part of the senior management and other employees. The Board believes that the Plans align the interests of the NEO and the Board with shareholders by linking a component of executive compensation to the longer-term performance of the common shares.

Options and RSUs are granted by the Board. In monitoring or adjusting the option allotments, the Board takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous option grants and the objectives set for the NEOs and the Board. The scale of options is generally commensurate to the appropriate level of base compensation for each level of responsibility.

In addition to determining the number of options to be granted pursuant to the methodology outlined above, the Board also makes the following determinations:

- (a) parties who are entitled to participate in the Plans
- (b) the exercise price for each Option or RSU granted, subject to the provision that the exercise price cannot be lower than the prescribed discount permitted by the CSE from the market price on the date of grant;
- (c) the date on which each Option or RSU is granted;
- (d) the vesting period, if any, for each option or RSU;
- (e) the other material terms and conditions of each Option or RSU grant; and
- (f) any re-pricing or amendment to an option grant.

The Board makes these determinations subject to and in accordance with the provisions of the Option Plan and RSU Plan. The Board reviews and approves grants of Options and RSUs on an annual basis and periodically during a financial year.

The following is a summary of the material terms of the Plans.

- the total number of common shares (either issued directly or issuable on exercise of Options or RSUs of the Company) provided as compensation to Investor Relations Persons (as such term is defined in the Plan) may not exceed in aggregate 2% of the issued and outstanding common shares of the Company in any 12-month period; and
- approval by shareholders other than directors and senior officers of the Company and shareholders who beneficially own or control, directly or indirectly, common shares carrying more than 10% of the voting rights attached to all common shares of the Company, must all be obtained for any grants of options to a director or executive officer of, or of a related entity to, the Company (each a "Related Person") if, after the grant:

the total number of common shares (either issued directly or issuable on exercise of options or the number of securities, calculated on a fully diluted basis, reserves for issuance under options granted to:

- i. Related Persons, exceeds 10% of the outstanding securities of the Company; or
- ii. a Related Person and the associates of the Related Person, exceeds 5% of the outstanding securities of the Company; or

the number of securities, calculated on a fully diluted basis, issued within 12 months to:

- iii. Related Persons, exceeds 10% of the outstanding securities of the Company; or
- iv. a Related Person and the associates of the Related Person, exceeds 5% of the outstanding securities of the Company.

Subject to any required approvals of the CSE or any other applicable stock exchange, the Board may amend, suspend, or terminate the Plan or any portion thereof at any time, but an amendment may not be made without shareholder approval if such approval is necessary to comply with any applicable regulatory requirement. Further, subject to any required approvals of the CSE or any other applicable stock exchange, the Board may not do any of the following without obtaining, within 12 months either before or after the Board's adoption of a resolution authorizing such action, shareholder approval, and, where required, approval by Disinterested Shareholders, or by the written consent of the holders of a majority of the securities of the Company entitled to vote:

1. increase the aggregate number of common shares which may be issued under the Plans;
2. materially modify the requirements as to the eligibility for participation in the Plans that would have the potential of broadening or increasing insider participation;
3. add any form of financial assistance or any amendment to a financial assistance provision which is more favourable to participants under the Plans;
4. add a cashless exercise feature, payable in cash or securities, which does not provide for a full deduction of the number of underlying securities from the Plans reserve; and
5. materially increase the benefits accruing to participants under the Plans.

However, the Board may amend the terms of the Plan to comply with the requirements of any applicable regulatory authority without obtaining shareholder approval, including:

- amendments to the Plans of a housekeeping nature;
- change the vesting provisions of an option granted under the stock option plan, if applicable;
- change to the vesting provisions of a security or the Plans;
- change to the termination provisions of a security or the Plans that does not entail an extension beyond the original expiry date;
- make such amendments to the stock option plan as are necessary or desirable to reflect changes to securities laws applicable to the Company;
- make such amendments as may otherwise be permitted by regulatory authorities;
- if the Company becomes listed or quoted on a stock exchange or stock market senior to the CSE, make such amendments as may be required by the policies of such senior stock exchange or stock market; and
- amend the stock option plan to reduce the benefits that may be granted to Employees, Management Company Employees or Consultants.

Stock Option Plan

On September 10, 2021, the Board adopted the 20% rolling Option Plan. The Option Plan is designed to give each Option holder an interest in preserving and maximizing shareholder value in the longer term, to enable the Company to attract and retain individuals with experience and ability and to reward individuals for current performance and expected future performance. The Board considers Option grants when reviewing executive officer compensation packages as a whole.

The Board has sole discretion to determine the key employees to whom it recommends that grants be made and to determine the terms and conditions of the Options forming part of such grants. The Board approves ranges of Option grants for each level of executive officer. Individual grants are determined by an assessment of an individual's current and expected future performance, level of responsibilities and the importance of the position to the Company.

The Board has sole discretion to determine the key employees to whom it recommends that grants be made and to determine the terms and conditions of the Options forming part of such grants. The Board approves ranges of Option grants for each level of executive officer. Individual grants are determined by an assessment of an individual's current and expected future performance, level of responsibilities and the importance of the position to the Company.

The number of Options which may be issued under the Option Plan in the aggregate and in respect of any fiscal year is limited under the terms of the Option Plan and cannot be increased without shareholder approval.

The Company will not issue any stock options unless such issuance is in accordance with section 2.25 of National Instrument 45-106 – Prospectus Exemptions.

Restricted Share Unit Plan

On September 10, 2021, the Board adopted the RSU Plan. The RSU Plan provides for granting of RSUs for the purposes of advancing the interests of the Company through motivation, attraction and retention of employees, officers, consultants, and directors by granting equity-based compensation incentives, in addition to the Option Plan.

RSUs granted pursuant to the RSU Plan will be used to compensate participants for their individual performance-based achievements and are intended to supplement stock option awards in this respect, the goal of such grants is to more closely tie awards to individual performance based on established performance criteria.

The Plans has been used to provide Options and RSUs which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Company. In determining the number of Options or RSUs to be granted to the executive officers, the Compensation Committee with consultation of the Board takes into account the number of Options or RSUs, if any, previously granted to each executive officer, and the exercise price of any outstanding Options to ensure that such grants are in accordance with the policies of the CSE and closely align the interests of the executive officers with the interests of shareholders.

The Board has the responsibility to administer the compensation policies related to the executive management of the Company, including option-based and share-based awards.

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets out the securities of the Company which have been authorized for issuance under equity compensation plans as at December 31, 2020:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by the securityholders	N/A	N/A	N/A
Equity compensation plans not approved by the securityholders	N/A	N/A	N/A
Total	N/A		N/A

Incentive Plan Awards – NEOs and Directors

Outstanding Share-Based Awards and Option-Based Awards

The Company did not grant incentive stock options to any of its NEOs or directors during the most recent fiscal year ended December 31, 2020. The Company does not have any share-based award plans for its NEOs or directors.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No person who is, or at any time during the two most recently completed financial years was, a director or executive officer of the Company, a proposed nominee for election as a director of the Company, or an associate of any of the foregoing individuals, has been indebted to the Company at any time since the commencement of the Company’s last completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in this Circular, no: (a) director, proposed director or executive officer of Happy; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both carrying more than ten percent of the voting rights attached to the outstanding Shares (an “**Insider**”); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect Happy, except with an interest arising from the ownership of Shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all Shareholders.

AUDIT COMMITTEE DISCLOSURE

National Instrument 52-110 of the Canadian Securities Administrators (“**NI 52110**”) requires the Company, as a venture issuer, to disclose annually in its Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

The Audit Committee Charter

The Charter of the Company’s audit committee is included as Schedule “A” to this Information Circular.

Composition of the Audit Committee

As of the date of this Circular, the following are the members of the Audit Committee:

Audit Committee Members		
Geoff Balderson	Not Independent	Financially literate
Patrick Morris	Independent	Financially literate
Joel Shacker (Chair)	Independent	Financially literate

Relevant Education and Experience

In addition to each member’s general business experience, the education and experience of each member that is relevant to the performance of his responsibilities as a member of the Audit Committee is as follows:

Geoff Balderson Mr. Balderson has over 20 years of capital market experience Mr. Balderson is president of Harmony Corporate Services Ltd. and leads a team that provides bookkeeping, accounting, filing and corporate secretarial services to publicly listed companies Mr. Balderson is an officer and director of other TSX Venture listed companies. Mr. Balderson is a former Investment Advisor with two Canadian securities dealers, and a graduate of the University of British Columbia. Mr. Balderson will devote approximately 20% of his time to the affairs of the Company.

Joel Shacker Mr. Shacker has worked extensively in the cannabis and finance space over the past six years and has sat on several boards of publicly traded companies. He has been in charge of leading the expansion of publicly traded companies into international cannabis markets and has overseen and developed cannabis operations from the ground up. Mr. Shacker is currently the Chief Executive Officer and a director of Core One Labs Inc., an emerging biotechnology research and development company in the psychedelics as alternative medicines space. Core One Labs Inc. is focused on life sciences and on bringing psychedelic medicines to market through novel delivery systems and psychedelic assisted psychotherapy. Mr. Shacker holds an Honours Business Administration degree from Ivey Business School specializing in finance (2013). Mr. Shacker will devote approximately 20% of his time to the affairs of the Company

Patrick Morris Mr. Morris is an entrepreneur and capital markets executive with 20 years of experience raising funds for microcap companies in several industries including pharmaceutical cannabis, resource exploration, blockchain technologies, finance and business related to the future of food. Mr. Morris served as CEO and Director of Eat Beyond Global Holdings Inc. (CSE: EATS) Canada’s first publicly traded investment issuer specifically focussed on investing in the future of food from its inception in late 2019 to July 2021. Mr. Morris also co-created and co-produced Canada’s first nationally syndicated radio show about growth stock opportunities which was broadcast on 14 of the top-rated news talk stations across Canada. Mr. Morris will devote approximately 20% of his time to the affairs of the Company.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

At no time since the commencement of our most recently completed financial year, have we relied on the exemption in sections 2.4 (De Minimis Non-audit Services), 3.2 (Initial Public Offerings), 3.4 (Events Outside Control of Member), 3.5 (Death, Disability or Resignation of Audit Committee Member) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Reliance on the Exemption in Subsection 3.3(2) or Section 3.6

At no time since the commencement of our most recently completed financial year, have we relied on the exemption in subsection 3.3(2) (Controlled Companies) or section 3.6 (Temporary Exemption for Limited and Exception Circumstances) of NI 52-110.

Reliance on Section 3.8

At no time since the commencement of our most recently completed financial year, have we relied on section 3.8 (Acquisition of Financial Literacy) of NI 52-110.

Reliance on Section 6.1

Pursuant to section 6.1 of NI 52-110, as a venture issuer we are relying on the exemption from the audit committee composition requirements and certain reporting obligations found in Parts 3 and 5 of NI 52-110.

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 Audit Committee Charter under the heading "External Auditors".

External Auditor Service Fees

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-Related Fees" are fees not included in audit fees that are billed by the Auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax Fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All Other Fees" are fees billed by the Auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Auditor in the last two fiscal years, by category, are as set out in the table below.

Nature of Services	Fees Billed by Auditor in respect of the financial year ended December 31, 2020	Fees Billed by Auditor in respect of the financial year ended December 31, 2019
Audit Fees	\$60,829	Nil
Audit-Related Fees	\$10,000	Nil
Tax Fees	Nil	Nil
All Other Fees	Nil	Nil
Total	\$70,829	Nil

CORPORATE GOVERNANCE

Maintaining a high standard of corporate governance is a priority for the Board and the Company's management believes that effective corporate governance will help create and maintain shareholder value in the long term. A description of Happy's corporate governance practices, which addresses the matters set out in National Instrument 58-101 *Disclosure of Corporate Governance Practices*, is set out below.

Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board.

Independence of Directors

As a venture issuer, Happy is exempt from the independence requirements of NI 52-110, Part 3. Patrick Morris, Joel Shacker and Stephen Horgan are not officers or employees of Happy or of an affiliate of Happy.

Steven Pear and Geoff Balderson are not considered to be independent as defined in NI 52-110 as they are executive officers of the Company.

Directorships

The current directors of the Company and each of the individuals to be nominated for election as a director of Happy at the Meeting may serve as a director or officer of one or more other reporting issuers as at the date of this Notice of Meeting and Circular. However, our directors are required by law to act honestly and in good faith with a view to our best interests and to disclose any interests which they may have in any of our projects or opportunities. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not we will participate in any project or opportunity, that director will primarily consider the degree of risk to which we may be exposed and our financial position at that time.

To the best of our knowledge, there are no known existing or potential conflicts of interest among us and our promoters, directors, officers or other members of management as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management serve as directors, officers, promoters and members of management of other public companies, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of such other companies.

Orientation and Continuing Education

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education, but does encourage directors to individually and as a group keep themselves informed on changing corporate governance and legal issues. Directors are individually responsible for updating their skills as required to meet their obligations as directors. In addition, the Board undertakes strategic planning sessions with management.

Ethical Business Conduct

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

Nomination of Directors

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of Shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to Happy, the ability to devote the required time, show support for the Company's mission and strategic objectives, and a willingness to serve.

Compensation

The Board conducts reviews with regard to the compensation of the directors and CEO once a year. To make its recommendations on such compensation, the Board informally takes into account the types of compensation and the amounts paid to directors and officers of comparable publicly traded Canadian companies.

The Board does not currently have a compensation committee.

Other Board Committees

The Board has no other committees other than the Audit Committee.

Assessments

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees. The Board is currently responsible for assessing its own effectiveness, the effectiveness of individual directors and the effectiveness of the Audit Committee.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as disclosed elsewhere in this Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, each proposed nominee for election as a director of Happy, or any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Shares or other securities in Happy or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

APPOINTMENT OF AUDITOR

At the Meeting, Shareholders will be asked to pass an ordinary resolution re-appointing Dale Matherson Carr-Hilton Labonte LLP as the auditor to hold office until the next annual meeting of the Shareholders or until such firm is removed from office or resigns as provided by law and to authorize the Board to fix the remuneration to be paid to the auditor. Dale Matherson Carr-Hilton Labonte LLP, of Vancouver, British Columbia.

Management recommends that Shareholders vote for the approval of the re-appointment of Dale Matherson Carr-Hilton Labonte LLP as the auditor for Happy for the ensuing year at a remuneration to be fixed by the Board.

PARTICULARS OF MATTERS TO BE ACTED UPON

APPROVAL OF THE STOCK OPTION PLAN AND RESTRICTED SHARE UNIT PLAN (TOGETHER, THE "PLANS")

On September 10, 2021, the Board of Directors implemented and adopted the RSU Plan, reserving for issuance, combined with any equity securities granted under all other compensation arrangements adopted by the Company, including the Option Plan, a maximum of 20% of the issued and outstanding common shares at the time of grant.

At the Meeting, the Shareholders will be asked to consider, and if thought advisable, to ratify, confirm and approve by way of ordinary resolution, the Plans, a copy of which is attached hereto as Schedule "B".

The Board of Directors has, by resolution, adopted the Plans and proposes to implement it upon receipt of approval of the shareholders.

The Company has reserved for issuance a maximum of 20% of the issued and outstanding common shares at the time of grant, combined with any equity securities granted under all other compensation arrangements adopted by the Company, including the Option Plan.

Approval Requirements

As in certain circumstances, approval of the Plans by Disinterested Shareholders (as hereinafter defined) may be required, we believe it prudent to seek Disinterested Shareholder approval of the Plans at the Meeting,

Shareholders who are not Related Persons entitled to benefit under the Plans (the “Disinterested Shareholders”) will be asked at the Meeting to approve implementation of the Plans.

At the Meeting, Disinterested Shareholders will be asked to pass a resolution approving the Plans, a copy of which is attached hereto as Schedule “B”.

Accordingly, at the Meeting, Disinterested Shareholders are being asked to consider and, if thought advisable, approve an ordinary resolution in the following form:

“BE IT RESOLVED THAT:

- (1) the Plans of the Company, substantially in the form attached at Schedule “B” to the Circular of the Company dated September 10, 2021, be and the same is hereby ratified, confirmed and approved;
- (2) any director or officer be and is hereby authorized to amend the Plans should such amendments be required by applicable regulatory authorities; and
- (3) any one director or officer of the Company be and is hereby authorized and directed to do all such things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution.”

UNLESS OTHERWISE INSTRUCTED, THE PERSONS NAMED IN THE ENCLOSED PROXY OR VOTING INSTRUCTION FORM INTEND TO VOTE SUCH PROXY OR VOTING INSTRUCTION FORM IN FAVOUR OF THE APPROVAL OF THE PLANS. THE DIRECTORS OF THE COMPANY RECOMMEND THAT SHAREHOLDERS VOTE IN FAVOUR OF THE APPROVAL OF THE RSU PLAN. TO BE ADOPTED, THIS RESOLUTION IS REQUIRED TO BE PASSED BY THE AFFIRMATIVE VOTE OF A MAJORITY OF THE VOTES CAST BY DISINTERESTED SHAREHOLDERS AT THE MEETING.

ADDITIONAL INFORMATION

Additional information relating to Happy is available at www.sedar.com under the Company’s profile. Shareholders may contact the Company at its head office by mail at Suite 800, 1199 West Hastings Street, Vancouver, BC V6E 3T5, to request copies of the Company’s financial statements and related Management’s Discussion and Analysis (the “MD&A”). Financial information is provided in the audited financial statements and MD&A for Happy for its year ended December 31, 2020, and 2019.

OTHER MATTERS

Management of Happy knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting included at the beginning of this Circular. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named in the proxy to vote on such matters in accordance with their best judgment.

APPROVAL OF THE BOARD OF DIRECTORS

The Board has authorized and approved the content of this Circular has been approved and the delivery of it to each Shareholder of Happy entitled to receive it and to the appropriate regulatory agencies.

Dated at Vancouver, British Columbia as of the September 10, 2021

ON BEHALF OF THE BOARD OF

HAPPY SUPPLEMENTS INC.

Steven Pear
Director and Chief Executive Officer

Schedule “A”

Audit Committee Charter

Purpose of the Committee

The purpose of the audit committee (the “**Audit Committee**”) of the directors of the Company (the “**Board**”) is to provide an open avenue of communication between management, the Company’s independent auditor and the Board and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of the Company’s financial reporting and disclosure practices;
- the Company’s compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of the Company’s independent auditor.

The Audit Committee will also perform any other activities consistent with this Charter, the Company’s articles and governing laws as the Audit Committee or Board deems necessary or appropriate.

The Audit Committee shall consist of at least three directors. Members of the Audit Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Audit Committee shall elect a Chairman from among their number. A majority of the members of the Audit Committee must not be officers or employees of the Company or of an affiliate of the Company. The quorum for a meeting of the Audit Committee is a majority of the members who are not officers or employees of the Company or of an affiliate of the Company. With the exception of the foregoing quorum requirement, the Audit Committee may determine its own procedures.

The Audit Committee’s role is one of oversight. Management is responsible for preparing the Company’s financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with InterEndeavor Financial Reporting Standards (“**IFRS**”) as issued by the InterEndeavor Accounting Standards Board. Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditor’s responsibility is to audit the Company’s financial statements and provide its opinion, based on its audit conducted in accordance with IFRS, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in accordance with IFRS.

The Audit Committee is responsible for recommending to the Board the independent auditor to be nominated for the purpose of auditing the Company’s financial statements, preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, and for reviewing and recommending the compensation of the independent auditor. The Audit Committee is also directly responsible for the evaluation of and oversight of the work of the independent auditor. The independent auditor shall report directly to the Audit Committee.

Authority and Responsibilities

In addition to the foregoing, in performing its oversight responsibilities the Audit Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.

2. Review the appointments of the Company's Chief Financial Officer and Chief Executive Officer and any other key financial executives involved in the financial reporting process.
3. Review with management and the independent auditor the adequacy and effectiveness of the Company's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Company's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Company, including consideration of the independent auditor's judgment about the quality and appropriateness of the Company's accounting policies. This review may include discussions with the independent auditor without the presence of management.
8. Review with management and the independent auditor significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Company by the independent auditor.
10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Company and all non-audit work performed for the Company by the independent auditor.
11. Establish and review the Company's procedures for the:
 - receipt, retention and treatment of complaints regarding accounting, financial disclosure,
 - internal controls or auditing matters; and
 - confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Audit Committee believes is within the scope of its responsibilities. The Audit Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Company.
13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of Endeavor Instrument 52-110 of the Canadian Securities Administrators, the Business Corporations Act (British Columbia) and the articles of the Company.

Schedule "B"

The Plans

20% ROLLING STOCK OPTION PLAN (Effective as of September 10, 2021)

PART 1 INTERPRETATION

1.01 Definitions. In this Plan the following words and phrases shall have the following meanings, namely:

(a) "**Associate**" means, where used to indicate a relationship with any person:

- (i) a partner, other than a limited partner, of that person;
- (ii) a trust or estate in which that person has a substantial beneficial interest or for which that person serves as trustee or in a similar capacity;
- (iii) a company in respect of which that person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the company; or
- (iv) a relative, including the spouse or child, of that person or a relative of that person's spouse, where the relative has the same home as that person;

and for the purpose of this definition, "spouse" includes an individual who is living with another individual in a marriage-like relationship.

(b) "**Board**" means the Board of Directors of the Company or, if applicable, the Committee.

(c) "**Committee**" means a committee of the Board appointed in accordance with this Plan or, if no such committee is appointed, the Board itself.

(d) "**Company**" means Happy Supplements Inc.

(e) "**Consultant**" means, in relation to the Company, an individual (or a company wholly-owned by an individual) who:

- (i) provides ongoing consulting services to the Company or an affiliate of the Company under a written contract;
- (ii) possesses technical, business or management expertise of value to the Company or an affiliate of the Company;
- (iii) spends a significant amount of time and attention on the business and affairs of the Company or an affiliate of the Company; and
- (iv) has a relationship with the Company or an affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company.

(f) "**Director**" means any director of the Company or of any of its subsidiaries.

(g) "**Disinterested Shareholder Approval**" means that the proposal must be approved by a majority of the votes cast at the shareholders' meeting other than votes attaching to securities beneficially owned by Insiders and their Associates to whom shares may be issued pursuant to this Plan and, for purposes of this Plan, holders of non-voting and subordinate voting securities (if any) will be given full voting rights on a resolution which requires disinterested shareholder approval.

(h) "**Employee**" means:

- (i) an individual who is considered an employee of the Company or any of its subsidiaries under the Income Tax Act (i.e. for whom deductions (income tax, UIC and CPP) must be made at source);
- (ii) an individual who is a full-time (i.e. 35 - 40 hours per week) dependent contractor, that is one who works full-time for the Company or any of its subsidiaries providing services normally provided by an employee and is subject to the same control and direction by the Company or its subsidiary over the detail and methods of work as an employee of the Company or its subsidiary, but for whom income tax deductions are not made at source; or

(iii) a part-time dependent contractor, that is an individual who works for the Company or any of its subsidiaries on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and is subject to the same control and direction by the Company or its subsidiary over the details and methods of work as an employee of the Company or its subsidiary, but for whom income tax deductions are not made at source;

and includes Management Company Employees and Consultants.

(i) "**Exchange**" means the Canadian Securities Exchange.

(j) "**Insider**" means:

(i) a director or senior officer of the Company;

(ii) a director or senior officer of a person that is itself an insider or subsidiary of the Company; or

(iii) a person that beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company; or

(iv) the Company itself if it holds any of its own securities.

(k) "**Management Company Employee**" means an individual employed by a person providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a person engaged in investor relations activities.

(l) "**Market Price**" means, subject to the exceptions prescribed by the Exchange from time to time, the last closing price of the Company's shares before the issuance of the required news release disclosing the grant of options (but, if the policies of the Exchange provide an exception to such news release, then the last closing price of the Company's shares before the grant of options).

(m) "**Officer**" means any senior officer of the Company or of any of its subsidiaries as defined in the Securities Act (British Columbia).

(n) "**Plan**" means this stock option plan as from time to time amended.

(o) "**Shares**" means common shares without par value in the capital of the Company.

(p) "**Tier 1 Issuer**" and "**Tier 2 Issuer**" have the meanings prescribed by the Canadian Securities Exchange.

1.02 Gender. Throughout this Plan, words importing the masculine gender shall be interpreted as including the female gender.

PART 2 PURPOSE OF PLAN

2.01 Purpose. The purpose of this Plan is to attract and retain Employees, Officers and Directors and to motivate them to advance the interests of the Company by affording them the opportunity to acquire an equity interest in the Company through options granted under this Plan to purchase Shares. The Plan is expected to benefit the Company's shareholders by enabling the Company to attract and retain personnel of the highest caliber by offering to them an opportunity to share in any increase in the value of the Shares to which they have contributed.

PART 3 GRANTING OR AMENDING OF OPTIONS

3.01 Administration. This Plan shall be administered by the Board or, if the Board so elects, by a committee (consisting of not less than two (2) of its members) appointed by the Board. Any Committee shall administer the Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and either appoint new members in their place or decrease the size of the Committee, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Plan. A majority of the members of the Committee shall constitute a quorum, and, subject to the limitations in this Part 3, all actions of the Committee shall require the affirmative vote of members who constitute a majority of such quorum. Members of the Committee may vote on any matters affecting the administration of the Plan or the grant of options pursuant to the Plan, except that no such member shall act upon the granting of an option to himself (but any such member may be counted in determining the existence of a quorum at any meeting of the Committee during which action is taken with respect to granting options to him).

3.02 Committee's Recommendations. The Board may accept all or any part of the recommendations of the Committee or may refer all or any part thereof back to the Committee for further consideration and recommendation. Such recommendations may include, but not be limited to, the following:

- (a) resolution of questions arising in respect of the administration, interpretation and application of the Plan;
- (b) reconciliation of any inconsistency or defect in the Plan in such manner and to such extent as shall reasonably be deemed necessary or advisable to carry out the

purpose of the Plan;

(c) determination of the Employees, Officers and Directors (or their wholly-owned corporations) to whom, and when, options should be granted, as well as the number of Shares subject to each option;

(d) determination of the terms and conditions of the option agreement to be entered into with any optionee, consistent with this Plan; and

(e) determination of the duration and purpose of leaves of absence from employment which may be granted to optionees without constituting a termination of employment for purposes of the Plan.

3.03 Grant by Resolution. The Board, on its own initiative or, if a Committee of the Board shall have been appointed for the purpose of administering this Plan, upon the recommendation of such Committee, may by resolution designate those Employees, Officers and Directors to whom options should be granted (unless the Committee has been authorized by the Board to pass such resolution in which case they may do as so authorized).

3.04 Terms of Options. The resolution of the Board, or the Committee if applicable, shall specify the number of Shares that should be placed under option to each optionee, the price per Share to be paid upon exercise of the options, and the period during which such options may be exercised.

3.05 Written Agreements. Every option granted under this Plan shall be evidenced by a written agreement between the Company and the optionee and, where not expressly set out in the agreement, the provisions of such agreement shall conform to and be governed by this Plan. In the event of any inconsistency between the terms of the agreement and this Plan, the terms of this Plan shall govern.

3.06 Regulatory Approvals. The Board shall obtain all necessary regulatory approvals, which may be required under applicable securities laws or the rules or policies of the Exchange. The Board shall also take reasonable steps to ensure that no options granted under the Plan, or the exercise thereof, shall violate the securities laws of the jurisdiction in which any optionee resides.

3.07 Amendment of Options. Options may also be amended under this Plan, whether granted under this Plan or otherwise, and the terms of this Plan shall apply mutatis mutandis.

PART 4 CONDITIONS GOVERNING THE GRANTING AND EXERCISING OF OPTIONS

4.01 Exercise Price. The exercise price of an option granted under this Plan shall not be less than the Discounted Market Price, provided that:

(a) if options are granted within 90 days of a distribution by a prospectus, the minimum exercise price of those options will be the greater of the Discounted Market Price and the per share price paid by the public investors for Shares acquired under the distribution;

(b) the 90 day period begins on the date a final receipt is issued for the prospectus;

(c) for unit offerings, the minimum option exercise price will be the 'base' (or imputed) price of the shares included in the unit; and

(d) for all other financings, the minimum exercise price will be the average price paid by the public investors.

4.02 Expiry Date. Each option shall, unless sooner terminated, expire on a date to be determined by the Board which will not exceed 10 years from the day the option is granted.

4.03 Different Exercise Periods, Prices and Number. The Board may, in its absolute discretion, upon granting options under this Plan, specify different time periods following the dates of granting the options during which the optionees may exercise their options to purchase Shares and may designate different exercise prices and numbers of Shares in respect of which each optionee may exercise his option during each respective time period.

4.04 Number of Shares. The number of Shares reserved for issuance to any one person pursuant to options granted under this Plan, together with any Shares reserved for issuance pursuant to options granted to that person during the previous 12 months in the case that the Company is a Tier 2 Issuer, shall not exceed 5% of the issued and outstanding Shares at the time of granting of the options, provided that the aggregate number of options granted to each of the following categories of optionee:

- (a) Consultants; and
- (b) all persons employed in investor relations activities on behalf of the Company;

must not exceed an aggregate 2% of the issued Shares at the time of grant in any 12 month period.

4.05 Death of Optionee. If an optionee dies prior to the expiry of his option, his legal representatives may, by the earlier of:

- (a) one year from the date of the optionee's death (or such lesser period as may be specified by the Board at the time of granting the option); and
- (b) the expiry date of the option; exercise any portion of such option.

4.06 Expiry on Termination or Cessation. If an optionee ceases to be a Director, Officer or Employee for any reason other than death, his option shall terminate as specified by the Board at the time of granting the option (provided however that, if the Company is a Tier 2 Issuer, his option shall terminate 90 days (but for optionees employed in investor relations activities, 30 days) after the optionee's last active working day, or such lesser period as may be specified by the Board at the time of granting the option), and all rights to purchase Shares under such option shall cease and expire and be of no further force or effect.

4.07 Leave of Absence. Employment shall be deemed to continue intact during any sick leave or other bona fide leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the optionee's right to reemployment is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the optionee's reemployment is not so guaranteed, then his employment shall be deemed to have terminated on the ninety- first day of such leave.

4.08 Assignment. No option granted under this Plan or any right thereunder or in respect thereof shall be transferable or assignable otherwise than by will or pursuant to the laws of succession except that, if permitted by the rules and policies of the Exchange, an optionee shall have the right to assign any option granted to him hereunder to a trust or similar legal entity established by such optionee.

4.09 Notice. Options shall be exercised only in accordance with the terms and conditions of the agreements under which they are respectively granted and shall be exercisable only by notice in writing to the Company at its principal place of business.

4.10 Payment. Subject to any vesting requirements described in each individual option agreement, options may be exercised in whole or in part at any time prior to their lapse or termination. Shares purchased by an optionee on exercise of an option shall be paid by cash in full at the time of their purchase (i.e. concurrently with the giving of the requisite notice).

4.11 Share Certificate. As soon as practicable after due exercise of an option, the Company shall issue a share certificate evidencing the Shares with respect to which the option has been exercised. Until the issuance of such share certificate, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to such Shares, notwithstanding the exercise of the option. No adjustment will be made for a dividend or other right for which the record date is prior to the date the share certificate is issued, except as provided in Part 6 hereof.

4.12 Vesting. Subject to the discretion of the Board, the options granted to an optionee under this Plan shall fully vest on the date of grant of such options. In accordance with the policies of the Exchange, and subject to their approval to the contrary, options issued to Consultants providing investor relations services must vest (and not otherwise be exercisable) in stages over a minimum of 12 months with no more than ¼ of the options vesting in any 3 month period.

4.13 Hold Period. In addition to any resale restrictions under applicable legislation, all options granted hereunder and all Shares issued on the exercise of such options will, if applicable under the policies of the Exchange, be subject to a four month Canadian Securities Exchange hold period from the date the options are granted, and the stock option agreements and the certificates representing such Shares will bear the following legend:

"Without prior written approval of the Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the Canadian Securities Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert date]."

4.14 Individuals. Options may be granted only to an individual or to a company that is wholly- owned by an individual who is eligible for an option grant. Only individuals who are Directors, Officers, Consultants, Employees or Management Company Employees may be granted stock options. If the optionee is a Consultant, Employee or Management Company Employee, the Company must represent that the optionee is a bona fide Consultant, Employee or Management Company Employee, as the case may be. If the optionee is a company, it must agree not to effect or permit any transfer of ownership or option of shares of the company or to issue further shares of any class in the company to any other individual or entity as long as the incentive stock option remains outstanding, except with the written consent of the Exchange.

PART 5 RESERVE OF SHARES FOR OPTIONS

5.01 Maximum Number of Shares Reserved Under Plan. The aggregate number of Shares which may be subject to issuance pursuant to options granted under this Plan shall not exceed the equivalent of 20% of the issued and outstanding Shares of the Company from time to time. In addition, all options granted outside of this Plan, which are in existence on the effective date of this Plan, shall be counted as if granted under this Plan. The terms of this Plan shall not otherwise govern such pre-existing options.

5.02 Sufficient Authorized Shares to be Reserved. Whenever the Memorandum or Articles of the Company limit the number of authorized Shares, a sufficient number of Shares shall be reserved by the Board to satisfy the exercise of options granted under this Plan or otherwise. Shares that were the subject of options that have lapsed or terminated shall thereupon no longer be in reserve and may once again be subject to an option granted under this Plan.

5.03 Disinterested Shareholder Approval. Unless Disinterested Shareholder Approval is obtained, under no circumstances shall this Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, result in or allow at anytime:

(a) the number of Shares reserved for issuance pursuant to options granted to Insiders exceeding 10% of the outstanding Shares at the time of granting the options;

(b) the issuance to Insiders, within a one year period, of a number of Shares exceeding 10% of the outstanding Shares at the time of granting the options; or

(c) except in the case of a Tier 1 Issuer (or equivalent), the issuance to any one Insider and such Insider's Associates, within a one year period, of a number of Shares exceeding 5% of the outstanding Shares at the time of granting the options; or

(d) any reduction in the exercise price of options granted to any person who is an Insider at the time of the proposed reduction.

PART 6 CHANGES IN SHARES

6.01 Share Consolidation or Subdivision. In the event that the Shares are at any time subdivided or consolidated, the number of Shares reserved for option and the price payable for any Shares that are then subject to option shall be adjusted accordingly.

6.02 Stock Dividend. In the event that the Shares are at any time changed as a result of the declaration of a stock dividend thereon, the number of Shares reserved for option and the price payable for any Shares that are then subject to option may be adjusted by the Board to such extent as they deem proper in their absolute discretion.

6.03 Reorganization. Subject to any required action by its shareholders, if the Company shall be a party to a reorganization, merger, dissolution or sale or lease of all or substantially all of its assets, whether or not the Company is the surviving entity, the option shall be adjusted so as to apply to the securities to which the holder of the number of shares of capital stock of the Company subject to the option would have been entitled by reason of such reorganization, merger or sale or lease of all or substantially all of its assets, provided however that the Company may satisfy any obligations to an optionee hereunder by paying to the said optionee in cash the difference between the exercise price of all unexercised options granted hereunder and the fair market value of the securities to which the optionee would be entitled upon exercise of all unexercised options, regardless of whether all conditions of exercise relating to continuous employment have been satisfied.

Adjustments under this paragraph or any determinations as to the fair market value of any securities shall be made by the Board, or any committee thereof specifically designated by the Board to be responsible therefor, and any reasonable determination made by the said Board or committee thereof shall be binding and conclusive.

6.04 Rights Offering. If at any time the Company grants to the holders of its capital stock rights to subscribe for and purchase pro rata additional securities of the Company or of any other corporation or entity, there shall be no adjustments made to the number of shares or other securities subject to the option in consequence thereof and the said stock option of the optionee shall remain unaffected.

PART 7 EXCHANGE'S RULES AND POLICIES APPLY

7.01 Exchange's Rules and Policies Apply. This Plan and the granting and exercise of any options hereunder are also subject to such other terms and conditions as are set out from time to time in the rules and policies on stock options of the Exchange and any securities commission having jurisdiction and such rules and policies shall be deemed to be incorporated into and become a part of this Plan. In the event of an inconsistency between the provisions of such rules and policies and of this Plan, the provisions of such rules and policies shall govern.

PART 8 AMENDMENT OF PLAN

8.01 Board May Amend. Subject to Part 5 the Board may, by resolution, amend or terminate this Plan, but no such amendment or termination shall, except with the written consent of the optionees concerned, affect the terms and conditions of options previously granted under this Plan which have not then been exercised or terminated.

8.02 Exchange Approval. Any amendment to this Plan or options granted pursuant to this Plan shall not become effective until accepted for filing by the Exchange.

PART 9 MISCELLANEOUS PROVISIONS

9.01 Other Plans Not Affected. This Plan shall not in any way affect the policies or decisions of the Board in relation to the remuneration of Directors, Officers and Employees.

9.02 Effective Date of Plan. This Plan shall become effective upon the date on which the Company's shares are listed and posted for trading on the Exchange. However, options may be granted under this Plan prior thereto. Any option granted prior thereto may not be exercised prior to such date.

9.03 Use of Proceeds. Proceeds from the sale of Shares pursuant to the options granted and exercised under the Plan shall constitute general funds of the Company and shall be used for general corporate purposes.

9.04 Headings. The headings used in this Plan are for convenience of reference only and shall not in any way affect or be used in interpreting any of the provisions of this Plan.

9.05 No Obligation to Exercise. Optionees shall be under no obligation to exercise options granted under this Plan.

9.06 Termination of Plan. This Plan shall only terminate pursuant to a resolution of the Board or the Company's shareholders.

9.07 Deductions under Income Tax Act. If the Corporation is required under the Income Tax Act (Canada) or any other applicable law to make source deductions in respect of employee stock option benefits and to remit to the applicable governmental authority an amount on account of tax on the value of the taxable benefit associated with the issuance of Shares on exercise of Options, then the Optionee shall:

(a) pay to the Corporation, in addition to the exercise price for the Options, sufficient cash as is reasonably determined by the Corporation to be the amount necessary to permit the required tax remittance; or

(b) authorize the Corporation, on behalf of the Optionee, to sell in the market on such terms and at such time or times as the Corporation determines a portion of the Shares being issued upon exercise of the Options to realize cash proceeds to be used to satisfy the required tax remittance; or make other arrangements acceptable to the Corporation to fund the required tax remittance.

Restricted Share Unit Plan
(Effective as of September 10, 2021)

PART 1
GENERAL PROVISIONS

Establishment and Purpose

- 1.1 The Company hereby establishes a Restricted Share Unit plan, in this document referred to as the “Plan”.
- 1.2 The purpose of the Plan is to secure for the Company and its shareholders the benefits of incentive inherent in share ownership by Eligible Persons who, in the judgment of the Board, will be responsible for its future growth and success. The Board also contemplates that through the Plan, the Company will be better able to compete for and retain the services of the individuals needed for the continued growth and success of the Company.
- 1.3 Restricted Share Units granted pursuant to this Plan will be used to compensate Eligible Persons who have forgone salary to assist the Company in cash management in exchange for the grant of Restricted Share Units and incentive stock options under the Company’s stock option plan.

Definitions

- 1.4 In this Plan:
- (a) “**Applicable Withholding Tax**” means any and all taxes and other source deductions or other amounts which the Company is required by Applicable Law to withhold from any amounts paid or credited to a Participant under the Plan, which the Company determines to withhold in order to fund remittance obligations;
 - (b) “**Award**” means an award of Restricted Share Units under this Plan represented by a Restricted Share Unit Notice;
 - (c) “**Award Payout**” means the applicable Share issuance in respect of a vested Restricted Share Unit pursuant and subject to the terms and conditions of this Plan and the applicable Award;
 - (d) “**Board**” means the board of directors of the Company;
 - (e) “**Business Day**” means means a day upon which the Canadian Securities Exchange is open for trading;
 - (f) “**Code**” means the U.S. Internal Revenue Code of 1986, as amended;
 - (g) “**Committee**” means the Compensation Committee of the Board or other committee of the Board, consisting of not less than three directors, to whom the authority of the Board is delegated in accordance with Section 1.8 hereof;
 - (h) “**Consultant**” means an individual or Consultant Company other than an Employee or a Director of the Company, that (i) provides ongoing consulting, technical, management or other services to the Company or to an Affiliate of the Company; (ii) provides the services under a written contract between the Company or the Affiliate and the individual or the Consultant Company; (iii) spends

or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate of the Company; and (iv) has a relationship with the Company or an Affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company;

- (i) **“Company”** means HAPPY SUPPLEMENTS INC., and includes any successor Company thereto;
- (j) **“Director”** means a member of the Board;
- (k) **“Eligible Person”** means any person who is an Employee, Officer, Director or a Management Company Employee or a Consultant;
- (l) **“Employee”** means an employee of the Company or of a Related Entity;
- (m) **“Expiry Date”** means the earlier of (i) five (5) years from the date of vesting of a Restricted Share Unit, and (ii) ten (10) years from the Grant Date;
- (n) **“Grant Date”** means the date of grant of any Restricted Share Unit;
- (o) **“Insider”** means has the meaning ascribed to that term pursuant to the British Columbia Securities Act;
- (p) **“Management Company Employee”** means an individual employed by a corporation providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a person engaged in Investor Relations Activities;
- (q) **“Officer”** means an individual who is an officer of the Company or of a Related Entity as an appointee of the Board or the board of directors of the Related Entity, as the case may be;
- (r) **“Outstanding Issue”** means the number of Shares outstanding on a non-diluted basis;
- (s) **“Participant”** means an Eligible Person who may be granted Restricted Share Units from time to time under this Plan;
- (t) **“Plan”** means this Restricted Share Unit Plan, as amended from time to time;
- (u) **“Restricted Share Unit”** means a right granted under this Plan to receive the Award Payout on the terms contained in this Plan as more particularly described in Section 4.1 hereof;
- (v) **“Related Entity”** means a person that is controlled by the Company. For the purposes of this Plan, a person (first person) is considered to control another person (second person) if the first person, directly or indirectly, has the power to direct the management and policies of the second person by virtue of
 - (i) ownership of or direction over voting securities in the second person,
 - (ii) a written agreement or indenture,
 - (iii) being the general partner or controlling the general partner of the second person, or
 - (iv) being a trustee of the second person;
- (w) **“Required Approvals”** has the meaning contained in Section 64.1 hereof;

- (x) “**Securities Act**” means the Securities Act (Ontario), as amended from time to time;
- (y) “**Share**” means a common share in the capital of the Company as from time to time constituted;
- (z) “**Total Disability**” means, with respect to a Participant, that, solely because of disease or injury, within the meaning of the long-term disability plan of the Company, the Participant, is deemed by a qualified physician selected by the Company to be unable to work at any occupation which the Participant, is reasonably qualified to perform;

(aa) “**Trigger Date**” means the date a Participant requests the issuance of Shares, pursuant to a Trigger Notice, issuable upon vesting of an Award and prior to the Expiry Date;

(bb) “**Trigger Notice**” means the notice respecting the issuance of Shares pursuant to vested Restricted Share Unit(s), substantially in the form attached to Restricted Share Unit Notice, duly executed by the Participant;

Interpretation

1.5 For all purposes of this Plan, except as otherwise expressly provided or unless the context otherwise requires:

- (a) any reference to a statute shall include and shall, unless otherwise set out herein, be deemed to be a reference to such statute and to the regulations made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute or regulations that may be passed which has the effect of supplementing or superseding such statute or such regulations;
- (b) the singular includes the plural and vice-versa, and a reference to any of the feminine, masculine or neuter includes the other two;
- (c) any reference to “consent” or “discretion” of any person shall be construed as meaning that such person may withhold such consent arbitrarily or grant it, if at all, on such terms as the person sees fit, and may exercise all discretion fully and in unfettered manner; and
- (d) any reference to “including” or “inclusive” shall be construed as not restricting the generality of any foregoing or other provision.

Effective Date

1.6 This Plan will be effective on September 10, 2021. The Board may, in its discretion, at any time, and from time to time, issue Restricted Share Units to Eligible Persons as it determines appropriate under this Plan. However, any such issued Restricted Share Units may not be paid out until receipt of the necessary approvals from shareholders of the Company and any applicable regulatory bodies (the “Required Approvals”).

Administration

1.7 The Board is authorized to interpret this Plan from time to time and to adopt, amend and rescind rules and regulations for carrying out the Plan. The interpretation and construction of any provision of this Plan by the Board shall be final and conclusive. Administration of this Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

Delegation to Committee

- 1.8 All of the powers exercisable hereunder by the Board may, to the extent permitted by law and as determined by a resolution of the Board, be delegated to a Committee including, without limiting the generality of the foregoing, those referred to under §1.7 and all actions taken and decisions made by the Committee or by such officers in this regard will be final, conclusive and binding on all parties concerned, including, but not limited to, the Company, the Eligible Person, and their legal representatives.

Incorporation of Terms of Plan

- 1.9 Subject to specific variations approved by the Board all terms and conditions set out herein will be incorporated into and form part of each Restricted Share Unit granted under this Plan.

Maximum Number of Shares

- 1.10 The aggregate number of Shares that may be reserved for issuance, at any time, under this Plan and under any other share compensation arrangement adopted by the Company, including the Company's incentive stock option plan(s), shall not exceed up to a maximum of 20% of the issued and outstanding Shares at the time of grant pursuant to awards granted under this Plan.
- 1.11 Any Shares subject to a Restricted Share Unit which has been granted under the Plan and which is cancelled or terminated in accordance with the terms of the Plan without being paid out in Shares as provided for in this Plan shall again be available under the Plan.

PART 2 AWARDS UNDER THIS PLAN

Eligibility

- 2.1 Awards will be granted only to Eligible Persons. If any Eligible Person is (pursuant to the terms of his or her employment, engagement or otherwise) subject to a requirement that he or she not benefit personally from an Award, the Committee may (in its discretion, taking into account relevant corporate, securities and tax laws) grant any Award to which such Person would otherwise be entitled to the Person's employer or to any other entity designated by them that directly or indirectly imposes such requirement on the Person. The Committee shall have the power to determine other eligibility requirements with respect to Awards or types of Awards.

Limitation on Issuance of Shares to Insiders

- 2.2 Notwithstanding anything in this Plan, the Company shall not issue Shares under this Plan to any Eligible Person who is an Insider of the Company where such issuance would result in:
- (a) the total number of Shares issuable at any time under this Plan to Insiders, or when combined with all other Shares issuable to Insiders under any other equity compensation arrangements then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Company on a non-diluted basis; and
 - (b) the total number of Shares that may be issued to Insiders during any one-year period under this Plan, or when combined with all other Shares issued to Insiders under any other equity compensation arrangements then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Company on a non-diluted basis.

PART 3 RESTRICTED SHARE UNITS

Participants

- 3.1 Restricted Share Units that may be granted hereunder to a particular Eligible Person in a calendar year will (subject to any applicable terms and conditions and the Board's discretion) represent a right to a bonus or similar payment to be received for services rendered by such Eligible Person to the Company or a Related Entity, as the case may be, in the Company's or the Related Entity's fiscal year ending in, or coincident with, such calendar year.

Grant

- 3.2 The Board may, in its discretion, at any time, and from time to time, grant Restricted Share Units to Eligible Persons as it determines is appropriate, subject to the limitations set out in this Plan, and shall be as set forth in a Restricted Share Unit Notice delivered to such Participant. In making such grants the Board may, in its sole discretion but subject to Section 3.3 hereof, in addition to Performance Conditions set out below, impose such conditions on the vesting of the Awards as it sees fit, including imposing a vesting period on grants of Restricted Share Units.

Vesting

- 3.3 Except as provided in this Plan, Restricted Share Units issued under this Plan will vest and become subject to a Trigger Notice, only upon the date determined by the Board, or if applicable the Committee, which shall be as set forth in a Restricted Share Unit Notice delivered to such Participant.

Forfeiture and Cancellation Upon Expiry Date

- 3.4 Restricted Share Units which do not vest and have not been issued on or before the Expiry Date of such Restricted Share Unit will be automatically deemed cancelled, without further act or formality and without compensation.

Account

- 3.5 Restricted Share Units issued pursuant to this Plan (including fractional Restricted Share Units, computed to three digits) will be credited to a notional account maintained for each Participant by the Company for the purposes of facilitating the determination of amounts that may become payable hereunder. A written confirmation of the balance in each Participant's account will be sent by the Company to the Participant upon request of the Participant.

Adjustments and Reorganizations

- 3.6 In the event of any dividend paid in shares, share subdivision, combination or exchange of shares, merger, consolidation, spin-off or other distribution of Company assets to shareholders, or any other change in the capital of the Company affecting Shares, the Board, in its sole and absolute discretion, will make, with respect to the number of Restricted Share Units outstanding under this Plan, any proportionate adjustments as it considers appropriate to reflect that change.

Notice and Acknowledgement

- 3.7 No certificates will be issued with respect to the Restricted Share Units issued under this Plan. Each Participant will, prior to being granted any Restricted Share Units, deliver to the Company a signed acknowledgement substantially in the form of Schedule "A" to this Plan.

PART 4 PAYMENTS UNDER THE RESTRICTED SHARE UNITS

Payment of Restricted Share Units

- 4.1 Subject to the terms of this Plan and, without limitation, Section 3.3 hereof, the Company will pay out vested Restricted Share Units issued under this Plan and credited to the account of a Participant by issuing (net of any Applicable Withholding Tax) to such Participant, on or before the 10th Business Day following the Trigger Date but no later than the Expiry Date of such vested Restricted Share Unit, an Award Payout of, subject to receipt of the Required Approvals, one Share for such whole vested Restricted Share Unit. Fractional Shares shall not be issued and where a Participant would be entitled to receive a fractional Share in respect of any fractional vested Restricted Share Unit, the Company shall pay to such Participant, in lieu of such fractional Share, cash equal to the Vesting Date Value as at the Trigger Date of such fractional Share. Each Share issued by the Company pursuant to this Plan shall be issued as fully paid and non- assessable.

Award Payout

- 4.2 Upon the vesting of Restricted Share Units, no Shares will be issued by the Company to the Participant, until the receipt by the Company, on or before 5:00 p.m. (PT) on the Expiry Date of a Trigger Notice.

Effect of Termination of Employment or Engagement, Death or Disability

- 4.3 If a Participant shall die while employed or retained by the Company, or while an Officer or Director, the Expiry Date of any vested or unvested Restricted Share Units held by the Participant at the date of death, which have not yet been subject to a Trigger Notice and subsequent Award Payout, shall be amended to the earlier of (i) one (1) year after the date of death, and (ii) the Expiry Date of such Award, except that in the event the expiration of the Award is earlier than one (1) year after the date of death, with Required Approvals, the Expiry Date shall be up to one (1) year after the date of death as determined by the Board. Notwithstanding the foregoing, the Board, in its discretion, may resolve that up to all of the Restricted Share Units held by a Participant at the date of death which have not yet vested shall vest immediately upon death.
- 4.4 If the employment or engagement of a Participant shall terminate with the Company due to Total Disability while the Participant is employed or retained by the Company, the Expiry Date of any vested or unvested Restricted Share Units held by the Participant at the date of his or her termination due to Total Disability, which have not yet been subject to a Trigger Notice and subsequent Award Payout, shall be amended to the earlier of (i) one (1) year after the date of his or her termination due to Total Disability, and (ii) the Expiry Date of such Award, except that in the event the expiration of the Award is earlier than one (1) year after the date of his or her termination due to Total Disability, with Required Approvals, the Expiry Date shall be up to one (1) year after the date of his or her termination due to Total Disability as determined by the Board. Notwithstanding the foregoing, the Board, in its discretion, may resolve that up to all of the Restricted Share Units held by a Participant at the date of his or her termination due to Total Disability which have not yet vested shall vest immediately upon death.
- 4.5 Subject to Section 4.16 hereof, if a Participant ceases to be an Eligible Person (other than as provided in Section 4.3 or 4.4), the Expiry Date of any vested or unvested Restricted Share Units held by the Participant at the date such Participant ceased to be an Eligible Person, which have not yet been subject to a Trigger Notice and subsequent Award Payout, shall be amended to the earlier of (i) one (1) year after the date such Participant ceased to be an Eligible Person, and (ii) the Expiry Date of such Award. Notwithstanding the foregoing, the Board, in its discretion, may resolve that up to all of the Restricted Share Units held by a Participant on the date the Participant ceased to be an Eligible Person which have not yet vested shall vest immediately upon such date.

- 4.6 If the employment of an Employee or Consultant is terminated for cause (as determined by the Board) no Restricted Share Units held by such Participant may be subject to a Trigger Notice following the date upon which termination occurred.

Tax Matters and Applicable Withholding Tax

- 4.7 The Company does not assume any responsibility for or in respect of the tax consequences of the grant to Participants of Restricted Share Units, or payments received by Participants pursuant to this Plan. The Company or relevant Related Entity, as applicable, is authorized to deduct any Applicable Withholding Tax, in such manner (including, without limitation, by selling Shares otherwise issuable to Participants, on such terms as the Company determines) as it determines so as to ensure that it will be able to comply with the applicable provisions of any federal, provincial, state or local law relating to the withholding of tax or other required deductions, or the remittance of tax or other obligations. The Company or relevant Related Entity, as applicable, may require Participants, as a condition of receiving amounts to be paid to them under this Plan, to deliver undertakings to, or indemnities in favour of, the Company or Related Entity, as applicable, respecting the payment by such Participant's applicable income or other taxes.
- 4.8 To the extent required by law, the Company shall make adjustments to, and interpret, the Restricted Share Units as required by the U.S. Uniformed Services Employment and Reemployment Rights Act.

PART 5 MISCELLANEOUS

Compliance with Applicable Laws

- 5.1 The issuance by the Company of any Restricted Share Units and its obligation to make any payments hereunder is subject to compliance with all applicable laws. As a condition of participating in this Plan, each Participant agrees to comply with all such applicable laws and agrees to furnish to the Company all information and undertakings as may be required to permit compliance with such applicable laws. The Company will have no obligation under this Plan, or otherwise, to grant any Restricted Share Unit or make any payment under this Plan in violation of any applicable laws.

The Company intends that the Awards and payments provided for in this Plan either be exempt from Section 409A of the Code, or be provided in a manner that complies with Section 409A of the Code, and any ambiguity herein shall be interpreted so as to be consistent with the intent of this Section 5.1. In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on the any person by Section 409A of the Code or damages for failing to comply with Section 409A. Notwithstanding anything contained herein to the contrary, all payments under this Plan to paid or provided at the time of a termination of employment or service will be paid at a termination of employment or service that constitutes a "separation from service" from the Company within the meaning of Section 409A of the Code and the regulations and guidance promulgated thereunder (determined after applying the presumptions set forth in Treas. Reg. Section 1.409A-1(h)(1)). Further, if at the time of a Participant's termination of employment with the Company, the Participant is a "specified employee" as defined in Section 409A of the Code as determined by the Company in accordance with Section 409A of the Code, and the deferral of the commencement of any payments or benefits otherwise payable hereunder as a result of such termination of employment is necessary in order to prevent any accelerated or additional tax under Section 409A of the Code, then the Company will defer the payment hereunder until the date that is at least six (6) months following the Participant's termination of employment with the Company (or the earliest date permitted under Section 409A of the Code).

Non-Transferability

- 5.2 Restricted Share Units and all other rights, benefits or interests in this Plan are non-transferable and may not be pledged or assigned or encumbered in any way and are not subject to attachment or garnishment,

except that if a Participant dies the legal representatives of the Participant will be entitled to receive the amount of any payment otherwise payable to the Participant hereunder in accordance with the provisions hereof.

No Right to Service

- 5.3 Neither participation in this Plan nor any action under this Plan will be construed to give any Eligible Person or Participant a right to be retained in the service or to continue in the employment of the Company or any Related Entity, or affect in any way the right of the Company or any Related Entity to terminate his or her employment at any time.

Applicable Trading Policies

- 5.4 The Board and each Participant will ensure that all actions taken and decisions made by the Board or the Participant, as the case may be, pursuant to this Plan comply with any applicable securities laws and policies of the Company relating to insider trading or “blackout” periods.

Successors and Assigns

- 5.5 This Plan will enure to the benefit of and be binding upon the respective legal representatives of the Eligible Person or Participants.

Plan Amendment

- 5.6 The Board may amend this Plan as it deems necessary or appropriate, subject to the requirements of applicable laws, but no amendment will, without the consent of any Eligible Person or unless required by law (or for compliance with applicable corporate, securities or tax law requirements or related industry practice), adversely affect the rights of an Eligible Person or Participant with respect to Restricted Share Units to which the Eligible Person or Participant is then entitled under this Plan.

Plan Termination

- 5.7 The Board may terminate this Plan at any time, but no termination will, without the consent of the Participant or unless required by law, adversely affect the rights of a Participant respect to Restricted Share Units to which the Participant is then entitled under this Plan. In no event will a termination of this Plan accelerate the vesting of Restricted Share Units or the time at which a Participant would otherwise be entitled to receive any payment in respect of Restricted Share Units hereunder.

Governing Law

- 5.8 This Plan and all matters to which reference is made in this Plan will be governed by and construed in accordance with the laws of Ontario and the federal laws of Canada applicable therein.

Reorganization of the Company

- 5.9 The existence of this Plan or Restricted Share Units will not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company’s capital structure or its business, or to create or issue any bonds, debentures, Shares or other securities of the Company or to amend or modify the rights and conditions attaching thereto or to effect the dissolution or liquidation of the Company, or any amalgamation, combination, merger or consolidation involving the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

No Shareholder Rights

- 5.1 Restricted Share Units are not considered to be Shares or securities of the Company, and a Participant who is granted Restricted Share Units will not, as such, be entitled to receive notice of or to attend any shareholders’ meeting of the Company, nor entitled to exercise voting rights or any other rights attaching to the ownership of Shares or other securities of the Company, and will not be considered the owner of Shares by virtue of such issuance of Restricted Share Units.

No Other Benefit

- 5.2 No amount will be paid to, or in respect of, an Eligible Person under this Plan to compensate for a downward fluctuation in the fair market value or price of a Share, nor will any other form of benefit be conferred upon, or in respect of, an Eligible Person for such purpose.

Unfunded Plan

- 5.3 For greater certainty, the crediting of any Award to the notional accounts set out in this Plan for any Participant does not confer any entitlement, benefits, or any rights of a similar nature or otherwise, aside from the rights expressly set out in this Plan, and this Plan will be an unfunded plan, including for tax purposes and for purposes of the *Employee Retirement Income Security Act* (United States). Any Participant to which Restricted Share Units are credited to his or her account or holding Restricted Share Units or related accruals under this Plan will have the status of a general unsecured creditor of the Company with respect to any relevant rights that may arise thereunder.

**HAPPY SUPPLEMENTS INC.
RESTRICTED SHARE UNIT PLAN**

RESTRICTED SHARE UNIT NOTICE

Happy Supplements Inc. (the “**Company**”) hereby confirms the grant to the undersigned (the “**Participant**”) of Restricted Share Units (“**Units**”) described in the table below pursuant to the Company’s Restricted Share Unit Plan (the “**Plan**”), a copy of which Plan has been provided to the undersigned Participant. Capitalized terms not specifically defined in this Notice have the respective meanings ascribed to them in the Plan.

Grant Date	No. of Units	Vesting	Expiry Date

The Participant may elect to have Shares issued pursuant to the foregoing Units at any time and from time to time from and including the date Units vest through to 5:00 p.m. (PT) on the date that is the earlier of (i) five (5) years from the date of vesting, and (ii) ten (10) years from the Grant Date, by delivering to the Company the form of Trigger Notice attached as Appendix “I” hereto. No Shares shall be issuable by the Company to the Participant in the event vesting does not occur prior to ten (10) years from the Grant Date.

DATED _____, 20__

HAPPY SUPPLEMENTS INC.

Per: _____
Authorized Signatory

The undersigned hereby accepts such grant, acknowledges being a Participant under the Plan, agrees to be bound by the provisions thereof and agrees that the Plan will be effective as an agreement between the Company and the undersigned with respect to the Units granted or otherwise issued to it.

[If the Units are being issued to a U.S. Participant, include the following additional provisions:]

The undersigned acknowledges and agrees that:

1. The Units and any Shares that may be issued in respect of vested Units pursuant to the Plan have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), and will constitute “restricted securities” as such term is defined in Rule 144 under the U.S. Securities Act;
2. The certificate(s) representing the Shares will be endorsed with the following or a similar legend until such time as it is no longer required under the applicable requirements of the U.S. Securities Act or applicable state securities laws:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, (THE “U.S. SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATIONS UNDER THE U.S. SECURITIES ACT; (C) IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS; OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF CLAUSE (C) OR (D), THE SELLER FURNISHES TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY TO SUCH EFFECT. THE PRESENCE OF THIS LEGEND MAY IMPAIR THE ABILITY OF THE HOLDER HEREOF TO EFFECT “GOOD DELIVERY” OF THE SECURITIES REPRESENTED HEREBY ON A CANADIAN STOCK EXCHANGE.”

provided, that if the Shares are being sold outside the United States in compliance with the requirements of Rule 904 of Regulation S under the U.S. Securities Act (“**Regulation S**”) and the Shares were issued at a time when the Company is a “foreign issuer” as defined in Regulation S, the legend set forth above may be removed by providing an executed declaration to the registrar and transfer agent of the Company, in such form as the Company may prescribe from time to time and, if requested by the Company or the transfer agent, an opinion of counsel of recognized standing in form and substance satisfactory to the Company and the transfer agent to the effect that such sale is being made in compliance with Rule 904 of Regulation S; and provided, further, that, if any Shares are being sold otherwise than in accordance with Regulation S and other than to the Company, the legend may be removed by delivery to the registrar and transfer agent and the Company of an opinion of counsel, of recognized standing reasonably satisfactory to the Company, that such legend is no longer required under applicable requirements of the U.S. Securities Act or state securities laws; and

- 3. The Company may be deemed to be an issuer that at a previous time has been an issuer with no or nominal operations and no or nominal assets other than cash and cash equivalents (a “**Shell Company**”), and if the Company is deemed to have been a Shell Company at any time previously, Rule 144 under the U.S. Securities Act may not be available for resales of the Shares except in very limited circumstances, and the Company is not obligated to make Rule 144 under the U.S. Securities Act available for resales of the Shares.
- 4. If the undersigned is resident in the State of California on the effective date of the grant of the Units, then, in addition to the terms and conditions contained in the Plan and in this Notice, the undersigned acknowledges that the Company, as a reporting issuer under the securities legislation in certain Provinces of Canada, is required to publicly file with the securities regulators in those jurisdictions continuous disclosure documents, including audited annual financial statements and unaudited quarterly financial statements (collectively, the “**Financial Statements**”). Such filings are available on the System for Electronic Document Analysis and Retrieval (SEDAR), and documents filed on SEDAR may be viewed under the Company’s profile at the following website address: www.sedar.com. Copies of Financial Statements will be made available to the undersigned by the Company upon the undersigned’s request.

DATED _____, 20____.

Witness (Signature)

Name (please print)

Address

City, Province/State

Occupation

Participant’s Signature

Name of Participant (print)

APPENDIX "I"

**HAPPY SUPPLEMENTS INC.
RESTRICTED SHARE UNIT PLAN**

TRIGGER NOTICE

TO: HAPPY SUPPLEMENTS INC. (the "Company")

1. The undersigned (the "**Participant**"), being the holder of vested Restricted Share Units to purchase _____ Shares, hereby irrevocably gives notice, pursuant to the Plan, of the request to issue to the Participant _____ Shares.
2. By executing this Trigger Notice, the Participant hereby confirms that the undersigned has read the Plan and agrees to be bound by the provisions of the Plan. All terms not otherwise defined in this Trigger Notice shall have the meanings given to them under the Plan or the attached Restricted Share Unit Notice.
4. The Participant is resident in _____ [name of country/province/state].
5. The Participant hereby represents, warrants, acknowledges and agrees that there may be material tax consequences to the Participant of a request for Shares pursuant to vested Restricted Share Units. The Company gives no opinion and makes no representation with respect to the tax consequences to the Participant under applicable, federal, local or foreign tax law of the Participant's acquisition or disposition of such securities.
6. The Participant hereby represents, warrants, acknowledges and agrees that the certificate(s) representing the Shares may be subject to applicable hold periods and legending pursuant to applicable securities laws.

DATED _____, 20____.

Witness (Signature)

Name (please print)

Address

City, Province/State

Occupation

Participant's Signature

Name of Participant (print)

