

CANADA HOUSE WELLNESS GROUP INC.



**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS AND
MANAGEMENT INFORMATION CIRCULAR**

**IN RESPECT OF AN ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS OF
CANADA HOUSE WELLNESS GROUP INC.
TO BE HELD ON DECEMBER 19, 2019**

Dated as of November 15, 2019

These materials are important and require your immediate attention. The shareholders of Canada House Wellness Group Inc. are required to make important decisions. If you have questions as to how to deal with these documents or the matters to which they refer, please contact your financial, legal or other professional advisor.

If you have any questions or require further information with regard to voting your shares or completing your transmitted documentation, please contact Computershare Investor Services Inc., our transfer agent, toll free within North America at 1-800-564-6253 or by e-mail at service@computershare.com.

CANADA HOUSE WELLNESS GROUP INC.

Notice of Annual General and Special Meeting of Shareholders

Notice is hereby given that an annual general and special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") of Canada House Wellness Group Inc. ("**Canada House**" or the "**Corporation**") will be held at 184 Woodstock Road, Fredericton, New Brunswick, E3B 2H5, on December 19, 2019 at 12:30 p.m. (Eastern time) for the following purposes:

- (a) to receive the audited financial statements of the Corporation for the year ended April 30, 2019, and the report of the auditors thereon;
- (b) to elect directors of the Corporation for the ensuing year;
- (c) to confirm the appointment of Ernst & Young LLP as auditors of the Corporation and to authorize the board of directors (the "**Board of Directors**") to fix their remuneration;
- (d) to consider and, if thought advisable, to pass, with or without variation, a special resolution in the form set forth in the accompanying Circular authorizing an amendment to the Corporation's Articles to consolidate (the "**Consolidation**") the Corporation's issued and outstanding Common Shares on the basis of one post-Consolidation share for every twenty-five (25) pre-Consolidation shares or such lesser Consolidation ratio as the directors may approve; and
- (e) to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The specific details of the foregoing matters to be put before the Meeting are set forth in the Circular accompanying this Notice of Meeting.

The record date for determining the Shareholders entitled to receive notice of and vote at the Meeting is the close of business on November 5, 2019 (the "**Record Date**"). Only Shareholders whose names have been entered in the applicable register of Shareholders as of 5:00 p.m. (Eastern time) on the Record Date are entitled to receive notice of and vote at the Meeting. Those Shareholders of record will be included in the list of Shareholders prepared as at the Record Date and will be entitled to vote the Common Shares recorded therein at the Meeting.

A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment or postponement thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment or postponement thereof. To be effective, such proxy must be received by the Corporation's transfer agent, Computershare Investor Services Inc., by 5:00 p.m. (Eastern time) on December 17, 2019, or two business days prior to the time of the reconvening of any adjournment or postponement of the Meeting.

If you are an unregistered holder of Common Shares and have received these materials through your broker, investment dealer, bank, trust corporation, trustee or other intermediary, please complete and return the form of proxy provided to you by your intermediary in accordance with the instructions provided therein.

If you require any assistance in completing your form of proxy, please contact Computershare Investor Services Inc. by calling toll free within North America at 1-800-564-6253 or by e-mail at service@computershare.com.

DATED at Toronto, Ontario this 15th day of November 2019.

BY ORDER OF THE BOARD OF DIRECTORS OF CANADA HOUSE WELLNESS GROUP INC.

(signed) "*Chris Churchill-Smith*"

Chris Churchill-Smith
Chief Executive Officer

CAUTIONARY STATEMENTS REGARDING FORWARD LOOKING INFORMATION

Except for statements of historical fact contained herein, the information presented in this Circular contains certain "forward-looking information" within the meaning of applicable Canadian securities laws concerning the business, operations and financial performance and condition of the Corporation, including its wholly-owned subsidiaries, Abba Medix Corp, Canada House Clinics Inc. and Knalysis Technologies Inc. Often, but not always, forward-looking statements and forward-looking information can be identified by words such as "plans", "potential", "expects", "may", "should", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", or variations, including negative and grammatical variations thereof, that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved. Forward-looking statements and forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements or forward-looking information. Whether actual results and developments will conform to the Corporation's expectations and predictions, is subject to a number of risks, uncertainties and assumptions, as well as those discussed in the Corporation's Management Discussion and Analysis. Consequently, all of the forward-looking statements in this Circular are qualified by these cautionary statements or as to the Corporation's ability to enhance Shareholder value through this process.

Shareholders are cautioned not to place undue reliance on forward-looking statements and forward-looking information in this Circular. The Corporation undertakes no obligation to update any of the forward-looking statements or forward-looking information in this Circular, except as otherwise required by law. All of the forward-looking statements made and forward-looking information contained in this Circular are qualified by this cautionary statement.

REPORTING CURRENCIES

All references to "\$" in this Circular refer to Canadian dollars.



CANADA HOUSE WELLNESS GROUP INC.

GENERAL PROXY INFORMATION

1. **Date, Time and Place of Meeting**

The Meeting will be held on December 19, 2019, at 12:30 p.m. (Eastern time), at 184 Woodstock Road, Fredericton, New Brunswick, E3B 2H5.

2. **Record Date**

Only Registered Shareholders (as defined herein) of the Corporation as of 5:00 p.m. (Eastern time) on the Record Date of November 5, 2019 are entitled to receive notice of and to vote at the Meeting or the reconvening of any adjournment or postponement thereof. The Record Date will remain the same even if the Meeting is adjourned or postponed.

3. **Voting of Common Shares**

As of the close of business on November 5, 2019, the Corporation had 250,401,972 Common Shares outstanding, each carrying the right to one vote per share. A simple majority of the votes cast at the Meeting, whether in person, by proxy or otherwise, will constitute approval of any matter submitted to a vote at the Meeting, except special resolutions requiring the approval by a majority of not less than two-thirds of the votes cast by Shareholders who vote in respect of the special resolution.

4. **Solicitation of Proxies**

The management of the Corporation is using this Circular to solicit proxies from Shareholders for use at the Meeting. All solicitation costs will be borne by the Corporation. Proxies will be solicited primarily by mail, but proxies may also be solicited personally, by telephone or through electronic means (including via the internet, e-mail or facsimile) by directors, officers and employees of the Corporation.

5. **Appointment and Revocation of Proxies**

The persons named in the enclosed form of proxy are directors or officers of the Corporation. A Shareholder has the right to appoint a person (who need not be a Shareholder) to represent such Shareholder at the Meeting other than the persons designated in the form of proxy provided by the Corporation. To exercise this right, the Shareholder should strike out the name of the management designees in the enclosed form of proxy and insert the name of the desired representative in the blank space provided in the form of proxy or submit another appropriate form of proxy. In order to be effective, a proxy must be received by the Corporation's registrar and transfer agent, Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1, Attention: Proxy Department, no later than 5:00 p.m. (Eastern time) on December 17, 2019, or two business days prior to the time of the reconvening of any adjournment or postponement of the Meeting. The proxy must be in writing and executed by the Shareholder, or such Shareholder's attorney authorized in writing, or if such Shareholder is a corporation, under its corporate seal or by a duly authorized officer or attorney.

A Shareholder who has given a proxy may revoke it by an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered either to the Corporation c/o Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1, Attention: Proxy Department, at any time up to and including 5:00 p.m. (Eastern time) on the last business day preceding the day of the Meeting or the reconvening of any adjournment or postponement of the Meeting or to the chair of the Meeting on the day of the Meeting or the reconvening of any adjournment or postponement of the Meeting. **Only Shareholders who hold Common Shares in certificate form in their name (each such Shareholder shall be hereinafter referred to as a "Registered Shareholder") have the right to revoke a proxy. Beneficial Shareholders (as defined below) who wish to change their vote must arrange for their respective intermediaries to revoke the proxy on their behalf in accordance with any requirements of the intermediaries.**

6. Proxy Voting

All Common Shares represented at the Meeting by properly completed and executed proxies will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the proxy, Common Shares represented by the proxy will be voted in accordance with such instructions. Registered Shareholders will also be able to vote by calling a toll-free number or by using the internet, as provided for in the form of proxy. **In the absence of any such instructions, the persons whose names appear on the printed form of proxy will vote in favour of all the matters set out thereon. If any other business or amendments or variations to matters identified in the Notice of Annual General and Special Meeting of Shareholders properly come before the Meeting, then discretionary authority is conferred upon the persons appointed in the proxy to vote in the manner they see fit.**

7. Advice to Beneficial Shareholders

The information set forth in this section is of significant importance to many Shareholders, as a number of Shareholders do not hold Common Shares in their own names (each such Shareholder shall be hereinafter referred to as a "**Beneficial Shareholder**"). Beneficial Shareholders should note that only proxies deposited by Registered Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's Intermediary or an agent of the Intermediary. In Canada, the majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms and other such Intermediaries). Common Shares held by Intermediaries or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, Intermediaries and their agents and nominees are prohibited from voting Common Shares for their clients. The directors and officers of the Corporation do not know for whose benefit the Common Shares registered in the name of CDS & Co., or of other Intermediaries, are held. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.**

Applicable regulatory policy requires Intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every Intermediary 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 Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its Intermediary (or the agent of its Intermediary) is similar to the form of proxy provided to Registered Shareholders. However, its purpose is limited to instructing the Registered Shareholder (the Intermediary or the agent of the Intermediary) how to vote on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Services, Inc. ("**Broadridge**"). Broadridge typically mails a scannable voting instruction form instead of the form of proxy. The Beneficial Shareholder is asked to complete the voting instruction form and return it to Broadridge by mail or facsimile. Alternatively, the Beneficial Shareholder can call a toll-free telephone number or visit www.proxyvote.com to vote the Common Shares held by the Beneficial Shareholder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the applicable meeting. **A Beneficial Shareholder receiving a voting instruction form cannot use that voting instruction form to vote Common Shares directly at the Meeting. The voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

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

8. Voting Securities and Principal Holders of Voting Securities

The Corporation is authorized to issue an unlimited number of Common Shares. As at November 5, 2019, there are 250,401,972 Common Shares issued and outstanding, each carrying the right to one vote on all matters to come before the Meeting.

To the knowledge of the directors and executive officers of the Corporation, the following are the only persons who beneficially own or exercise control or direction over, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to any class of outstanding securities of the Corporation entitled to vote at the Meeting:

Name of Shareholder	Number of Common Shares held	Percentage of outstanding Common Shares
Mike Southwell	35,762,506 ⁽¹⁾	14.28%
Fabian Henry	31,280,015 ⁽²⁾	12.49%

Notes:

(1) Per insider reporting filed at www.sedi.ca. Includes 5,166,666 Common Shares held by MWS Holdings Inc., over which Mr. Southwell exercises control or direction. Mr. Southwell also is the beneficial holder of 9,429,666 common share purchase warrants of the Corporation, 5,263,000 of which are currently exercisable at a price per common share of \$0.40 and 4,166,666 of which currently exercisable at a price per common share of \$0.30. Mr. Southwell also holds options to purchase 1,200,000 Common Shares at an exercise price of \$0.25 per Common Share.

(2) Per insider reporting filed at www.sedi.ca. Includes 1,000,000 Common Shares held by 678737 N.B. Corp. and 112,425 Common Shares held by Julianne Nowe over which Mr. Henry exercises control or direction. Mr. Henry also is the beneficial holder of 5,263,000 common share purchase warrants of the Corporation currently exercisable at a price per common share of \$0.40. Mr. Henry also holds options to purchase 1,200,000 Common Shares at an exercise price of \$0.25 per Common Share.

As of the date hereof, the directors and officers of the Corporation, as a group, beneficially own, directly or indirectly, or exercise control or direction over an aggregate of 346,625 (0.13%) Common Shares.

MATTERS TO BE ACTED UPON AT THE MEETING

1. Financial Statements

The audited financial statements of the Corporation for the year ended April 30, 2019 and the report of the auditors thereon will be received at the Meeting. The audited financial statements of the Corporation and the report of the auditors were previously provided to each Shareholder entitled to receive a copy of the Notice of Meeting and this Information Circular and who requested a copy of the audited financial statements and the report of the auditors thereon. The financial statements are also available on SEDAR at www.sedar.com.

2. Election of Directors

The Board of Directors is currently composed of five (5) existing directors, all of whom are elected annually. In accordance with the *Canada Business Corporation Act* (the "Act"), the directors are authorized from time to time to fix the number of directors between a minimum of three (3) and a maximum of fifteen (15) directors, without the prior consent of shareholders. The term of office for each of the present directors of the Corporation expires at the Meeting. All five (5) current directors will be standing for re-election at the Meeting. It is proposed that the five (5) persons named below will be nominated at the Meeting. Each director elected will hold office until the next annual meeting of Shareholders of the Corporation, unless a director's office is vacated earlier due to death, removal, resignation or ceasing to be duly qualified (collectively, the "Proposed Directors").

In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to vote at the Meeting FOR the election as directors of the Proposed Directors whose names are set forth below. Management does not contemplate that any of the Proposed Directors will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by properly executed proxies given in favour of such nominee(s) may be voted by the person(s) designated by management of the Corporation in the enclosed form of proxy, in their discretion, in favour of another nominee.

In the event that, prior to the Meeting, any vacancies occur in the slate of nominees submitted herein, it is intended that the discretionary power granted by the enclosed form of proxy shall be used by the persons named therein to vote at their discretion for any other person or persons as directors.

The following table and notes thereto set forth the names of all the Proposed Directors to be nominated for election as directors, their positions with the Corporation, their principal occupations or employments, the periods during which they have served as directors of the Corporation and the approximate number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, by each of them. The information as to Common Shares beneficially owned or over which control or

direction is exercised, not being within the knowledge of the Corporation, has been furnished by the respective Proposed Directors individually.

Name and municipality of residence	Position with the Corporation	Director Since	Principal occupation for Previous Five Years	Number of Common Shares owned, controlled or directed
Norman Betts ⁽¹⁾⁽²⁾ Fredericton, New Brunswick	Director	2018	Professor, Faculty of Business Administration, University of New Brunswick	Nil ⁽³⁾
Chris Churchill-Smith Montreal, Quebec	Chief Executive Officer and Director	2018	Chief Executive Officer of the Corporation; previously Founder of Axes Capital	145,000 ⁽⁴⁾
Shawn Graham Fredericton ⁽¹⁾ New Brunswick	Director	2019	President & CEO, G&R Holdings Inc., a company that assists in the development and implementation of international projects and business alliance strategies.	Nil ⁽⁵⁾
Gaetan Lussier ⁽²⁾ Ottawa, Ontario	Director	2019	Corporate Director	Nil ⁽⁶⁾
Dennis Moir ⁽¹⁾⁽²⁾ Toronto, Ontario	Director	2018	Corporate Director; previously CFO/COO of CNW Group Ltd.	9,125 ⁽⁷⁾

Notes:

(1) Member of the Corporate Governance, Nominations and Compensation Committee. Mr. Shawn Graham is the chair of the Corporate Governance, Nominations and Compensation Committee.

(2) Member of the Audit and Risk Management Committee. Mr. Norman Betts is the chair of the Audit and Risk Management Committee.

(3) Mr. Betts holds options to purchase 1,250,000 common shares, 750,000 of which are exercisable at an exercise price of \$0.20 per share and 500,000 of which are exercisable at \$0.19 per share.

(4) Mr. Churchill-Smith holds options to purchase 3,200,000 common shares, 2,000,000 of which are exercisable at an exercise price of \$0.21 per share and 1,200,000 of which are exercisable at \$0.17 per share.

(5) Mr. Graham holds options to purchase 500,000 common shares at an exercise price of \$0.15 per share.

(6) Mr. Lussier holds options to purchase 500,000 common shares at an exercise price of \$0.15 per share.

(7) Mr. Moir holds options to purchase 1,250,000 common shares, 750,000 of which are exercisable at an exercise price of \$0.20 per share and 500,000 of which are exercisable at \$0.19 per share.

During the last five years, the Proposed Directors have been engaged in their present principal occupations or in other executive capacities with the companies indicated opposite their names or with related or affiliated companies.

To the knowledge of the Corporation, no director of the Corporation or any of the Proposed Directors are, or have been within the past 10 years, a director or officer of any corporation that, while such person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied such corporation access to any exemptions under Canadian securities legislation for a period of more than 30 consecutive days, or, while such person was acting in that capacity or within one year thereafter, was declared bankrupt or made a voluntary assignment in bankruptcy, 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.

To the knowledge of the Corporation, no director of the Corporation or any of the Proposed Directors are, or have been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority, or has entered into a settlement agreement with a Canadian securities regulatory authority, nor has any director of the Corporation or any of the Proposed Directors been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in deciding whether to vote for a Proposed Director.

To the knowledge of the Corporation, except as described below, no director of the Corporation or any of the Proposed Directors, nor any personal holding corporation of any such person, has, within the past 10 years, been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been 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 that individual.

Mr. Norman Betts was a director of Starfield Resources Inc. when it underwent bankruptcy proceedings under the *Bankruptcy and Insolvency Act* (Canada) in 2013.

3. Appointment of Auditors

On February 7, 2019, at the request of the Corporation, RSM Canada LLP, Chartered Professional Accountants (“RSM”) resigned as auditor of the Corporation. The board appointed Ernst & Young LLP (“E&Y”) of EY Tower, 100 Adelaide Street West, PO Box 1, Toronto, Ontario M5H 0B3 as auditor of the Corporation to fill the vacancy created thereby. RSM was first appointed auditor of the Corporation on November 4, 2015. E&Y was appointed auditor of the Corporation on February 7, 2019.

In accordance with the provisions of National Instrument 51-102 *Continuous Disclosure Obligations* (“NI 51-102”), annexed to this Information Circular as Schedule “B” is the requisite reporting package relating to the resignation of RSM and the appointment of E&Y as successor auditor. To the date of its resignation, RSM had never expressed any reservation in any report on the Corporation’s consolidated financial statements or issued any “reportable events” (as defined in Section 4.11(1) of NI 51-102).

Shareholders are being asked to confirm the actions of the board and appoint E&Y as auditor of the Corporation to hold office until the next annual meeting of shareholders. **Unless authority to do so is withheld, proxies given pursuant to this solicitation by the management of the Corporation will be voted “FOR” the appointment of Ernst & Young LLP as auditor of the Corporation to hold office until the close of the next annual meeting of Shareholders, at a remuneration to be fixed by the Board.**

Additional information on the Corporation’s Audit and Risk Management Committee, and on the Corporation’s relationship with its independent auditor, is set out in the section “Audit and Risk Management Committee”, below.

The fees paid to RSM for the audit of the financial year ended April 30, 2018 and to E&Y for the audit of the financial year ended April 30, 2019 were as follows:

	2019	2018
Audit fees ⁽¹⁾	\$186,000	\$230,000
Audit-related fees ⁽²⁾	Nil	Nil
Tax fees ⁽³⁾	Nil	Nil
All other fees ⁽⁴⁾	Nil	Nil
Total	\$186,000	\$230,000

Notes:

- (1) "Audit fees" include fees necessary to perform the annual audit of the Corporation's consolidated financial statements. Audit fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-related fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax fees" include fees for all tax services other than those included in Audit fees. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice include assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and request for rulings or technical advice from tax authorities.
- (4) "All other fees" include all other non-audit services.

4. Share Consolidation

Shareholders will be asked to consider, and, if thought advisable, to pass, with or without variation, a special resolution authorizing the filing of articles of amendment in order to effect a consolidation (the “Consolidation”) of the Common Shares on the basis of twenty-five (25) pre-Consolidation shares for one (1) post-Consolidation Share of the Corporation or such less Consolidation ratio as the Board may approve (the “Consolidation Ratio”). No fractional shares will be issued under the Consolidation.

Upon completion of the Consolidation, any resulting shares with the first decimal place being less than five will be cancelled without payment of any consideration, any resulting shares with the first decimal place being five or greater will be rounded up to one whole post-Consolidation share.

Rationale for the Share Consolidation

The Board believes that it is in the best interests of the Corporation to optimize the share structure of the Corporation by reducing the number of shares that are outstanding.

Effects of the Consolidation

The Consolidation will have the following effects on the current share capital of the Corporation:

- (a) the number of Common Shares of the Corporation issued and outstanding will be reduced on the basis of the Consolidation Ratio;
- (b) the number of Common Shares of the Corporation issuable upon the conversion or exercise of outstanding warrants, options, convertible debentures and other similar instruments of the Corporation will be reduced proportionately based on the Consolidation Ratio with corresponding adjustments, where applicable, to the exercise or conversion price of such instruments;
- (c) the number of Common Shares reserved for issuance under the Corporation's Stock Option Plan will be reduced proportionately based on the Consolidation Ratio.

Share Consolidation Resolution

If the requisite approval of the Shareholders is obtained, the Consolidation will take place as soon as reasonably practicable following the Meeting, subject to the receipt of all necessary regulatory approvals, including the consent of the Canadian Securities Exchange. Notwithstanding the approval by the Shareholders, the Board may, without further shareholder action, revoke the special resolution authorizing the Consolidation and not implement the Consolidation, if in the sole discretion of the Board, it is deemed desirable to do so.

The full text of the special resolution approving the Consolidation is as follows:

“BE IT RESOLVED, AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS OF THE CORPORATION THAT:

1. The Corporation is hereby authorized to consolidate the issued and outstanding Common Shares of the Corporation (the “Consolidation”) on the basis of twenty-five (25) pre-Consolidation shares for one (1) post-Consolidation share of the Corporation or such lesser Consolidation ratio as the directors may approve. Any resulting fractional shares with the first decimal place being less than five shall be cancelled without payment of any consideration, and any resulting fractional shares with the first decimal place being five or greater shall be rounded up to one whole post-Consolidation share;
2. Notwithstanding that this special resolution has been passed by the shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered without further notice to, or approval of, the shareholders to determine not to proceed with the Consolidation at any time prior to the filing of the articles of amendment giving effect to the Consolidation. The directors of the Corporation may, at their sole discretion, revoke this resolution before it is acted upon without further approval or authorization of the shareholders of the Corporation;
3. The effective date of the Consolidation shall be the date shown in the certificate of amendment issued under the *Canada Business Corporations Act* or such other date indicated in the articles of amendment;
4. Any officer or director of the Corporation is hereby authorized and directed for on behalf of the Corporation to execute and deliver all such documents and to do all such other acts and things as he or she may determine to be necessary or advisable to give effect to this special resolution including, without limitation, to determine the timing for delivery and effect the delivery of articles of amendment in the prescribed form to the Director appointed under the *Canada Business Corporations Act*, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

To be effective, the special resolution to approve the Consolidation must be approved by a majority of not less than two-thirds of the votes cast by the Shareholders who vote in respect of the special resolution in person or represented by proxy at the Meeting in accordance with the provisions of the *Canada Business Corporations Act*.

The Board recommends that Shareholders vote “FOR” the resolution relating to the Corporation’s name change. Unless a Shareholder directs that his or her Common Shares are to be voted against this resolution, the persons named in the enclosed form of proxy will vote FOR the special resolution to consolidate the Common Shares.

Procedure for Implementing the Consolidation

If the Board decides to proceed with the Consolidation and assuming that Shareholder approval for the Consolidation is received at the Meeting and all regulatory approvals are obtained, including the approval of the Canadian Securities Exchange, the Consolidation will only become effective upon the filing by the Corporation of Articles of Amendment with the Director under the *Canada Business Corporations Act* giving effect to the Consolidation and the endorsement by the Director of a certificate of amendment in respect thereof.

The Corporation will issue a press release announcing the filing of the Articles of Amendment giving effect to the Consolidation, and, in accordance with the rules of the Canadian Securities Exchange, the post-Consolidation Common Shares will be assigned a new CUSIP number.

Letter of Transmittal

Included with these Meeting Materials is a letter of transmittal (the "**Letter of Transmittal**") which will need to be duly completed and submitted by any Shareholders wishing to receive share certificates reflecting the post-Consolidation shares to which he, she or it is entitled if the Corporation completes the Consolidation. The Letter of Transmittal can be used for the purpose of surrendering certificates representing the currently outstanding shares to the Corporation's registrar and transfer agent in exchange for new share certificates reflecting the post-Consolidation shares of the Corporation.

After the Consolidation, currently issued share certificates reflecting the pre-Consolidation shares of the Corporation will (i) not constitute good delivery for the purpose of trades following the Consolidation; and (ii) be deemed for all purposes to represent the number of post-Consolidation shares to which the Shareholders are entitled as a result of the Consolidation. No delivery of a new certificate to a Shareholder will be made until the Shareholder has surrendered his, her or its current issued certificates. Please do not send the Letter of Transmittal until the Corporation announces by press release that the Consolidation will become effective.

Non-registered Shareholders holding Common Shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have different procedures for processing the Consolidation than those that will be put in place by the Corporation for registered Shareholders. If you hold shares with such bank, broker or other nominee and if you have questions in this regard, you are encouraged to contact your nominee to obtain instructions.

Certain Risks Associated with the Consolidation

The Board believes that it is in the best interests of the Corporation to reduce the number of outstanding Common Shares by way of the Consolidation; however, there are certain risks associated with the Consolidation, including, but not limited to:

- Impact on Common Share Price – numerous factors could affect the price of the Common Shares following the Consolidation, including those described in the Corporation’s public filings. Accordingly, the price of the Common Shares may not be sustainable at the direct arithmetic result of the Consolidation, and may be lower. If the price of the Common Shares is lower than it was before the Consolidation on an arithmetic equivalent basis, the Corporation's total market capitalization after the Consolidation may be lower than before the Consolidation;
- Reduced Liquidity – a decline in the price of the Common Shares after the Consolidation may result in a greater percentage decline than would occur in the absence of the Consolidation and thus the marketability and liquidity of the Common Shares could be adversely affected following the Consolidation; and
- Creation of “Odd Lots” – the Consolidation may result in some Shareholders owning “odd lots” of less than a "board lot" of Common Shares on a post-Consolidation basis, which may be more difficult to sell, or require greater transaction costs per Common Share to sell than Common Shares held in “board lots”.

Regulatory Approvals

The Consolidation is subject to regulatory approval including, but not limited to, approval of the Canadian Securities Exchange. As a condition to the approval of a consolidation of shares listed for trading on the Canadian Securities Exchange, the Canadian Securities Exchange requires, among other things, that an issuer continue to meet the continued listing requirements of the Canadian

Securities Exchange on a post-Consolidation basis. In order for the Corporation to continue to meet such continued listing requirements, it must have at least 150 “public holders” holding at least one “board lot” of the security each, after completion of the Consolidation. As a result, the Board may in its sole discretion determine that it is necessary to implement a lower share consolidation ratio in order to satisfy the applicable continued listing requirements of the Canadian Securities Exchange and obtain approval of the Consolidation from the Canadian Securities Exchange. The Board may also determine to implement a lower share consolidation ratio for other reasons, such as to adjust to a higher stock price for the Corporation's Common Shares or to reflect an increase in the actual or expected value of the Corporation's assets.

Effect on Convertible Securities, Stock Options and Other Arrangements

The exercise price and/or the number of shares of the Corporation issuable under any of the Corporation’s outstanding convertible securities, purchase warrants, stock options and any other similar securities will be proportionately adjusted based upon the Consolidation Ratio.

STATEMENT OF EXECUTIVE COMPENSATION

The following section provides disclosure of compensation earned by the Named Executive Officers and directors of the Corporation in connection with their office or employment with the Corporation for each of the two most recently completed financial years. The following information is presented in accordance with the requirements of Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* (“**Form 51-102F6V**”) and provides details of all compensation for each of the directors and Named Executive Officers of the Corporation for the fiscal years ended April 30, 2018 and 2019.

For the purposes of this Circular, a Named Executive Officer of the Corporation means each of the following individuals:

- (a) the chief executive officer (“CEO”);
- (b) the chief financial officer (“CFO”);
- (c) in respect of the Corporation and its subsidiaries, the most highly compensated executive officer or the most highly compensated individual acting in a similar capacity, other than the CEO and CFO, whose total compensation was more than \$150,000 for the financial year; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries, nor acting in a similar capacity, at the end of the financial year.

The following individuals are considered to be Named Executive Officers of the Corporation for the fiscal year ended April 30, 2019: Chris Churchill-Smith, CEO, Paul Hart, CFO, Larry Bortles, former Chief Executive Officer, and James Riley McGee, former Chief Operating Officer.

Summary Compensation Table

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation to each Named Executive Officer and director, in any capacity, for the last two fiscal years ended April 30, 2018 and 2019.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Chris Churchill-Smith, CEO ⁽¹⁾	2019	187,625					187,625
	2018	--	--	--	--	--	--
Paul Hart, CFO ⁽²⁾	2019	170,000	25,000	--	13,000	--	208,000
	2018	12,500	--	--	1,000	--	13,500
Larry Bortles, Former Chief Executive Officer ⁽³⁾	2019	15,000	--	--	--	138,499	153,499
	2018	85,000	--	--	--	4,740	89,740
James Riley McGee, Former Director and Chief Operating Officer ⁽⁴⁾	2019	169,000	--	--	--	--	169,000
	2018	175,333	20,000	--	--	36,228	231,561
Norman Betts, Director ⁽⁵⁾	2019	--	--	12,500	--	--	12,500
	2018	--	--	--	--	--	--
Shawn Graham, Director ⁽⁶⁾	2019	--	--	--	--	--	--
	2018	--	--	--	--	--	--
Gaetan Lussier, Director ⁽⁶⁾	2019	--	--	--	--	--	--
	2018	--	--	--	--	--	--
Dennis Moir, Director ⁽⁵⁾	2019	--	--	16,500	--	--	16,500
	2018	--	--	--	--	--	--
Michael Southwell, Director ⁽⁷⁾	2019	--	--	9,500	--	--	9,500
	2018	--	--	--	--	--	--

Notes:

1. Mr. Churchill-Smith was appointed CEO of the Corporation on June 1, 2018.
2. Mr. Hart was appointed CFO effective April 1, 2018.
3. Mr. Bortles was ceased in his capacity as Chief Executive Officer of the Corporation effective June 30, 2018.
4. Mr. McGee ceased in his capacity as a Director and Chief Executive Officer of the Corporation as of July 8, 2019.
5. Appointed as a director effective August 10, 2018.
6. Appointed as a director effective April 15, 2019.
7. Resigned as director effective April 15, 2019

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and Named Executive Officer by the Corporation or one of its subsidiaries in the financial year ended April 30, 2019 for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Chris Churchill-Smith, CEO	Stock Options	2,000,000 ⁽¹⁾ options to acquire 2,000,000 Common Shares (<1.0% of class)	June 27, 2018	\$0.21	\$0.21	\$0.155	June 26, 2023
		1,200,000 ⁽²⁾ options to acquire 1,200,000 Common Shares (<1.0% of class)	November 21, 2018	\$0.17	\$0.17	\$0.155	November 20, 2023
Paul Hart, CFO	Stock Options	1,500,000 ⁽¹⁾ options to acquire 1,500,000 Common Shares (<1.0% of class)	July 18, 2018	\$0.20	\$0.20	\$0.155	July 17, 2023
		850,000 ⁽²⁾ options to acquire 850,000 Common Shares (<1.0% of class)	November 21, 2018	\$0.17	\$0.17	\$0.155	November 20, 2023
Larry Bortles, Former Chief Executive Officer	Nil	Nil	N/A	N/A	N/A	N/A	N/A
James Riley McGee, Former Director and Chief Operating Officer	Stock Options	1,500,000 ⁽¹⁾ options to acquire 1,500,000 Common Shares (<1.0% of class)	September 18, 2018	\$0.20	\$0.20	\$0.155	September 17, 2023
		750,000 ⁽²⁾ options to acquire 750,000 Common Shares (<1.0% of class)	November 21, 2018	\$0.17	\$0.17	\$0.155	November 20, 2023
Norman Betts, Director	Stock Options	750,000 ⁽³⁾ options to acquire 750,000 Common Shares (<1.0% of class)	August 9, 2018	\$0.20	\$0.20	\$0.155	August 8, 2023
		500,000 ⁽³⁾ options to acquire	October 30, 2018	\$0.19	\$0.19	\$0.155	October 30, 2023

		500,000 Common Shares (<1.0% of class)					
Shawn Graham, Director	Stock Options	500,000 ⁽³⁾ options to acquire 500,000 Common Shares (<1.0% of class)	April 15, 2019	\$0.15	\$0.15	\$0.155	April 14, 2024
Gaetan Lussier, Director	Stock Options	500,000 ⁽³⁾ options to acquire 500,000 Common Shares (<1.0% of class)	April 15, 2019	\$0.15	\$0.15	\$0.155	April 14, 2024
Dennis Moir, Director	Stock Options	750,000 ⁽³⁾ options to acquire 750,000 Common Shares (<1.0% of class)	August 9, 2018	\$0.20	\$0.20	\$0.155	August 8, 2023
		500,000 ⁽³⁾ options to acquire 500,000 Common Shares (<1.0% of class)	October 30, 2018	\$0.19	\$0.19	\$0.155	October 30, 2023

Notes:

1. These stock options vest quarterly commencing with the date of grant in four equal installments.
2. These stock options vest in equal quarterly installments on each of the three, six, nine and twelve month anniversaries of the date of grant.
3. These stock options vest quarterly commencing with the three-month anniversary of the date of grant in twelve equal installments.
4. 100,000 of these stock options vest immediately and the remaining 1,000,000 of these stock options vest quarterly commencing with the three-month anniversary of the date of grant in two equal installments.

No compensation securities were exercised by a director or named executive officer during the financial year ended April 30, 2019

Stock Option Plan

The Corporation maintains a Stock Option Plan for the benefit of directors, officers, employees and consultants. The maximum number of Common Shares reserved for issuance and available for purchase pursuant to options granted under the Stock Option Plan cannot exceed 10% of the total number of Common Shares of the Corporation issued and outstanding at the date of any grant made. In addition, the aggregate number of Common Shares so reserved for issuance to one person may not exceed 5% of the issued and outstanding Common Shares. Options pursuant to the Stock Option Plan are granted at the discretion of the Board of Directors, vest at schedules determined by the Board of Directors which shall not exceed five years from the date of grant and have an exercise price of not less than that permitted by the stock exchange on which the shares are listed.

Termination and Change of Control Benefits

The Corporation has entered into an Employment Agreement ("**CEO Employment Agreement**") with Chris Churchill-Smith pursuant to which Mr. Churchill-Smith was appointed Chief Executive Officer of the Corporation. Under the CEO Employment Agreement, if the Corporation terminates Mr. Churchill-Smith without cause, Mr. Churchill-Smith is entitled to continue to receive his then-current base salary and for the Corporation to continue to make regular employer contributions towards Mr. Churchill-Smith's then-current group benefits coverage for a period of 24 months.

The Corporation has entered into an Employment Agreement ("**CFO Employment Agreement**") with Paul Hart pursuant to which Mr. Hart was appointed Chief Financial Officer of the Corporation. Under the CFO Employment Agreement, if the Corporation terminates Mr. Hart without cause, Mr. Hart is entitled to continue to receive the greater of his then-current base salary or a deemed base salary of \$250,000 and for the Corporation to continue to make regular employer contributions towards Mr. Hart's then-current group benefits coverage for a period of 24 months.

Oversight and Description of Director and Named Executive Officer Compensation of the Corporation

The Board of Directors is responsible for developing and implementing the directors' compensation plan. The main objectives of the directors' compensation plan are (a) to attract and retain the services of the most qualified individuals, (b) to compensate the directors in a manner that is commensurate with the risks and responsibilities assumed in board and board committee membership, and is competitive with other comparable public issuers, and (c) to align the interests of the directors with those of the long-term Shareholders.

The Corporate Governance, Nominations and Compensation Committee is responsible for reviewing the Corporation's policy regarding remuneration of Directors and making recommendations to the Board. Currently, the Corporation's practice is to compensate the Chair of the Board with a monthly retainer of \$3,500, chairs of the committees of the Board with a monthly retainer of \$2,500 and other independent directors with a monthly retainer of \$2,000, provided that a Director is only entitled to one of the foregoing fees, being the highest fee to which such Director is entitled. In addition, independent directors may be granted stock options pursuant to the Corporation's stock option plan. Non-independent directors do not receive additional compensation in their capacity as a director.

In setting compensation for the Named Executive Officers, the Board of Directors reviews salaries paid to the executive officers of the Corporation, salaries and bonuses paid to other officers of equivalent role in the industry and the Named Executive Officers' impact on the achievement of the Corporation's objectives for the previous and current financial year.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at April 30, 2019, with respect to the Stock Option Plan, being the sole compensation plan pursuant to which equity securities of the Corporation are authorized for issuance. A description of the Stock Option Plan may be found earlier in this Circular under the heading "*Statement of Executive Compensation – Compensation Discussion and Analysis*".

Plan	Number of securities to be issued upon exercise of outstanding options	Weighted average exercise price of outstanding options (\$)	Number of Common Shares remaining available for future issuance under the Stock Option Plan
Stock Option Plan	20,200,000 ⁽¹⁾	\$0.20	5,115,757

Notes:

- No stock options have been issued since the end of the financial year ended April 30, 2019.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date hereof, none of the executive officers, directors, employees or former executive officers, directors or employees of the Corporation or any of its subsidiaries was indebted to the Corporation or any of its subsidiaries and, as at the date hereof, the indebtedness, if any, of such persons to other entities was not the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

MANAGEMENT CONTRACTS

Management services for the Corporation are not, to any substantial degree, performed by persons other than the executive officers of the Corporation. The Corporation was not subject to any management agreement for the financial year ended April 30, 2019.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purpose of this Circular, an "**Informed Person**" of the Corporation means: (a) a director or executive officer of the Corporation; (b) a director or executive officer of a person or corporation that is itself an Informed Person or subsidiary of the Corporation; (c) any person or corporation who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation, other than voting securities held by the person or corporation as underwriter in the course of a distribution; and (d) the Corporation, if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

To the knowledge of the Corporation, no Informed Person of the Corporation, and no associate or affiliate of any such person, at any time, has or had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction that has materially affected the Corporation, in any proposed transaction that could materially affect the Corporation, or in any matter to be acted upon at the Meeting, except as disclosed below.

REPORT ON CORPORATE GOVERNANCE

The Corporation and the Board recognize the importance of corporate governance to the effective management of the Corporation and to the protection of its stakeholders, particularly Shareholders. The Corporation is pleased to present its approach to corporate governance which is designed with a view to ensuring that the business and affairs of the Corporation are effectively managed so as to enhance Shareholder value. The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or as required. The directors are kept informed regarding the Corporation’s operations at regular meetings, or as otherwise required and through reports and discussions with management on matters within their particular areas of expertise. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Corporation’s affairs and in light of opportunities or risks that the Corporation faces.

National Policy 58-201 – *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices which disclosure is set out below, in accordance with Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)*.

Board of Directors

Five (5) directors are being nominated for election to the Board of Directors.

Pursuant to National Instrument 52-110 – *Audit Committees (“NI 52-110”)*, a director is considered independent if he or she has no direct or indirect material relationship with the Corporation that the Board believes could reasonably be perceived to materially interfere with his or her ability to exercise independent judgment. NI 52-110 sets out certain situations where a director is deemed to have a material relationship with the Corporation.

The Board of Directors considers Norman Betts, Shawn Graham, Gaetan Lussier and Dennis Moir to be independent. The Board of Directors considers that Chris Churchill-Smith is not independent by virtue of being the Corporation’s CEO.

As considered necessary or desirable, the independent members of the Board of Directors are able to meet without the non-independent directors being present.

Directorships

Other than as follows, none of the current directors of the Corporation currently serve as a director of any other reporting issuer:

Name	Reporting Issuer	Market
Norman Betts	Biotricity Inc. Tanzanian Gold Corporation 49 North Resources Inc. Adex Mining Inc. Mimi’s Rock Corp. IntelliPharmaCeutics International Inc.	OTC TSX TSX Venture Exchange TSX Venture Exchange TSX Venture Exchange TSX
Shawn Graham	IntelliPharmaCeutics International Inc.	TSX
Gaetan Lussier	3 Sixty Risk Solutions Ltd.	Canadian Securities Exchange

Orientation and Continuing Education

The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. The Corporation has not yet developed a formal orientation or training program for new directors or a formal continuing

education program for existing directors. Nevertheless, through discussions and meetings with other directors, officers and employees, new directors will be provided with a thorough description of the Corporation's business, properties, assets, operations and strategic plans and objectives. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

Ethical Business Conduct

As part of its responsibility for the stewardship of the Corporation, the Board seeks to foster a culture of ethical conduct by requiring the Corporation to carry out its business in line with high business and moral standards and applicable legal and financial requirements.

In exercising their powers and discharging their duties, the Board is required to act honestly and in good faith with a view to the best interests of the Corporation, and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to officers, directors, employees and consultants, to help them recognize and deal with ethical issues; promoting a culture of honesty, integrity and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

The Board takes steps to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or an employee or consultant of the Corporation has a material interest, which include ensuring that such individuals are familiar with rules concerning reporting conflicts of interest and obtaining direction from the Board or a member of senior management of the Corporation regarding any potential conflicts of interest.

The Board intends to adopt a written code of business conduct and ethics (the "Code"), which will apply to all employees, contractors, consultants, officers and directors of the Corporation. The purpose of the Code is to, among other things, promote honest and ethical conduct, promote the avoidance of conflicts of interest, promote compliance with applicable laws, rules and regulations, provide guidance to employees, contractors, consultants, officers and directors of the Corporation to help them recognize and deal with ethical issues and help foster a culture of honesty and accountability for the Corporation. Once adopted by the Board, a copy of the Code will be filed with the regulators, in accordance with applicable legislation, and will be available under the Corporation's profile on SEDAR at www.sedar.com.

The Board intends to adopt a written "Whistleblower Policy" which establishes procedures for: (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, auditing matters or violations of the Code; and (ii) the submission by employees, contractors, consultants, directors or officers of the Corporation, on a confidential and anonymous basis, of concerns regarding questionable accounting, auditing matters or violations of the Code, any other policy, charter or mandate of the Corporation, or applicable laws, rules and regulations.

The Board has adopted an "Insider Trading and Blackout Period Policy" to ensure, among other things: (i) strict compliance by all insiders with all requirements relating to the reporting of insider trading and with respect to trading when in possession of "undisclosed material information" (as defined in the policy); and (ii) that individuals subject to scheduled and unscheduled blackout periods adhere to the restrictions on trading as set out in the policy.

Nomination of Directors

The Corporate Governance, Nominations and Compensation Committee, on behalf of the Board, is responsible for the nomination of directors and identifying new candidates for appointment to the Board. In that regard, the Board is also responsible for identifying the competencies and skills required for nominees to the Board, with a view to ensuring that the Board is comprised of directors with the necessary skills and experience to facilitate effective decision-making. The Board may retain external consultants or advisors to conduct searches for appropriate potential director candidates if necessary.

The Board will consider its size each year when it determines the number of directors to be nominated for election. The Board will identify and recommend new nominees as directors of the Corporation based upon the following considerations:

- (i) the competencies and skills necessary for the Board as a whole to possess;
- (ii) the competencies and skills necessary for each individual director to possess;
- (iii) the competencies and skills which each new nominee of the Board is expected to bring; and

(iv) whether the proposed nominees to the Board will be able to devote sufficient time and resources to the Corporation.

Mr. Shawn Graham is the Chair of the Corporate Governance, Nominations and Compensation Committee and Mr. Dennis Moir and Mr. Norman Betts are members of such committee.

Compensation

The Corporate Governance, Nominations and Compensation Committee is responsible for making recommendations regarding remuneration of Directors. The details of the current director remuneration policy and details of the remuneration paid to Directors for the last fiscal year are set out earlier in this Circular under the heading "*Statement of Executive Compensation – Director Compensation*".

The Corporation's Executive Compensation Program is administered by the Board of Directors upon the recommendations of the Corporate Governance, Nominations and Compensation Committee, including the appointment and remuneration of executive officers of the Corporation. The details of such remuneration are set out earlier in this Circular under the heading "*Statement of Executive Compensation*".

Board Committees

The Corporation does not have any standing committees other than the Audit and Risk Management Committee and the Corporate Governance, Nominations and Compensation Committee.

The Audit and Risk Management Committee is responsible for monitoring the Corporation's systems and procedures for financial reporting and internal control, reviewing certain public disclosure documents, including the Corporation's annual audited financial statements and unaudited quarterly financial statements, and monitoring the performance and independence of the Corporation's external auditors. The Audit and Risk Management Committee is also responsible for reviewing with management the Corporation's risk management policies, the timeliness and accuracy of the Corporation's regulatory filings and all related party transactions as well as the development of policies and procedures related to such transactions.

The Corporate Governance, Nominations and Compensation Committee is responsible for, among other things: (i) annually reviewing, approving and recommending to the Board for approval the remuneration of the senior executives of the Corporation; (ii) reviewing and recommending to the Board for its approval the remuneration of directors; (iii) developing and submitting to the Board recommendations with regard to bonus entitlements, other employee benefits and bonus plans; (iv) reviewing on an annual basis the remuneration policies of the Corporation, including the total remuneration (including benefits) and the main components thereof for the directors and senior executives of the Corporation, and comparing such remuneration policies with the remuneration practices of peers in the same industry; (v) reviewing periodically bonus plans and any share-based compensation plans and considering these in light of new trends and practices of peers in the cannabis sector; (vi) identifying, evaluating and recommending Board candidates; (vii) evaluating Board structure and organization; and (viii) monitoring the effectiveness of and compliance with corporate governance policies and procedures.

In addition to the Audit and Risk Management Committee and the Corporate Governance, Nominations and Compensation Committee, independent committees will be appointed from time to time, when appropriate.

Assessments

The Board of Directors intends to make annual assessments regarding the effectiveness of the Board of Directors itself and individual directors in fulfilling their responsibilities, as well as the adequacy of information provided to directors, communication between the Board of Directors and management and the strategic direction and processes of the Board of Directors.

Audit and Risk Management Committee Information

Composition of the Audit and Risk Management Committee

The Audit and Risk Management Committee of the Corporation is currently composed of the following three members: Norman Betts (Chair), Gaetan Lussier and Dennis Moir, each of whom has been determined by the Board of Directors to be independent. Based on the education and breadth and depth of experience of each member of the Audit and Risk Management Committee, the Board of Directors has determined each such member to be financially literate.

Relevant Education and Experience

The following is a description of the education and experience of each member of the Audit and Risk Management Committee that is relevant to the performance of his responsibilities as a member of the Audit and Risk Management Committee.

Norman Betts

Dr. Norman Betts is a Professor, Faculty of Business Administration at the University of New Brunswick (UNB), a Chartered Professional Accountant Fellow (FCA, FCPA) and a member of the Institute of Corporate Directors (ICD.D). A recognized leader in corporate governance and strategy, Dr. Betts has served on the boards of the Bank of Canada, Export Development Canada, New Brunswick Power, and Tembec Inc., as well as a number of emerging companies including Biotricity Inc. and Adex Mining Inc. He is also a co-chair of the board of trustees of the UNB Pension Plan for Academic Employees. He was Minister of Finance and Minister of Business New Brunswick with the Province of New Brunswick (1999-2003). He was awarded a PhD in Management from the School of Business at Queen's University in 1992.

Gaetan Lussier

Mr. Lussier was a deputy-minister for 18 years of which 12 years were in Ottawa with Agriculture-Canada and Employment and Immigration. He was also President of Weston Bakery (Quebec) and CEO of Culinar, both food companies. Mr. Lussier has extensive Board experience having sat as a Director on various boards including Shoppers Drug Mart. Presently, Mr. Lussier is Chairman of the board of 3 Sixty Secure Corp., a logistics and security company dealing primarily in the field of cannabis. Mr Lussier received the Order of Canada in 1981 and brings various expertise to the Board of Canada House. Mr Lussier holds a B.S.A, M Sc, PhD and O. C.

Dennis Moir

Mr. Moir is an accomplished financial and operational executive with significant experience in strategy formulation and mergers and acquisitions. Throughout his career, spanning over 3 decades, Mr. Moir has held various senior financial and operational management positions with some of Canada's more progressive technology and digital communication companies including Chief Financial Officer of PC DOCS Group International, BlueCat Networks and most recently Chief Financial Officer and Chief Operating Officer of CNW Group (a.k.a. Canada Newswire).

Mr. Moir has over 18 years of solid board experience both as an executive and non-executive director. His most recent board positions include Chair of Habitat for Humanity Greater Toronto Area and currently sits as a director and Chair of the Finance, Audit, Risk Management committee for this organization. He also currently sits as director for De'Longi Canada Inc.

Mr. Moir holds a Bachelor of Commerce degree from the University of Toronto, and is a CPA, CA. He is also a member of the Institute of Corporate Directors and holds an ICD.D.

Audit and Risk Management Committee Charter

The responsibilities and duties of the Audit and Risk Management Committee are set out in the Audit and Risk Management Committee's Charter, the text of which is attached as "Schedule A" to this Circular. The Charter was initially adopted on April 2, 2015.

Pre-Approval Policies and Procedures

The Audit and Risk Management Committee has not adopted any specific policies or procedures for the engagement of non-audit services.

AVAILABLE INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information about the Corporation is provided in the Corporation's comparative annual financial statements and management's discussion and analysis for its most recently completed financial year.

Shareholders may request copies of the Corporation's financial statements and management's discussion and analysis by contacting the Corporation at 1-844-696-3349 or in person at 1773 Bayly Street, Pickering, Ontario, L1W2Y7.

OTHER MATTERS

Management of the Corporation is not aware of any other matter to come before the Meeting other than as set forth in the Notice of Annual General and Special Meeting of Shareholders. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

DIRECTORS' APPROVAL

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

DATED: November 15, 2019

**BY ORDER OF THE BOARD OF DIRECTORS OF CANADA HOUSE
WELLNESS GROUP INC.**

(signed) *"Chris Churchill-Smith"*

Chris Churchill-Smith
Chief Executive Officer

SCHEDULE "A"

CHARTER OF THE AUDIT AND RISK MANAGEMENT COMMITTEE OF THE BOARD OF DIRECTORS

The mandate, the functions and the responsibilities of the Audit and Risk Management Committee, are the following:

I. PURPOSE

1. The Audit and Risk Management Committee provides recommendations to the Board of Directors of the Corporation. Its primary function is to assist the Board in fulfilling its responsibilities towards the shareholders of the Corporation and the financial community with respect to financial disclosure and controls.
2. The external auditors report to the Audit and Risk Management Committee.

II. DUTIES AND RESPONSIBILITIES

1. The Audit and Risk Management Committee oversees the integrity of the financial statements and review the financial reports and other financial disclosure of the Corporation which the Corporation may provide to any government, regulatory authority, or the public.
2. The Audit and Risk Management Committee recommends the appointment of the external auditors, review and assess their performance, ascertain their qualifications and independence, and maintain open communication lines between the external auditors, financial management, the executive officers and the directors of the Corporation.
3. The Audit and Risk Management Committee oversees the methods used for preparation of financial information, the application of internal controls and the rules for management of the business and financial risk, as well as compliance with the requirements of the Canadian Securities Exchange (Regulations).
4. The Audit and Risk Management Committee oversees the Corporation's compliance with the regulatory requirements of Health Canada and other governing bodies of the Canadian cannabis industry.

III. STRUCTURE AND ORGANIZATION

1. The Audit and Risk Management Committee shall be composed of at least three directors of the Corporation, the majority of whom shall not be employees, "control persons", officers of the Corporation or a person that is connected with any of the foregoing.

The Committee members and the president of the Committee are appointed by the Board of Directors. The Board of Directors may at any time, in its discretion, remove a member from the Audit and Risk Management Committee by resolution.

All the members of the Audit and Risk Management Committee must be "financially literate", that is, must have knowledge in financial matters to the satisfaction of the Board of Directors. The president of the Audit and Risk Management Committee must be an independent director.

2. The Committee shall meet at least four times a year and may convene additional meetings if circumstances require. All Audit and Risk Management Committee members are expected to attend each meeting, in person or via telephone or video-conference. The Committee may invite members of management, auditors or others to attend the meetings and provide pertinent information, if necessary. The quorum is a majority of the Committee.
3. The Committee must maintain open means of communication with the external auditors, financial management, the executive officers, the Quality Assurance Manager and the directors of the Corporation.

4. The Committee is empowered to investigate all questions that are brought to its attention and to consult advisors if, in its opinion, it is necessary.

5. The Committee shall be responsible for reviewing and recommending the following for approval by the Board:

- (a) The financial statements (annual and quarterly), the management's discussion and analysis and all other documents relating to the financial results of the Corporation to be filed with regulatory authorities such as securities commissions, prior to their filing or disclosure;
- (b) All documents containing or incorporating by reference the annual audited financial statements or the unaudited interim results (such as prospectuses or press releases announcing financial results) prior to their disclosure.

IV. GENERAL

1. Meet regularly with the external auditor, management and internal accountants in separate meetings to discuss questions raised by the Committee or others.

2. Keep minutes of all meetings. Report these proceedings and all recommendations to the Board of Directors at its next meeting.

3. Review this Charter annually and recommend such amendments to the Board of Directors as it may deem advisable.

4. Be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from financial statements and periodically assess the adequacy of these procedures.

V. RECRUITMENT OF EXTERNAL AUDITOR

1. Recommend the selection of the external auditors to the Board of Directors, assess their independence and performance, and approve the audit fees and any other remuneration to be paid to them.

2. Study the independence of the external auditor. To this end, the Committee must look into the nature of the services furnished by the external auditor and the remuneration charged and all other questions that the Committee deems appropriate.

3. The external auditor is to be at the disposal of the Board of Directors at least once a year.

4. Pre-approve all permitted non-audit services provided to the Corporation or its affiliates by the external auditor.

VI. SUPERVISION OF THE QUALITY AND INTEGRITY OF THE PRACTICES REGARDING ACCOUNTING, AUDIT AND PUBLICATION OF FINANCIAL INFORMATION OF THE CORPORATION

1. Review the hiring policies regarding partners, associates and employees, past and present, of the present or former external auditors.

2. Oversee the work of the external auditor in the preparation and issuing of the auditor's report and other audit services. The Audit and Risk Management Committee will be responsible for the resolution of disagreements between management and the external auditors on financial reporting.
3. Review the financial statements, the management reports and the annual and interim earnings press releases concerning the results of the Corporation in cooperation with the management and the external auditor before the Corporation publicly discloses this information. The Committee should consider the quality of financial information and all other questions that it deems valid.
4. Review, in cooperation with the external auditors and management, the auditing objective, scope and limitations of the external auditors for the present and following year.
5. Review the annual report of the external auditor on the quality and effectiveness of the accounting controls, internal controls and controls of the computerized systems of the Corporation.
6. Establish procedures for the receipt, retention and treatment of complaints by employees, or other internal or external sources, concerning questionable accounting, internal accounting controls or auditing. These complaints must be treated in a confidential and anonymous way.
7. Review and approve all related party transactions entered into.

VII. PUNCTUALITY

1. Punctually review, in cooperation with management, all legal and statutory questions that could have an important effect on the financial statements and conformity policies or programs.
2. Review, in cooperation with management, and approve the operations by which members of management or the Board of Directors make disclosure in accordance with the requirements of the Regulation.
3. Supervise the compliance program and analyze periodically the relevance of making improvements to it and make suggestions in this respect to management.
4. Ensure that all other functions prescribed by law, statutes or internal regulations of the Corporation or by the Board of Directors are followed.
5. Review the fees for services rendered and related expenses and for any newly approved services since the preceding meeting and analyze updated account projections.
6. Review the insurance coverage of the Corporation annually to ensure that assets are properly covered, including, and without limitation, the liability insurance of senior executives and directors.

VIII. EMPOWERMENT

The Committee is empowered to:

1. Communicate directly with the external auditors.
2. Engage independent attorneys or other counselors that it deems necessary to the exercise of its functions and notify the Board on the range of the financing required for the remuneration of these counselors.

IX. DEFINITIONS

In accordance with National Instrument 52-110-*Audit Committees*:

Financially literate:

Refers to an individual who has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can be expected to be raised by the Corporation's financial statements.

Control Person:

Means any person that holds or is one of combination of persons that hold a sufficient number of any of the securities of the Corporation so as to affect materially the control of the Corporation or more than 20% of the outstanding voting securities of the Corporation, except where there is evidence showing that the holding of those securities does not affect materially the control of the Corporation.

Amended and ratified by the Board of Directors on November 15, 2019

SCHEDULE "B"
CHANGE OF AUDITOR REPORTING PACKAGE

See Attached.

NOTICE OF CHANGE OF AUDITOR

**TO: Ontario Securities Commission
Alberta Securities Commission
British Columbia Securities Commission
Autorité des marchés financiers**

**AND TO: RSM Canada LLP
Ernst & Young LLP**

TAKE NOTICE THAT:

- (a) RSM Canada LLP, Chartered Professional Accountants has resigned as auditor of Canada House Wellness Group Inc. (the “**Company**”) at the Company’s request effective on February 7, 2019 and Ernst & Young LLP, Chartered Professional Accountants has been appointed as the Company’s auditor in their place;
- (b) the Company’s board of trustees and audit committee have considered and approved the resignation of RSM Canada LLP and the appointment of Ernst & Young LLP as successor auditor;
- (c) there have been no modified opinions expressed in the auditors’ reports on the financial statements of the Company for the period during which RSM Canada LLP was the Company’s auditor; and
- (d) there are no reportable events, including disagreements, consultations or unresolved issues, as such terms are defined in National Instrument 51-102 *Continuous Disclosure Obligations*.

DATED as of the 7th day of February, 2019.

**CANADA HOUSE WELLNESS GROUP
INC.**



Name: Paul Hart
Title: Chief Financial Officer



RSM Canada LLP

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www.rsmcanada.com

February 7, 2019

Ontario Securities Commission
Alberta Securities Commission
British Columbia Securities Commission
Autorité des marchés financiers

Dear Sirs/Mesdames:

Re: Canada House Wellness Group Inc. (the "Corporation")
Notice of Change of Auditor

We acknowledge receipt of a Notice of Change of Auditor (the "**Notice**") dated February 7, 2019 delivered to us by the Corporation in respect of the change of auditor of the Corporation.

Pursuant to National Instrument 51-102 of the Canadian Securities Administrators, please accept this letter as confirmation that we have reviewed the Notice and, based on our knowledge as at the time of receipt of the Notice, we agree with each of the statements therein.

Yours truly,
RSM Canada LLP

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING



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Tel: +1 416 864 1234
Fax: +1 416 864 1174
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February 7, 2019

Ontario Securities Commission
Alberta Securities Commission
British Columbia Securities Commission
Autorité des marchés financiers

Dear Sirs/Mesdames:

**Re: Notice of Change of Auditor of Canada House Wellness Group Inc. (formerly Abba Medix Group Inc.)
(the “Company”)**

We have reviewed the information contained in the Change of Auditor Notice of the Company dated February 7, 2019 (the “Notice”), delivered to us pursuant to National Instrument 51-102 — Continuous Disclosure Obligations.

Based on our knowledge as of the date hereof, we agree with the statements contained in the Notice. We have no basis to agree or disagree with the comments in the notice relating to RSM Canada LLP.

Yours sincerely,

Chartered Professional Accountants
Licensed Public Accountants

cc: The Board of Directors, Canada House Wellness Group Inc.

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