



Suite #106, 131 Water Street
Vancouver, British Columbia, V6B 4M3
Tel: (604) 568-1598

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting (the “**Meeting**”) of the Shareholders of LOOPShare Ltd. (the “**Company**”) will be held in the Boardroom of the Company located at Suite #106, 131 Water Street Vancouver, British Columbia, V6B 4M3, on Monday, December 21, 2020, at 9:00 a.m. (Pacific Time) for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company for the year ending December 31, 2019 and the report of the auditors thereon.
2. To set the number of directors of the Company at four
3. To elect Matthew Clayton, Roop Mundi, Olen Aasen and Evan Southern as directors of the Company on the basis set forth in the accompanying information circular of the Company dated November 4, 2020 (the “**Information Circular**”).
4. To appoint Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, as auditors of the Company for the ensuing year and to authorize the directors to fix the auditor's remuneration.
5. To consider and, if thought fit, pass with or without variation, an ordinary resolution approving and ratifying the Company's amended 10% rolling stock option plan as more particularly described in the Information Circular.
6. To consider and, if thought fit, to pass, with or without variation, an ordinary resolution approving a consolidation of the Company's class "A" common shares, as more particularly described in the management information circular accompanying this Proxy.
7. To transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof.

NOTICE-AND-ACCESS

Notice is also hereby given that the Company has decided to use the notice-and-access method of delivery of materials for the Meeting. The notice-and-access method allows for the Company to deliver Meeting materials via the internet in accordance with the applicable rules set forth in National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer*. Under the notice-and-access system, Shareholders still receive a proxy or voting instruction form (as applicable) enabling them to vote at the Meeting. However, instead of a paper copy of the Information Circular, the audited financial statements of the Company as at and for the fiscal year ended December 31, 2019 and related management's discussion and analysis of financial condition, Shareholders receive notification with information on how they may access such Meeting materials electronically. The use of this alternative method of delivery is more environmentally friendly as it will help reduce paper use and will also reduce

the cost of printing and mailing Meeting materials to Shareholders. **Shareholders are reminded to view the Meeting materials prior to voting.**

Shareholders may access these materials under the Company's profile on SEDAR at www.sedar.com or at <http://docs.tsxtrust.com/2196>.

Registered holders or beneficial owners may request paper copies of the Meeting materials be sent to them by postal delivery at no cost to them. Requests may be made up to one year from the date the Meeting materials are posted on the website referenced above. In order to receive a paper copy of the Meeting materials or if you have any questions concerning notice-and-access, please call toll free at 1-866-600-5869 or email TMXEInvestorServices@tmx.com. **Requests for paper materials should be received by December 11, 2020 in order to receive the Meeting materials in advance of the Meeting.**

NOTE OF CAUTION CONCERNING COVID-19 OUTBREAK

At the date of this Notice and the accompanying Information Circular it is the intention of the Company to hold the Meeting at the location stated above in this Notice. We are continuously monitoring development of current coronavirus (COVID-19) outbreak (“**COVID-19**”). In light of the rapidly evolving public health guidelines related to COVID-19, we ask shareholders to consider voting their shares by proxy and **not** attend the meeting in person.

As capacity at the Meeting will be limited, shareholders who wish to attend the Meeting in person must register in advance by emailing info@loopshareltd.com. Those shareholders who do wish to attend the Meeting in person, should carefully consider and follow the instructions of the federal Public Health Agency of Canada: (<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>). We ask that shareholders also review and follow the instructions of any regional health authorities of the Province of British Columbia, including the Vancouver Coastal Health Authority, the Fraser Health Authority and any other health authority holding jurisdiction over the areas you must travel through to attend the Meeting. Please do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone you have been in close contact with has tested positive for COVID-19 within 14 days immediately prior to the Meeting, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days immediately prior to the Meeting. All shareholders are strongly encouraged to vote by submitting their completed form of proxy (or voting instruction form (VIF)) prior to the Meeting by one of the means described on pages 2 to 3 of the Information Circular accompanying this Notice.

The Company reserves the right to take any additional pre-cautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 outbreak, including: (i) holding the Meeting virtually or by providing a webcast of the Meeting; (ii) hosting the Meeting solely by means of remote communication; (iii) changing the Meeting date and/or changing the means of holding the Meeting; (iv) denying access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, tested positive for COVID-19 within 14 days immediately prior the Meeting, or who have, or have been in close contact with someone who has, travelled to/from outside of Canada within the 14 days immediately prior to the Meeting; and (v) such other measures as may be recommended by public health authorities in connection with gatherings of persons such as the Meeting. Should any such changes to the Meeting format occur, the Company will announce any and all of these changes by way of news release, which will be filed under the Company's profile on SEDAR. We strongly recommend you check the Company's website prior to the Meeting for the most current information. In the event of any changes to the Meeting format due to the COVID-19 outbreak, the Company will **not** prepare or mail amended Meeting Proxy Materials.

While registered shareholders are entitled to attend the Meeting in person we strongly recommend that all Shareholders vote by proxy and do not attend the Meeting. Accordingly, we ask that

registered shareholders complete, date and sign the enclosed form of Proxy, and deliver it in accordance with the instructions set out in the form of Proxy and in the Information Circular.

If you hold your Shares in a brokerage account, you are a non-registered shareholder (“Beneficial Shareholder”). Beneficial Shareholders who hold their Shares through a bank, broker or other financial intermediary should carefully follow the instructions found on the form of Proxy or VIF provided to them by their intermediary, in order to cast their vote, or in order to notify the Company if they plan to attend the Meeting.

DATED at Vancouver, British Columbia, this 4th day of November, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

“Matthew Clayton”

Matthew Clayton
Chief Executive Officer and Executive Chair



Suite #106, 131 Water Street
Vancouver, British Columbia, V6B 4M3
Tel: (604) 568-1598

INFORMATION CIRCULAR

As at November 4, 2020, unless otherwise noted

FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF THE SHAREHOLDERS TO BE HELD ON DECEMBER 21, 2020

SOLICITATION OF PROXIES

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

PERSONS OR COMPANIES MAKING THE SOLICITATION

The enclosed Instrument of Proxy is solicited by management of the Company (“Management”). Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company does not reimburse Shareholders’ nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining from their principals, authorization to execute the Instrument of Proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised that they intend to oppose any action intended to be taken by Management as set forth in this Information Circular.

NOTICE-AND-ACCESS PROCESS

In accordance with the notice-and-access rules under National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer*, the Company has sent its proxy-related materials to registered holders and non-objecting beneficial owners using notice-and-access. Therefore, although Shareholders still receive a proxy or voting instruction form (as applicable) in paper copy, this Information Circular, the annual audited financial statements of the Company for its fiscal year ended December 31, 2019 and related management discussion and analysis on financial condition, are not physically delivered. Instead, Shareholders may access these materials under the Company’s profile on SEDAR at www.sedar.com or at available electronically at www.sedar.com and also at <http://docs.tsxtrust.com/2196>.

Registered holders or beneficial owners may request paper copies of the Meeting materials be sent to them by postal delivery at no cost to them. Requests may be made up to one year from the date the meeting materials are posted on the website referenced above. In order to receive a paper copy of the Meeting materials or if you have questions concerning notice-and-access, please call toll free at 1-866-600-5869 or email TMXEInvestorServices@tmx.com. **Requests for paper copies of the Meeting**

materials should be received by December 11, 2020 in order to receive the Meeting materials in advance of the Meeting.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying Instrument of Proxy are directors or officers of the Company and are nominees of Management. **A Shareholder has the right to appoint a person to attend and act for him/her on his/her behalf at the Meeting other than the persons named in the enclosed Instrument of Proxy. To exercise this right, a Shareholder should strike out the names of the persons named in the Instrument of Proxy and insert the name of his/her nominee in the blank space provided, or complete another proper form of Instrument of Proxy. The completed Instrument of Proxy should be deposited with the Company's Registrar and Transfer Agent, TSX Trust Company (the "Transfer Agent"), located at 301 – 100 Adelaide Street West, Toronto, ON, M5H 4H1, at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays.**

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

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

NON-REGISTERED HOLDERS OF COMPANY'S SHARES

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

If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in such Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder's broker or agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration for the Canadian Depository for Securities, which company acts as nominee for many Canadian brokerage firms). Common shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial

Shareholder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. The directors and officers of the Company do not know for whose benefit the Common Shares registered in the name of CDS & Co. are held.

In accordance with National Instrument 54-101 of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Information Circular and the Instrument of Proxy to the clearing agencies and intermediaries for onward distribution. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings unless the Beneficial Shareholders have waived the right to receive meeting materials. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the Instrument of Proxy provided by the Company to the Registered Shareholders. However, its purpose is limited to instructing the Registered Shareholder how to vote on behalf of the Beneficial Shareholder. Should a Beneficial Shareholder receive such a form and wish to vote at the Meeting, the Beneficial Shareholder should strike out the Management proxyholder's name in the form and insert the Beneficial Shareholder's name in the blank provided. The majority of brokers now delegate the responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and requests Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a proxy with a Broadridge sticker on it cannot use that proxy to vote Common Shares directly at the Meeting – the proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.** All references to Shareholders in this Information Circular and the accompanying Instrument of Proxy and Notice of Meeting are to Shareholders of record unless specifically stated otherwise.

VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

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

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

At the time of printing of this Information Circular, the Management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to the Management should properly come before the Meeting, the Proxies hereby solicited will be exercised on such matters in accordance with the best judgement of the nominee.

FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended December 31, 2019 will be presented to the Shareholders at the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

At November 4, 2020 the Company had 29,844,786 Common Shares without par value issued and outstanding. All Common Shares in the capital of the Company are of the same class and each carries the right to one vote. The quorum for a meeting of Shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the Meeting.

November 4, 2020 has been determined as the record date as of which Shareholders are entitled to receive notice of and attend and vote at the Meeting. Shareholders desiring to be represented by proxy at the Meeting must deposit their proxies at the place and within the time set forth in the notes to the Instrument of Proxy in order to entitle the person duly appointed by the proxy to attend and vote thereat.

To the knowledge of the directors and senior officers of the Company, as at November 4, 2020, no Shareholder beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to the Common Shares of the Company.

FIXING THE NUMBER OF DIRECTORS AND ELECTION OF DIRECTORS

The persons named in the enclosed Instrument of Proxy intend to vote in favour of the ordinary resolution fixing the number of directors on the board of directors of the Company (the “Board of Directors”) at four (4). Each director of the Company is elected annually and holds office until the next Annual General Meeting unless that person ceases to be a director before then. Management of the Company proposes to nominate the persons herein listed for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, the Common Shares represented by proxy will, on a poll, be voted for the nominees herein listed. MANAGEMENT OF THE COMPANY DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR. IN THE EVENT THAT PRIOR TO THE MEETING ANY VACANCIES OCCUR IN THE SLATE OF NOMINEES HEREIN LISTED, IT IS INTENDED THAT DISCRETIONARY AUTHORITY SHALL BE EXERCISED BY MANAGEMENT TO VOTE THE PROXY ON ANY POLL FOR THE ELECTION OF ANY PERSON OR PERSONS AS DIRECTOR UNLESS THE SHAREHOLDER HAS SPECIFIED OTHERWISE IN THE PROXY. UNLESS AUTHORITY TO DO SO IS WITHHELD, THE PERSONS NAMED IN THE ACCOMPANYING INSTRUMENT OF PROXY INTEND TO VOTE FOR THE ELECTION OF ALL OF THE NOMINEES.

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

| Name, Province or State and Country of Ordinary Residence of Nominee⁽⁴⁾ and Present Positions with the Company | Principal Occupation and, if not a Presently Elected Director, Occupation during the last Five Years⁽⁵⁾ | Period from which Nominee has been a Director | Number of Common Shares Held⁽¹⁾⁽²⁾ |
|--|--|--|--|
| Matthew Clayton British Columbia, Canada | Principal of Hotsa Consulting Ltd. from 2001 to the present; Co-Founder of bioLytical Laboratories from 2005 to the present. | June 18, 2019 | 250,000 |

| Name, Province or State and Country of Ordinary Residence of Nominee ⁽⁴⁾ and Present Positions with the Company | Principal Occupation and, if not a Presently Elected Director, Occupation during the last Five Years ⁽⁵⁾ | Period from which Nominee has been a Director | Number of Common Shares Held ⁽¹⁾⁽²⁾ |
|--|---|---|--|
| Roop Mundi ⁽³⁾⁽⁴⁾ British Columbia, Canada | President of Mundi Capital Ventures from 2015 to present; General Counsel of RCI Capital Group from July 2013 to 2015; Vice President, General Counsel of Kingsdale Shareholder Services Inc. from January 2009 to July 2013. | June 18, 2019 | 100,000 |
| Olen Aasen ⁽³⁾⁽⁴⁾ British Columbia, Canada Director | Practicing corporate and securities lawyer since 2007. | November 23, 2018 | 27,358 |
| Evan Southern British Columbia, Canada Director | Director of Communications and Engagement, Capital Regional District (Wastewater Treatment Project) from December 2017 to the Present; Director of Operations, BC Liberal Party from December 2015 to July 2017. | September 30, 2019 | 50,000 |

- (1) Common shares beneficially owned, directly and indirectly, or over which control or direction is exercised, at the date hereof, based upon the information furnished to the Company by individual directors and officers. Unless otherwise indicated, such Common Shares are held directly. These figures do not include Common Shares that may be acquired on the exercise of any share purchase warrants or stock options held by the respective directors or officers.
- (2) The directors, and nominees, as a group beneficially own, directly or indirectly, 427,358 Common Shares of the Company representing 1.43% of the total issued and outstanding Common Shares of the Company.
- (3) Current Member of the Audit Committee of the Company.
- (4) Current Member of the Compensation, Corporate Governance and Nominating Committee of the Company.
- (5) The information as to country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.

Pursuant to the applicable securities legislation, the Company is required to have an audit committee. The general function of the audit committee is to review the overall audit plan and the Company's system of internal controls, to review the results of the external audit, and to resolve any potential dispute with the Company's auditors.

The audit committee of the Company currently consists of Roop Mundi, Olen Aasen and Tommy Stephenson. The members of the audit committee of the Company will be determined following the Meeting at the discretion of the Board of Directors and in accordance with applicable corporate and securities law. Aside from the audit committee, there are no other standing committees of the Board of Directors except for the Compensation, Corporate Governance and Nominating Committee.

PENALTIES AND SANCTIONS

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

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

No proposed director of the Company is, or within the 10 years prior to the date of this Information Circular, has been, a director or executive officer of any company that while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

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

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

By Order of the Supreme Court of Newfoundland and Labrador (the “Court”) dated June 17, 2020, Deloitte Restructuring Inc. (“Deloitte”) was appointed as the receiver and manager (the “Receiver”) of all current and future assets, undertakings, and properties of the Kami Mine Limited Partnership, Kami General Partner Limited, and Alderon Iron Ore Corp. The receivership was initiated by a secured creditor of the Kami Mine Limited Partnership after its failure to refinance the secured debt due to the COVID-19 pandemic. Mr. Aasen was Corporate Secretary of Alderon Iron Ore Corp. and Secretary and a Director of Kami General Partner Limited until April 28, 2020.

APPOINTMENT AND REMUNERATION OF AUDITOR

Dale Matheson Carr-Hilton LaBonte LLP, Chartered Accountants, of Vancouver, British Columbia were appointed on December 18, 2017, and are the current Auditors of the Company. The persons named in the enclosed Instrument of Proxy will vote for the appointment of Dale Matheson Carr-Hilton LaBonte LLP, Chartered Accountants, of Vancouver, British Columbia, as Auditors of the Company, to hold office until the next Annual General Meeting of the Shareholders at remuneration to be fixed by the directors.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as disclosed elsewhere in this Information Circular, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company’s last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

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

STATEMENT OF EXECUTIVE COMPENSATION

A copy of the Statement of Executive Compensation is attached as Schedule “B” to this Information Circular.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets out particulars of the compensation plans and individual compensation arrangements under which equity securities of the Company are authorized for issuance as of December 31, 2019.

| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants and rights⁽¹⁾ | Weighted-average exercise price of outstanding options, warrants and rights | Number of securities remaining available for future issuance under equity compensation plans |
|--|--|--|---|
| Equity compensation plans approved by securityholders | 880,000 | \$1.045 | 2,099,479 |
| Equity compensation plans not approved by securityholders ⁽¹⁾ | Nil | Nil | Nil |
| Total | 880,000 | \$1.045 | 2,099,479 |

⁽¹⁾ The Company has a “rolling” stock option plan that reserves 10% of the Company’s outstanding Common Shares from time to time for issuance as stock options.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

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

MANAGEMENT CONTRACTS

The management functions of the Company are not to any substantial degree performed by any person other than the executive officers and Directors of the Company. The Company has not entered into any contracts, agreements or arrangements with parties other than its Directors and executive officers for the provision of such management functions.

AUDIT COMMITTEE

The Audit Committee Charter

The Audit Committee Charter is attached as Schedule “A” to this Information Circular.

Composition of the Audit Committee

The following are the current members of the Audit Committee:

| | | |
|------------------|--------------------------------|-------------------------------------|
| Roop Mundi | Independent ⁽¹⁾ | Financially Literate ⁽¹⁾ |
| Olen Aasen | Not Independent ⁽¹⁾ | Financially Literate ⁽¹⁾ |
| Tommy Stephenson | Independent ⁽¹⁾ | Financially Literate ⁽¹⁾ |

⁽¹⁾ As defined by National Instrument 52-110 (“NI 52-110”).

Mr. Aasen indirectly receives a consulting fee from the issuer for the provision of legal services through King & Bay West and therefore is not independent. Mr. Stephenson is not standing for re-election and will be replaced on the Audit Committee after the Meeting.

Relevant Education and Experience

All of the Audit Committee members are senior level businesspersons with extensive experience in financial matters; each has a broad understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavour. In addition, each of the members of the Audit Committee has knowledge of the role of an audit committee in the realm of reporting companies from their years of experience as directors of public companies other than the Company.

Mr. Roop Mundi currently serves as President of Mundi Capital Ventures - a private equity firm focused on consumer products distribution and logistics. Included in Mundi Capital's investment portfolio is Jilong Plastic Products (North America) Inc. which is the sales, marketing and logistics arm of Shanghai Jilong Plastic Products - the third largest PVC producer of consumer goods worldwide. Prior to Mundi Capital, Mr. Mundi served as Vice President, General Counsel of RCI Capital Group Inc., a private equity firm based in Vancouver focused on Asia based transactions in the technology and energy markets. In addition, Mr. Mundi was Vice President, General Counsel of Kingsdale Shareholder Services Inc., the largest proxy and corporate governance firm in Canada. Prior to Kingsdale, Mr. Mundi was an Associate at Cassels Brock & Blackwell LLP focusing on corporate finance and securities in the real estate, technology and mining sectors. Mr. Mundi holds a Bachelor's degree from North Carolina State University, a Master's degree from the University of Toronto and a law degree from the University of British Columbia.

Mr. Aasen is a practicing corporate and securities lawyer with more than 13 years' experience in corporate and securities law. Mr. Aasen has experience with reviewing financial statements and related management discussion and analysis, and discussing financial issues with management, accountants and auditors, and as a result, he possesses the understanding of accounting principles and the ability to analyze and evaluate the financial statements of the Company. Mr. Aasen received his Juris Doctor degree from the University of British Columbia in 2006 and was called to the British Columbia Bar in 2007.

Mr. Stephenson is the founder and CEO of Heated Details, a Seattle based design and development agency, that provides services to Fortune 500 companies, including Microsoft, Google/YouTube, Starbucks and Mercedes Benz.

Audit Committee Oversight

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

Reliance on Certain Exemptions

During the most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4, 6.1.1(4), 6.1.1(5), 6.1.1(6) or under part 8 of NI 52-110.

Pre-Approval Policies and Procedures

Pursuant to the terms of the Company's Audit Committee Charter, the Audit Committee is required to review and pre-approve any non-audit services provided by the Company's external auditors. The Audit Committee has adopted a written Audit Committee Pre-Approval Policy with respect to audit and non-audit services to be performed by the Company's external auditors. The Audit Committee will pre-approve all audit services provided by the external auditor through their recommendation of the external auditor as shareholders' auditors at the Company's annual meeting and through the Audit Committee's review of the external auditor's annual audit plan. The Audit Committee Chair may pre-approve a request for non-audit services where the aggregate fees are estimated to be less than or equal to \$50,000 but the Chair must advise other Audit Committee members of such pre-approval no later than the next regularly scheduled Audit Committee meeting. For non-audit services where the aggregate fees are estimated to be greater than \$50,000, the approval of the full Audit Committee is required. In no event can the external auditor undertake non-audit services prohibited by legislation or professional standards.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are set out in the table below. "Audit Fees" includes fees for audit services including the audit services completed for the Company's subsidiaries. "Audit-Related Fees" includes fees for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and not reported under Audit Fees including the review of interim filings. "Tax Fees" includes fees for professional services rendered by the external auditor for tax compliance, tax advice, and tax planning. "All Other Fees" includes all fees billed by the external auditors for services not covered in the other three categories.

| Financial Year Ending | Audit Fees | Audit Related Fees | Tax Fees | All Other Fees |
|------------------------------|-------------------|---------------------------|-----------------|-----------------------|
| December 31, 2019 | \$46,600 | \$Nil | \$4,500 | \$Nil |
| December 31, 2018 | \$45,700 | \$Nil | \$6,500 | \$Nil |

Exemption

The Company is relying on the exemption in section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Canadian Securities Administrators have introduced in final form National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") and National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201"). The Company has reviewed its own corporate governance

practices in light of the NP 58-201 guidelines. In certain cases, the Company's practices comply with NP 58-201, however, the Board of Directors considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore certain guidelines have not been adopted.

Set out below is a description of certain corporate governance practices of the Company, as required by NI 58-101.

Board of Directors

NI 58-201 recommends that boards of directors of reporting issuers be composed of a majority of independent directors. NI 52-110 sets out the standard for director independence. Under NI 52-110, a director is independent if he or she has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgment. During the last financial year, the Board of Directors was not composed of a majority of independent directors: Roop Mundi, Brian Grange, Tommy Stephenson and Evan Southern. Matthew Clayton is the Chief Executive Officer of the Company and therefore not considered to be independent. Mr. Aasen indirectly receives a consulting fee from the issuer for the provision of legal services through King & Bay West and therefore is not independent.

The proposed Board of Directors is Matthew Clayton, Roop Mundi, Olen Aasen and Evan Southern. Matthew Clayton is the Chief Executive Officer of the Company and therefore not considered to be independent. Mr. Aasen indirectly receives a consulting fee from the issuer for the provision of legal services through King & Bay West and therefore is not independent. The Board of Directors believes that management is effectively supervised by the non-management directors of the Company, on an informal basis, as the non-management directors are actively and regularly involved in reviewing the operations of the Company and have regular and full access to management.

During the year ended December 31, 2019, the independent directors did not hold regularly scheduled meetings at which the non-independent directors and members of management are not in attendance.

Mr. Clayton is the current Chair of the Board of Directors and the Company does not have a lead director. To facilitate the Board operating independently of Management, the following processes are in place:

- the Board can hold in-camera meetings with the non-management directors;
- at Board meetings, members of management, including the Chief Executive Officer, are not present for the discussion and determination of certain matters; and
- under the Company's Articles any one director may call a Board meeting.

Directorships

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

| Director | Public Company Board Membership |
|------------------|--|
| Evan Southern | None. |
| Brian Grange | None. |
| Olen Aasen | Draganfly Inc. |
| Tommy Stephenson | None. |
| Matthew Clayton | None. |

| Director | Public Company Board Membership |
|-----------------|--|
| Roop Mundi | Matica Enterprises Inc. |

Orientation and Continuing Education

The Company provides an orientation program to new directors. This program consists of providing education regarding directors' responsibilities, corporate governance issues, the audit committee charter, and recent and developing issues related to corporate governance and regulatory reporting. The Company also encourages senior management to participate in professional development programs and courses and supports Management's commitment to training and developing employees. The Board of Directors provides comprehensive information regarding the Company to new directors and continuing education for directors on an ad hoc basis in respect of issues that are necessary for them to understand to meet their obligations as directors.

Ethical Business Conduct

The Board of Directors expects Management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives. The Board of Directors has adopted a formal written Code of Business Conduct and Ethics (the "Code") which is available on SEDAR at www.sedar.com.

The Board endeavors to ensure that directors, officers and employees exercise independent judgement in considering transactions and agreements in respect of which a director, officer or employee of the Company has a material interest, which include ensuring that directors, officers and employees are thoroughly familiar with the Code and, in particular, the rules concerning reporting conflicts of interest. In addition, in accordance with the *Business Corporations Act* (British Columbia), if a director is a director or officer of, or has a material interest in, any person who is a party to a transaction or proposed transaction with the Company, that director is not entitled to vote on any directors' resolutions in respect of such transaction, in most circumstances. The Compensation, Corporate Governance and Nominating Committee monitors conflicts of interest of both the Board of Directors and Management in accordance with the Code.

Nomination of Directors

The Company does not at this time have a specific committee responsible for the nomination of directors. The Board of Directors determines new nominees to the Board of Directors, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board of Directors members, including both formal and informal discussions among Board of Directors members and the CEO. Proposed directors' credentials are reviewed in advance of a Board of Directors meeting with one or more members of the Board of Directors prior to the proposed director's nomination.

Compensation

During the financial year ended December 31, 2019, the Board of Directors did not have a compensation committee. The quantity and quality of the directors' and executive officers' compensation is reviewed and determined by the Board of Directors as a whole. Further details about the Company's compensation practices are disclosed in the Company's Statement of Executive Compensation for the year ended December 31, 2019 attached as Schedule "B" to this Information Circular.

Other Board Committees

The Company does not have any standing committees other than the Audit Committee and the Compensation, Corporate Governance and Nominating Committee.

Assessments

The Board of Directors does not, at present, have a formal process in place for assessing the effectiveness of the Board of Directors as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Approval of Amended Stock Option Plan

At the Meeting, Shareholders will be asked to consider, and if thought advisable, re-approve the Company's stock option plan (the "**Plan**").

The Plan reserves for issuance a maximum of 10% of the Common Shares at the time of a grant of options under the Plan. The Plan is administered by the Board of Directors and provides for grants of non-transferable options under the Plan at the discretion of the Board of Directors to directors, senior officers, employees, management company employees of, or consultants to, the Company and its subsidiaries, or their permitted assigns (each an "**Eligible Person**").

The Board of Directors has the authority under the Plan to determine the exercise price per Common Share at the time an option is granted, but such price shall not be less than the closing price of the Common Shares on the TSX Venture Exchange ("**TSXV**") on the last trading day preceding the date on which the grant of the option is approved by the Board of Directors. The Board of Directors also has the authority under the Plan to determine other terms and conditions relating to the grant of options, including any applicable vesting provisions, provided that any options granted to consultants performing Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than one-quarter of the options vesting in any three-month period.

The term of options granted under the Plan shall not exceed 10 years from the date of grant. However, as permitted by the Policy, the Plan has been amended to include an automatic extension of the expiry date associated with any option that expires during a trading blackout period imposed by the Company in accordance with insider trading policies. Under the Plan, if an option expires within a blackout period, the expiry date will be automatically extended to ten (10) business days following the date on which the blackout period is lifted.

All options granted under the Plan are not assignable or transferable other than by will or the laws of dissent and distribution. Other than Eligible Persons engaged in Investor Relations Activities, if an optionee ceases to be an Eligible Person for any reason whatsoever other than termination for cause or death, each fully vested option held by such optionee will cease to be exercisable 90 days following the termination date (being the date on which such optionee ceases to be an Eligible Person), provided that in no event shall such right extend beyond the expiry date of such options. If an optionee dies, the legal representative of the optionee may exercise the optionee's options within one year after the date of the optionee's death but only up to and including the original option expiry date.

The Plan contains a cashless exercise feature whereby, at the sole discretion of the Company, an option that is eligible for exercise may be exercised on a cashless basis instead of a participant making a cash payment for the aggregate exercise price of the options. There are two options for a cashless exercise of options that the Company has made available:

- (a) *Broker assisted cashless exercise*: The Company shall issue directly to the participant's broker the number of Common Shares in respect of such options exercised for cash and the participant's broker shall, at the election of the participant: (i) sell at market, and retain the proceeds of, a sufficient number of Common Shares to cover the aggregate purchase price of the Common Shares and any withholding obligations in respect of which the option has been exercised, with any cash balance to be delivered to the participant and any remaining Common Shares held by the participant's broker in trust for, or delivered as directed by, the participant; or (ii) sell at market all of the Common Shares in respect of which the option has been exercised and deliver to the participant the cash balance remaining after deducting the aggregate purchase price of such Common Shares and any withholding Obligations.
- (b) *Exchange for Substituted Rights*: The participant relinquishes his options in return for a substituted right to acquire from the Company a number of Common Shares determined by the in-the-money amount of option. The in-the-money amount of the option is divided by the market price at the time of exercise and the participant receives a net amount of Common Shares without any cash payment to the Company, other than for withholding obligations.

In adherence with the TSXV Policy 4.4 – *Incentive Stock Options* (the “**Policy**”), the Plan also includes the following limitations on stock option grants:

- (a) unless the Company obtains shareholder approval (which must be disinterested shareholder approval if required by the policies of the Exchange) the aggregate number of Common Shares issuable pursuant to options granted under the Plan, together with Common Shares issuable under any other Share Compensation Arrangement of the Company shall not at any time exceed 10% of the number of Common Shares outstanding immediately prior to the grant of any such option;
- (b) the aggregate number of Common Shares issuable to any one Eligible Person who is a Consultant (as defined in the Plan) shall not, within a one year period, exceed 2% of the number of Common Shares outstanding immediately prior to the grant of any such option;
- (c) the aggregate number of Common Shares issuable to all Eligible Persons retained in Investor Relations Activities shall not, within a one year period, exceed 2% of the number of Common Shares outstanding immediately prior to the grant of any such option; and
- (d) unless the Company obtains disinterested shareholder approval, the aggregate number of Common Shares issuable to any one Eligible Person (and where permitted, any companies that are wholly owned by that Eligible) shall not, within a one year period, exceed 5% of the number of Common Shares outstanding immediately prior to the grant of any such option.

Furthermore, the Plan provides that shareholder approval must be obtained to effect any of the following modifications to the Plan: (a) an increase in the benefits under the Plan; (b) an increase in the number of Common Shares which may be issued under the Plan; (c) modifications to the requirements as to the eligibility for participation in the Plan; (d) modifications to the limitations on the number of options that may be granted to any one person or category of persons under the Plan; (e) modifications to the method for determining the exercise price of options granted under the Plan; (f) an increase in the maximum option period; or (g) modifications to the expiry and termination provisions applicable to options granted under the Plan.

The Company currently has 29,844,786 Common Shares outstanding which means 2,984,478 Common Shares could be reserved for issuance upon the exercise of stock options. As of the date of this circular, there are a total of 2,485,000 Common Shares reserved for the exercise of outstanding stock options.

Therefore, at the Meeting, Shareholders will be asked to pass a resolution in the following form:

“BE IT RESOLVED, as an Ordinary Resolution of the Shareholders of the Company, that:

1. Subject to regulatory approval, the 10% rolling stock option plan (the “**Plan**”) pursuant to which the directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the company to a maximum of 10% of the issued and outstanding Common Shares at the time of the grant, with a maximum of 5% of the Company’s issued and outstanding shares being reserved to any one person on a yearly basis, be and is hereby approved and ratified.
2. The Company be and is hereby authorized to grant stock options pursuant to and subject to the terms and conditions of the Plan entitling the option holders to purchase Common Shares of the Company.
3. Any one director or officer of the Company be and is hereby authorized to execute any and all documents as the director or officer deems necessary to give effect to the transactions contemplated in the Plan.”

The full text of the Plan will be available for review at the Meeting and may be obtained from the Company prior to the Meeting by sending a request in writing to the Company at Suite 106 – 131 Water Street, Vancouver, BC V6B 4M3

Management recommends that Shareholders vote in favour of the resolution to approve the Plan. **In the absence of contrary instruction, the persons named in the enclosed Instrument of Proxy intend to vote for the approval of the resolution to approve the Plan.**

Consolidation

The Company also intends to complete a consolidation of its issued and outstanding Common Shares on a basis of up to 10 pre-Consolidation Common Shares being consolidated into one post-Consolidation Common Shares (the “**Consolidation**”), or such lesser number of pre-Consolidation Common Shares as may be accepted by the TSXV and approved by the Board, in its sole discretion.

In connection with the Consolidation, each option, warrant or other security of the Company convertible into pre-Consolidation Common Shares that has not been exercised or cancelled prior to the effective date of the implementation of the Consolidation will be adjusted pursuant to the terms thereof at the same Consolidation ratio.

In the event the Consolidation is implemented by the Board, the registered holders of Common Shares will be required to exchange the certificates representing their pre-Consolidation Common Shares for new certificates representing post-Consolidation Common Shares. Following the determination of the Consolidation ratio by the Board, and as soon as possible following the effective date of the Consolidation, the registered holders of Common Shares of the Company will be sent a transmittal letter by the Company’s Transfer Agent. The letter of transmittal will contain instructions on how to surrender Common Share certificate(s) representing pre-Consolidation Common Shares to the transfer agent. The Transfer Agent will forward to each Registered Shareholder who has sent the required documents a new Common Share certificate representing the number of post-Consolidation Common Shares to which the shareholder is entitled.

Shareholders will not have to pay a transfer or other fee in connection with the exchange of certificates. Shareholders should not submit certificates for exchange until required to do so. Until surrendered, each certificate formerly representing the Common Shares will be deemed for all purposes to represent the number of Common Shares to which the holder thereof is entitled as a result of the Consolidation.

No fractional Common Shares will be issued pursuant to the Consolidation. Pursuant to Section 83 of the BCBCA, in the event that a Shareholder would otherwise be entitled to a fractional Common Share hereunder, the number of Common Shares issued to such Shareholder shall be rounded down to the next whole number of Common Shares. No consideration will be paid or issued in respect of fractional Common Shares that are cancelled as a result of the Consolidation.

The Share Consolidation is subject to Shareholder and regulatory approval, including approval of the TSXV, at the time of the proposed consolidation.

Pursuant to the BCBCA, the Company's Articles, and TSXV policies, as applicable the Company may effect the Consolidation by directors' resolution. The Board may determine not to implement the Consolidation at any time after the Meeting and after receipt of necessary regulatory approvals, but prior to completion of the Consolidation.

Notwithstanding approval of the proposed Consolidation by the Shareholders, the Board, in its sole discretion, may delay implementation of the Consolidation or revoke the Consolidation Resolution and abandon the Consolidation without further approval or action by or prior notice to Shareholders. If the Board does not implement the Consolidation within 12 months of the date of the Meeting, the authority granted by the Consolidation Resolution would lapse and be of no further force or effect.

Prior to giving effect to the Consolidation, there will be 29,844,786 Common Shares on an undiluted basis and 41,713,038 Common Shares on a fully diluted basis, issued and outstanding. After giving effect to the Consolidation, assuming a one for ten ratio, there will be 2,984,478 Common Shares on an undiluted basis and 4,171,303 Common Shares on a fully diluted basis, issued and outstanding

“BE IT RESOLVED, as an Ordinary Resolution of the Shareholders of the Company, that:

1. LOOPShare Ltd. (the “**Company**”) be authorized, empowered and directed to undertake up to a 10:1 consolidation of its Common Shares, in such ratio as may be determined by the directors of the Company, subject to such limit;
2. notwithstanding that this resolution has been duly passed by the shareholders of the Company, the directors of the Company are hereby authorized, at their discretion, to determine, at any time, to select an implementation date for the Consolidation, to proceed or not to proceed with the Consolidation, and to postpone, abandon or otherwise refrain from implementing this resolution at any time prior to the implementation of the Consolidation without further approval of the shareholders, and in such case, this resolution approving the Consolidation shall be deemed to have been rescinded; and
3. any one director or any one officer of the Company hereby authorized and empowered, acting for, in the name of and on behalf of the Company, to execute or to cause to be executed, under the seal of the Company or otherwise, and to deliver and file or to cause to be delivered and filed all such documents and instruments, and to do or to cause to be done, all such acts and things as in the opinion of such director or officer of the Company may be necessary or desirable in order to carry out the intent of this resolution.”

Management of the Company recommends that shareholders vote in favour of the resolution to approve the Consolidation. **In the absence of contrary instruction, the persons named in the enclosed form of proxy intend to vote for the approval of the resolution to approve the Consolidation at the Meeting.**

OTHER MATTERS

It is not known if any other matters will come before the Meeting other than set forth above and in the Notice of Meeting, but if such should occur, the persons named in the accompanying Proxy intend to vote on any poll, on such matters in accordance with their best judgment, exercising discretionary authority with respect to amendments or variations of matters identified in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment thereof.

ADDITIONAL INFORMATION

Additional information regarding the Company is available on SEDAR at www.sedar.com. Shareholders can obtain copies of the Company's financial statements and management discussion and analysis of financial results by sending a request in writing to the Company at Suite #106, 131 Water Street, Vancouver, British Columbia, V6B 4M3. Financial information regarding the Company is provided in the Company's audited comparative financial statements for the years ended December 31, 2019 and 2018 and in the accompanying management discussion and analysis, both of which are available on SEDAR at www.sedar.com.

DATED at Vancouver, British Columbia, this 4th day of November, 2020.

"Matthew Clayton"
Matthew Clayton
Chief Executive Officer and Executive Chair

**SCHEDULE “A”
to the Information Circular as at November 4, 2020 of
LOOPShare Ltd.**

AUDIT COMMITTEE CHARTER

As of March 1, 2019

The following Audit Committee Charter was adopted by the Audit Committee of the Board of Directors and the Board of Directors of LOOPShare Ltd. (the “Company”):

Mandate

The primary function of the audit committee (the “Committee”) is to assist the Company’s Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements;
- review and appraise the performance of the Company’s external auditors; and
- provide an open avenue of communication among the Company’s auditors, financial and senior management and the Board of Directors.

Composition

The Committee shall be comprised of a minimum three directors as determined by the Board of Directors and in compliance with the requirements of National Instrument 52-110 – *Audit Committees* (“NI 52-110”).

All members of the Committee shall have accounting or related financial management expertise. All members of the Committee who are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of this Audit Committee Charter, the definition of “financially literate” is as set out in NI 52-110.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders’ meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership. The position description and responsibilities of the Chair are set out in Schedule “A” attached hereto.

Meetings

The Committee shall meet at least quarterly, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions. The Committee may ask members of management of the Company or others to attend meetings or to provide information as necessary.

Quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall by resolution determine.

Meetings of the Committee shall be held from time to time as the Committee or the Chair shall determine upon 48 hours' notice to each of its members. The notice period may be waived by unanimous resolution of the Committee.

The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.

Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. The Committee shall report its determinations to the Board at the next scheduled meeting of the Board, or earlier as the Committee deems necessary.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

1. Documents/Reports Review

- (a) review and update this Audit Committee Charter as required; and
- (b) review the Company's financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any financial reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

2. External Auditors

- (a) review annually, the performance of the external auditors who shall be ultimately accountable to the Company's Board of Directors and the Committee as representatives of the shareholders of the Company;
- (b) obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with the professional standards for the external auditors;
- (c) review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
- (d) take, or recommend that the Company's full Board of Directors take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (e) recommend to the Company's Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;
- (f) recommend to the Company's Board of Directors the compensation to be paid to the external auditors;

- (g) at each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;
- (i) review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements; and
- (j) review and pre-approve all audit and audit-related services, and any non-audit services, and the fees and other compensation related thereto provided by the Company's external auditors in accordance with the Audit Committee Pre-Approval Policy.

3. Financial Reporting Processes

- (a) in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;
- (b) consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- (c) consider and approve, if appropriate, changes to the Company's accounting principles and practices as suggested by the external auditors and management;
- (d) review significant estimates and judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such estimates and judgments;
- (e) following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (f) review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- (g) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- (h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- (i) establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
- (j) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- (k) review with management the Chief Executive Officer and Chief Financial Officer certificates prepared in connection with the annual and interim continuous disclosure regulatory filings.

4. Other Responsibilities

- (a) review and approve any related-party transactions;
- (b) the Committee shall perform any other activities consistent with this Audit Committee Charter and governing law, as the Committee or the Board deems necessary or appropriate.

Authority

The Committee shall have the authority to:

- (a) engage independent counsel and other advisors including accounting or other consultants or experts as it determines necessary to carry out its duties;
- (b) set and pay the compensation for advisors employed by the Committee;
- (c) communicate directly with the external auditors;
- (d) access, on an unrestricted basis, the books and records of the Company; and
- (e) conduct any investigation appropriate to its responsibilities, and it may request the external auditors, as well as any officer of the Company, or outside counsel for the Company, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee;
- (f) the Committee shall have the authority to engage the external auditors to perform a review of the interim financial statements.

SCHEDULE “A”

Position Description for the Chair of the Audit Committee

I. Purpose

The Chair of the Audit Committee of the Board shall be a director who is elected by the Board to act as the leader of the Committee in assisting the Board in fulfilling its financial reporting and control responsibilities to the shareholders of the Company.

II. Who may be Chair

The Chair will be selected from amongst the directors of the Company who have a sufficient level of financial sophistication and experience in dealing with financial issues to ensure the leadership and effectiveness of the Committee.

III. Responsibilities

The following are the primary responsibilities of the Chair:

- chairing all meetings of the Committee in a manner that promotes meaningful discussion;
- ensuring adherence to this Audit Committee Charter and that the adequacy of it is reviewed as required;
- providing leadership to the Committee to enhance the Committee’s effectiveness, including:
 - providing the information to the Board relative to the Committee’s issues and initiatives and reviewing and submitting to the Board an appraisal of the Company’s independent auditors and internal auditing functions;
 - ensuring that the Committee works as a cohesive team with open communication, as well as ensuring open lines of communication among the independent auditors, financial and senior management and the Board of Directors for financial and control matters;
 - ensuring that the resources available to the Committee are adequate to support its work and to resolve issues in a timely manner;
 - ensuring that the Committee serves as an objective party to monitor the Company’s financial reporting process and internal control systems, as well as to monitor the relationship between the Company and the independent auditors to ensure independence;
 - ensuring that procedures are in place to assess the audit activities of the independent auditors; and
 - ensuring that procedures are in place for dealing with complaints received by the Company regarding accounting, internal controls and auditing matters, and for employees to submit confidential anonymous concerns regarding questionable accounting or auditing matters.
- managing the Committee, including:
 - adopting procedures to ensure that the Committee can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;

- preparing the agenda of the Committee meetings and ensuring pre-meeting material is distributed in a timely manner and is appropriate in terms of relevance, efficient format and detail;
- ensuring meetings are appropriate in terms of frequency, length and content;
- obtaining and reviewing with the Committee an annual report from the independent auditors, and arranging meetings with the auditors and financial management to review the scope of the proposed audit for the current year, its staffing and the audit procedures to be used;
- overseeing the Committee's participation in the Company's accounting and financial reporting process and the audits of its financial statements;
- ensuring that the auditors' report directly to the Committee, as representatives of the Company's shareholders; and
- annually reviewing with the Committee its own performance.

SCHEDULE “B”

Audit Committee Pre-Approval Policy

This Policy identifies the Audit Committee’s procedures and conditions for pre-approving audit, audit-related, tax and other non-audit services performed by a public accounting firm that acts as the independent auditor (the “Auditor”) responsible for auditing the consolidated financial statements of LOOPShare Ltd. (the “Company”), and its subsidiaries and affiliates.

1. Introduction

The CPA Code of Professional Conduct (the “CPA Code”) sets out the rules for auditor independence. They include prohibitions or restrictions on services that may be provided by independent auditors to their audit clients. The independence rules identify non-audit services that are deemed inconsistent with an auditors’ independence (“Prohibited Services”). When determining whether a non-audit service is a Prohibited Service, specific reference will be made to the underlying independence rules.

In addition, under Canadian Securities Administrators (“CSA”) rules, a public company’s Audit Committee will be responsible for pre-approving all non-audit services to be provided to the company or its subsidiaries by the company’s independent auditors or the independent auditors of the company’s subsidiaries.

Under both the CPA Code and CSA rules, pre-approval of services by the Audit Committee may be accomplished either by specific approval of each engagement or by adopting pre-approval policies and procedures. The CSA rules require public companies to disclose in their Annual Information Form a description of the policies and procedures their Audit Committee has established to pre-approve non-audit services. The CSA rules also require public disclosure of fees paid to the independent auditors under the captions “Audit Fees”, “Audit-Related Fees”, “Tax Fees”, and “All Other Fees”. The four categories of service, as defined in the CSA rules are:

Audit Services

Include services that are normally provided by the independent auditor in connection with statutory and regulatory filings or engagements.

Audit Related Services

Include services by an independent auditor that are reasonably related to the performance of the audit of the issuer’s financial statements and are not reported as Audit Services.

Tax Services

Include professional services rendered by an independent auditor for tax compliance, tax advice, and tax planning.

All Other Services

Include products and services provided by the independent auditor not included in the previous three categories.

2. Permitted Services

The Company and its subsidiaries will not engage the Auditor to carry out any Prohibited Service. The Audit Committee will consider the pre-approval of permitted services to be performed by the independent auditor in each of the following broad categories.

Audit Services

- Audit of annual financial statements of the Company.
- Review of quarterly interim financial statements.
- Issuance of comfort letters to underwriters and consents to the securities administrators related to a debt or equity financing.

Audit Related Services

- Accounting consultations on specific issues.
- Accounting and reporting consultations on proposed transactions.
- Accounting work related to mergers and acquisitions.
- Audit of employee benefits plan.
- Due diligence assistance.
- General advice on accounting standards.

Tax Services

- Compliance Income and Mining Taxes Services, including tax return preparation.
- Payroll tax services.
- Tax advice and consultations relating to proposed transactions.
- Advice on GST and HST.
- Other tax services not included in the audit and audit-related categories.

Other Non-Audit Services

- Valuation Services.
- Information Technology Advisory and Risk Management Services.
- Actuarial Services.
- Forensic and Related Services.
- Corporate Recovery Services.
- Transaction Services.
- Corporate Finance Services.
- Project Risk Management Services.
- Operational Advisory and Risk Management Services.
- Regulatory and Compliance Services.

- Translation Services.

3. Approval of Permitted Services

For permitted services the following pre-approval policies will apply:

A. Audit Services

The Audit Committee will pre-approve all audit services provided by the Auditor through their recommendation of the Auditor as shareholders' auditors at the Company's annual meeting and through the Audit Committee's review of the Auditor's annual Audit Plan.

B. Pre-Approval of Audit Related, Tax Services and Other Non-Audit Services

Annually, the Audit Committee will pre-approve the audit-related, tax and other non-audit services to be provided by the Auditor that are recurring or otherwise reasonably expected to be provided by the external auditor, including involvement with regulatory filings and offering documents. In addition, the Audit Committee will pre-approve the auditor entering into discussion with and providing preliminary advice to management in connection with accounting, internal controls and taxation matters where they are responding to management's request and the fees for the services of this nature are to be less than \$5,000 individually or \$50,000 in aggregate during the year. Where the auditor presents an engagement letter in connection with any requested services, the pre-approval of the Audit Committee should be evidenced by the signature of the Audit Committee Chair or his designate. The Audit Committee shall be subsequently informed, at least quarterly, of the services for which the External Auditor has been actually engaged. Any additional requests for pre-approval shall be addressed on a case-by-case specific engagement basis as described in (C) below.

C. Approval of Additional Services

With respect to services not covered in (A) or (B) above, the Company employee making the request will submit the request for service to the Chief Financial Officer of the Company. The request for service should include a description of the service, the estimated fee, a statement that the service is not a Prohibited Service and the reason the Auditor is being engaged. All fees related to tax services will be discussed and reviewed by the Audit Committee or its designee prior to beginning the proposed engagement.

- (i) Services where the aggregate fees are estimated to be less than or equal to \$50,000.

Recommendations, in respect of each engagement, will be submitted by the Chief Financial Officer of the Company to the Chair of the Audit Committee for consideration and approval. The full Audit Committee will subsequently be informed of the service, at its next meeting. The engagement may commence upon approval of the Chair of the Audit Committee.

- (ii) Services where the aggregate fees are estimated to be greater than \$50,000.

Recommendations, in respect of each engagement, will be submitted by the Chief Financial Officer of the Company to the full Audit Committee for consideration and approval, generally at its next meeting or at a special meeting called for the purpose of approving such services. The engagement may commence upon approval of the full Audit Committee.

**SCHEDULE “B”
to the Information Circular as at November 4, 2020 of
LOOPShare Ltd.**

**LOOPSHARE LTD.
(the “Company”)**

**FORM 51-102F6V
STATEMENT OF EXECUTIVE COMPENSATION
(For the Year Ended December 31, 2019)**

GENERAL

The following information is provided as required under Form 51-102F6V for Venture Issuers (the “Form”), as such term is defined in National Instrument 51-102.

For the purposes of this Form, a “Named Executive Officer”, or “NEO”, means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a 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 Form 51-102F6V, for that financial year;
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

DIRECTOR AND NEO COMPENSATION

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to each NEO and director of the Company for the two most recently completed financial years ended December 31, 2018 and 2017. Options and compensation securities are disclosed under the heading “Stock Options and Other Compensation Securities and Instruments” of this Form.

| Table of Compensation, Excluding Compensation Securities | | | | | | | |
|---|---------------------|--|---------------------------|---|--|---|--|
| Name and position | Year ⁽¹⁾ | Salary, consulting fee, retainer or commission (\$) ⁽²⁾ | Bonus (\$) ⁽²⁾ | Committee or meeting fees (\$) ⁽²⁾ | Value of perquisites (\$) ⁽²⁾ | Value of all other compensation (\$) ⁽²⁾ | Total compensation (\$) ⁽²⁾ |
| Anwar Sukkarie ⁽³⁾ Former CEO, President and Director | 2019 | \$68,250 | \$101,375 | Nil | Nil | \$132,999 | \$302,624 |
| | 2018 | \$78,000 | \$50,000 | Nil | Nil | Nil | \$128,000 |
| Brooke Hurford ⁽⁴⁾ Chief Financial Officer | 2019 | \$86,400 | Nil | Nil | Nil | Nil | \$86,400 |
| | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| Matthew Clayton ⁽⁵⁾ CEO and Executive Chair | 2019 | \$52,000 | \$50,000 | Nil | Nil | Nil | \$102,000 |
| | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| Paul Chucrallah Former Director | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| Olen Aasen ⁽⁶⁾ Director | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2018 | \$5,067 | \$50,000 | Nil | Nil | Nil | \$55,067 |
| Joel Primus ⁽⁷⁾ Former Director | 2019 | \$24,000 | Nil | Nil | Nil | Nil | \$24,000 |
| | 2018 | \$8,000 | \$50,000 | Nil | Nil | Nil | \$58,000 |
| Tommy Stephenson ⁽⁸⁾ Director | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| Roop Mundi ⁽⁹⁾ Director | 2019 | \$20,000 | Nil | Nil | Nil | Nil | \$20,000 |
| | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| Brian Grange ⁽¹⁰⁾ Director | 2019 | \$10,000 | Nil | Nil | Nil | Nil | \$10,000 |
| | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| Evan Southern ⁽¹¹⁾ Director | 2019 | \$10,000 | Nil | Nil | Nil | Nil | \$10,000 |
| | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |

NOTES:

- (1) Financial years ended December 31.
- (2) All amounts shown were paid in Canadian currency, the reporting currency of the Company.
- (3) Mr. Sukkarie received an annual salary of \$78,000 and for 2018 received a signing bonus of \$50,000 as part of the restructuring of the Company. Mr. Sukkarie resigned from his employment with the Company on October 15, 2019 and in connection with such resignation the Company agreed to pay Mr. Sukkarie \$101,375 and transfer its 99.995% interest in Loop s.a.l. to Mr. Sukkarie. Mr. Sukkarie was also issued 349,999 common shares which were valued at \$132,999 based on the Company's closing price of \$0.38 on the TSX Venture Exchange on December 31, 2019. Mr. Sukkarie served on the Board of Directors of the Company but was not compensated for his services as a director.
- (4) Ms. Hurford was appointed CFO on November 23, 2018. Ms. Hurford receives a monthly consulting fee of \$7,200 pursuant to the terms of a consulting agreement. The Company may terminate the consulting agreement with Ms. Hurford by providing 30 days notice of termination.
- (5) Mr. Clayton was appointed as Executive Chair of the Company on July 17, 2019 and as Chief Executive Officer on October 15, 2020. Mr. Clayton receives a monthly consulting fee of \$6,500 through Hotsa Consulting Ltd. ("Hotsa") pursuant to the terms of a consulting agreement. Hotsa was also paid a signing bonus of \$50,000. The Company may terminate the consulting agreement with Hotsa by providing 6 months notice of termination. Mr. Clayton also serves on the Board of Directors of the Company but is not compensated for his services as a director.
- (6) Mr. Aasen was appointed as a director on November 23, 2018. Mr. Aasen does not receive compensation directly from the Company. Mr. Aasen is a consultant of King & Bay West Management Corp. ("King & Bay West"). Mr. Aasen receives a consulting fee from the Company for the provision of legal services through King & Bay West which include a monthly consulting fee of \$4,000 and a signing bonus of \$50,000 paid in 2018. The Company may terminate the consulting agreement with King & Bay West by providing six months notice of termination. Mr. Aasen currently serves on the Board of Directors of the Company but is not compensated for his services as a director.
- (7) Mr. Primus was appointed as a director on November 23, 2018 and resigned as a director on September 30, 2019. Mr. Primus received a monthly consulting fee of \$4,000 and a signing bonus of \$50,000 (paid in 2018) under the terms of a

consulting agreement that was terminated in 2019. Mr. Primus served on the Board of Directors of the Company but was not compensated for his services as a director.

- (8) Mr. Stephenson was appointed as a director of the Company effective November 23, 2018 and receives no compensation for his services as a director.
- (9) Mr. Mundi was appointed as a director of the Company effective June 18, 2019 and receives no compensation for his services as a director. Mr. Mundi was paid \$20,000 in consulting fees in 2019 for consulting services.
- (10) Mr. Grange was appointed as a director of the Company effective September 30, 2019 and receives no compensation for his services as a director. Mr. Grange was paid \$10,000 in consulting fees in 2019 for consulting services.
- (11) Mr. Southern was appointed as a director of the Company effective September 30, 2019 and receives no compensation for his services as a director. Mr. Southern was paid \$10,000 in consulting fees in 2019 for consulting services.

Stock Options and Other Compensation Securities and Instruments

The following table of compensation securities provides a summary of all compensation securities granted or issued by the Company to each NEO and director of the Company for the financial year ended December 31, 2019, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries:

| Compensation Securities | | | | | | | |
|--|--|--|-------------------------------|---|---|--|--------------------|
| Name and position | Type of compensation security (2) (3) (4) | Number of compensation securities, number of underlying securities, and percentage¹ of class (1) | Date of issue or grant | Issue, conversation 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 |
| Anwar Sukkarie Former CEO, President and Director | N/A | Nil | Nil | Nil | Nil | Nil | N/A |
| Brooke Hurford, Chief Financial Officer | N/A | Nil | Nil | Nil | Nil | Nil | N/A |
| Matthew Clayton Executive Chair and CEO | Stock Options | 150,000 Options, 150,000 Common Shares, 0.5% | 2019-07-18 | 0.60 | 0.60 | 0.38 | 2024-07-18 |
| Paul Chucrallah Former Director | N/A | Nil | Nil | Nil | Nil | Nil | N/A |
| Olen Aasen Director | Stock Options | 50,000 Options, 50,000 Common Shares, 0.16% | 2019-07-18 | 0.60 | 0.60 | 0.38 | 2024-07-18 |

| Compensation Securities | | | | | | | |
|--------------------------------|--|---|------------------------|---|---|--|-------------|
| Name and position | Type of compensation security (2) (3) (4) | Number of compensation securities, number of underlying securities, and percentage ¹ of class (1) | Date of issue or grant | Issue, conversation 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 |
| Joel Primus Former Director | N/A | Nil | Nil | Nil | Nil | Nil | N/A |
| Tommy Stephenson Director | Stock Options | 50,000 Options, 50,000 Common Shares, 0.16% | 2019-01-18 | 0.50 | 0.50 | 0.38 | 2023-11-23 |
| Roop Mundi Director | Stock Options | 50,000 Options, 50,000 Common Shares, 0.16% | 2019-07-18 | 0.60 | 0.60 | 0.38 | 2024-07-18 |
| Brian Grange Director | N/A | Nil | Nil | Nil | Nil | Nil | N/A |
| Evan Southern Director | N/A | Nil | Nil | Nil | Nil | Nil | N/A |

NOTES:

- (1) As at December 31, 2019, 29,794,786 Common Shares were issued and outstanding. The total amount of compensation securities and underlying securities held by each NEO and director as at December 31, 2019 are as set out in the table above except for: A. Sukkarie: 110,000 Stock Options (110,000 Common Shares), O. Aasen 130,000 Stock Options (130,000 Common Shares), J. Primus 50,000 Stock Options (50,000 Common Shares) and B. Hurford 15,000 Stock Options (15,000 Common Shares).
- (2) 50,000 stock options granted to Mr. Chucrallah were cancelled during the year ended December 31, 2019 as a result of the expiry of his term as a director. Except for the foregoing, no compensation security has been repriced, cancelled and replaced, had its term extended, or otherwise been modified financial year ended December 31, 2019.
- (3) The compensation securities detailed above vest over a period of three years, with the first 40% vesting on the date which is one year from the date of the grant, 30% vesting on the date which is two years from the date of the grant, and 30% vesting on the date which is three years from the date of the grant.
- (4) There are no restrictions or conditions for converting, exercising or exchanging the compensation securities.

The following table provides a summary of each exercise of compensation securities by each NEO and director of the Company for the financial year ended December 31, 2019:

| Exercise of Compensation Securities | | | | | | | |
|--|-------------------------------|--|----------------------------------|------------------|---|--|-----------------------------------|
| Name and position | Type of compensation security | Number of underlying securities exercised ⁽¹⁾ | Exercise price per security (\$) | Date of exercise | Closing price per security on date of exercise (\$) | Difference between exercise price and closing price on date of exercise (\$) | Total value on exercise date (\$) |
| Anwar Sukkarie Former CEO, President and Director | Stock Options | Nil | N/A | N/A | N/A | N/A | N/A |
| Brooke Hurford, Chief Financial Officer | Stock Options | Nil | N/A | N/A | N/A | N/A | N/A |
| Matthew Clayton Executive Chair and CEO | Stock Options | Nil | N/A | N/A | N/A | N/A | N/A |
| Paul Chucrallah Former Director | Stock Options | Nil | N/A | N/A | N/A | N/A | N/A |
| Olen Aasen Director | Stock Options | Nil | N/A | N/A | N/A | N/A | N/A |
| Joel Primus Former Director | Stock Options | Nil | N/A | N/A | N/A | N/A | N/A |
| Tommy Stephenson Director | Stock Options | Nil | N/A | N/A | N/A | N/A | N/A |
| Roop Mundi Director | Stock Options | Nil | N/A | N/A | N/A | N/A | N/A |
| Brian Grange Director | Stock Options | Nil | N/A | N/A | N/A | N/A | N/A |
| Evan Southern Director | Stock Options | Nil | N/A | N/A | N/A | N/A | N/A |

NOTES:

- (1) No compensation securities were exercised by any NEOs or directors of the Company during the financial year ended December 31, 2019.

Stock Option Plan and Other Incentive Plans

The Company has no other incentive plans other than its stock option plan (the “**Plan**”). The Plan reserves for issuance a maximum of 10% of the Common Shares at the time of a grant of options under the Plan. The Plan is administered by the Board of Directors and provides for grants of non-transferable options under the Plan at the discretion of the Board of Directors to directors, senior officers, employees, management company employees of, or consultants to, the Company and its subsidiaries, or their permitted assigns (each an “**Eligible Person**”).

The Board of Directors has the authority under the Plan to determine the exercise price per Common Share at the time an option is granted, but such price shall not be less than the closing price of the Common Shares on the TSX Venture Exchange (“**TSXV**”) on the last trading day preceding the date on which the grant of the option is approved by the Board of Directors. The Board of Directors also has the authority under the Plan to determine other terms and conditions relating to the grant of options, including any applicable vesting provisions, provided that any options granted to consultants performing

Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than one-quarter of the options vesting in any three-month period.

The term of options granted under the Plan shall not exceed 10 years from the date of grant. However, as permitted by the Policy, the Plan has been amended to include an automatic extension of the expiry date associated with any option that expires during a trading blackout period imposed by the Company in accordance with insider trading policies. Under the Plan, if an option expires within a blackout period, the expiry date will be automatically extended to ten (10) business days following the date on which the blackout period is lifted.

All options granted under the Plan are not assignable or transferable other than by will or the laws of dissent and distribution. Other than Eligible Persons engaged in Investor Relations Activities, if an optionee ceases to be an Eligible Person for any reason whatsoever other than termination for cause or death, each fully vested option held by such optionee will cease to be exercisable 90 days following the termination date (being the date on which such optionee ceases to be an Eligible Person), provided that in no event shall such right extend beyond the expiry date of such options. If an optionee dies, the legal representative of the optionee may exercise the optionee's options within one year after the date of the optionee's death but only up to and including the original option expiry date.

The Plan contains a cashless exercise feature whereby, at the sole discretion of the Company, an option that is eligible for exercise may be exercised on a cashless basis instead of a participant making a cash payment for the aggregate exercise price of the options. There are two options for a cashless exercise of options that the Company has made available:

- (c) *Broker assisted cashless exercise:* The Company shall issue directly to the participant's broker the number of Common Shares in respect of such options exercised for cash and the participant's broker shall, at the election of the participant: (i) sell at market, and retain the proceeds of, a sufficient number of Common Shares to cover the aggregate purchase price of the Common Shares and any withholding obligations in respect of which the option has been exercised, with any cash balance to be delivered to the participant and any remaining Common Shares held by the participant's broker in trust for, or delivered as directed by, the participant; or (ii) sell at market all of the Common Shares in respect of which the option has been exercised and deliver to the participant the cash balance remaining after deducting the aggregate purchase price of such Common Shares and any withholding Obligations.
- (d) *Exchange for Substituted Rights:* The participant relinquishes his options in return for a substituted right to acquire from the Company a number of Common Shares determined by the in-the-money amount of option. The in-the-money amount of the option is divided by the market price at the time of exercise and the participant receives a net amount of Common Shares without any cash payment to the Company, other than for withholding obligations.

In adherence with the TSXV Policy 4.4 – *Incentive Stock Options* (the “**Policy**”), the Plan also includes the following limitations on stock option grants:

- (e) unless the Company obtains shareholder approval (which must be disinterested shareholder approval if required by the policies of the Exchange) the aggregate number of Common Shares issuable pursuant to options granted under the Plan, together with Common Shares issuable under any other Share Compensation Arrangement of the Company shall not at any time exceed 10% of the number of Common Shares outstanding immediately prior to the grant of any such option;

- (f) the aggregate number of Common Shares issuable to any one Eligible Person who is a Consultant (as defined in the Plan) shall not, within a one year period, exceed 2% of the number of Common Shares outstanding immediately prior to the grant of any such option;
- (g) the aggregate number of Common Shares issuable to all Eligible Persons retained in Investor Relations Activities shall not, within a one year period, exceed 2% of the number of Common Shares outstanding immediately prior to the grant of any such option; and
- (h) unless the Company obtains disinterested shareholder approval, the aggregate number of Common Shares issuable to any one Eligible Person (and where permitted, any companies that are wholly owned by that Eligible) shall not, within a one year period, exceed 5% of the number of Common Shares outstanding immediately prior to the grant of any such option.

Furthermore, the Plan provides that shareholder approval must be obtained to effect any of the following modifications to the Plan: (a) an increase in the benefits under the Plan; (b) an increase in the number of Common Shares which may be issued under the Plan; (c) modifications to the requirements as to the eligibility for participation in the Plan; (d) modifications to the limitations on the number of options that may be granted to any one person or category of persons under the Plan; (e) modifications to the method for determining the exercise price of options granted under the Plan; (f) an increase in the maximum option period; or (g) modifications to the expiry and termination provisions applicable to options granted under the Plan.

Employment, Consulting and Management Agreements

The material terms of the employment, consulting and management agreements of the Company are described under the heading “Director and NEO Compensation, Excluding Options and Compensation Securities”.

Oversight and Description of Director and NEO Compensation

During the financial year ended December 31, 2019, the Board of Directors of the Company had a compensation committee (the “Compensation Committee”) consisting of Olen Aasen, Anwar Sukkarie, Paul Chucrallah and Tommy Stephenson. The Compensation Committee is responsible for making recommendations to the Board of Directors on all forms of compensation to be granted to the Named Executive Officers and the directors. Compensation of Named Executive Officers and directors is determined based on discussion by the Compensation Committee based on subjective factors, without any formal objectives, criteria or analysis. The Company’s Named Executive Officers are compensated through consulting agreements and or management services arrangements. The Compensation Committee does not have a pre-determined compensation plan and does not engage in benchmarking practices. The general objectives of the Company’s compensation strategy are to (a) compensate management in a manner that encourages and rewards a high level of performance and results with a view to increasing long-term shareholder value; and (b) align management’s interests with the long-term interests of shareholders.

The key elements of executive compensation awarded by the Company are base salary or management fees. There is no policy or target regarding cash and non-cash elements of the Company’s compensation program. The Board of Directors is of the view that all elements should be considered, rather than any single element. The Company does not currently provide its NEOs with personal benefits and does not grant performance or other bonuses.

Long Term Incentives

The Company has a Stock Option Plan (the “Plan”) for the granting of stock options to the directors, officers and consultants of the Company. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating such persons and to closely align the personal interest of such persons to that of the Company’s shareholders. The allocation of options under the Plan is determined by the Board of Directors which, in determining such allocations, considers such factors as previous grants to individuals, overall company performance, peer company performance, share price performance, the business environment and labour market, the role and performance of the individual in question and, in the case of grants to non-executive directors, the amount of time directed to the Company’s affairs. The Company has not implemented a formal bonus program. Any bonuses are discretionary based on subjective factors determined by the Board of Directors and there are no pre-defined objectives, target amounts or caps. No bonuses, other than signing bonuses, were paid during the year ended December 31, 2019.

Hedging Restrictions

The Company does not have any policies that restrict an NEO or director from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Risk Management and Assessment

In light of the Company’s size, current activity level and the balance between long-term objectives and short-term financial goals with respect to the Company’s executive compensation program, the Board does not deem it necessary to consider at this time the implications of the risks associated with its compensation policies and practices.

While the Company has not awarded any discretionary bonuses in the past three financial years, there is a risk associated with its approach to discretionary bonuses as there are no pre-defined objectives, target amounts or caps. As a result, there is some incentive for Named Executive Officers to take on unmanageable risk and unsustainable performance over the long term in order to achieve a short term discretionary bonus payout. The Company is aware of this risk and at such time the Company moves to a more advanced stage of development, it is expected that the Company will develop a bonus program with pre-defined objectives and target amounts in order to mitigate these risks.

The Company views stock options as a valuable tool for aligning the interest of management and Shareholders in the long-term growth and success of the Company. The Company is aware that stock option grants that vest immediately may create an incentive for management to maximize short term gains at the expense of the long-term success of the Company. In order to mitigate this risk, option grants are generally subject to vesting period of two years from the date of grant.

Director Compensation

During the fiscal year ended December 31, 2019, the Company had no formal director compensation program. No cash compensation was paid to the directors of the Company in their capacity as directors during the financial year ended December 31, 2019. During the year ended December 31, 2019, certain directors of the Company are not Named Executive Officers, were granted stock options to purchase Common Shares pursuant to the Company’s incentive stock option plan.

Changes Subsequent to Year-End

There have been no significant changes made to the Company’s compensation policies subsequent to the financial year ended December 31, 2019.

Pension

The Company does not have any form of pension plan that provides for payments or benefits to the NEO at, following, or in connection with retirement. The Company does not have any form of deferred compensation plan.

