



**LIFESTYLE DELIVERY SYSTEMS INC.
NOTICE OF ANNUAL GENERAL MEETING
OF SHAREHOLDERS
TO BE HELD ON JANUARY 25, 2018
AND
INFORMATION CIRCULAR
AS AT DECEMBER 22, 2017**



Lifestyle Delivery Systems Inc.

CSE : LDS

OTCQB : LDSYF

Frankfurt: LD6, WKN: A14XHT

CEO Letter to our shareholders

December 22, 2017

Speaking on behalf of the Lifestyle Delivery Systems' team, thank you for being our shareholder. We truly appreciate your investment in Lifestyle Delivery Systems, especially with so many cannabis-related companies to choose from. We have worked tirelessly over the past several years in order to create an enterprise that we truly believe will financially benefit our investors and employees for years to come.

How We Got Here. In 2015 we had one driving goal. To manufacture a medicinally beneficial, innovative, affordable and discreet cannabis-related product for the marketplace. We accomplished that goal with CannaStrips™, a sublingual oral strip that includes as its primary ingredient some or all of the components of the medicinal cannabis plant, depending on which of the four CannaStrips™ a patient chooses. However, before we were able to transform our CannaStrips™ theory into reality, we needed to overcome five challenges;

- 1) create a “first of its kind” formula;
- 2) obtain organic grade, pesticide free bio-mass on a consistent basis;
- 3) in conjunction with potential permit holders, obtain the necessary licenses and permits from a city that was receptive to all aspects of the cannabis eco-system – i.e. nursery, manufacturing, extraction;
- 4) acquire industrial-size pharmaceutical grade manufacturing and packaging equipment; and
- 5) retrofit an existing building within the “green zone.”

The task of creating our CannaStrips™ formula fell to Dr. John Sanderson, our Chief Science Officer. Dr. Sanderson is a stellar example of the Company's requirements to retain the “Best-In-Class” type of professionals that make up the LDS team.

After testing over a thousand variations of CannaStrips™, Dr. Sanderson eventually refined the formula to, what we believe to be, a product superior to anything else in the marketplace.

CannaStrips™, a sub-lingual oral strip similar to a breath strip, is not only a safer, healthier option to smoking, but also a new way to accurately meter the dosage and assure the purity of the product. Unlike edibles which have significant dosage and consistency challenges and deficiencies, Lifestyle Delivery Systems has a unique method for delivering nano-encapsulated biological molecules of therapeutic value systemically – directly across mucous membranes – in order to achieve ease of administration, compliance, dose repeatability and improved bioavailability. In addition, CannaStrips™ proprietary process involves reducing all elements in its formulation to a micro particulate size and homogenizing the mixture into a lipid encapsulation which disrupts the body's natural barrier that precludes oral absorption into the blood stream of most liquid, or solid chemical compounds. This allows the active cannabinoids and terpenes to enter the bloodstream quickly through the buccal membrane of the mouth and remain in the blood stream until receptors in the body are available.

The entire cannabis plant and all of its synergistic components of cannabinoids, terpenes, terpenoids, flavonoids and other entities are used in the formulation of CannaStrips™. The combination of cannabinoids, terpenes and terpenoids found in cannabis plants cause an “entourage effect,” which means that the impact of the whole cannabis plant is extremely beneficial. This may explain why so many people seem to get better results from using whole plant extract compared to highly distilled versions of pure THC or pure CBD and CBN. If you're interested in finding out more about the difference between CannaStrips™ and edibles, as well as the importance of dosage please go to our website at www.LifestyleDeliverySystems.com and listen to our podcast.

We were fortunate enough to acquire an industrial pharmaceutical grade manufacturing unit that, once retrofitted to meet our production capacity, has the capacity to produce five hundred thousand CannaStrips™ per day. In addition, we've subsequently purchased new packaging equipment which is able to meet similar production demands.

The next challenge was to identify a community that had or was contemplating, issuing all the licenses in the medicinal cannabis eco-system: nursery, cultivation, manufacturing, high volatile extraction, distillation and dispensary. Through our extensive research and due-diligence, we were introduced to the City of Adelanto, and eventually its city council members. We realized the City Council was attempting to implement a permit system exactly matching our needs. Consequently, we entered into an agreement with an existing license holder and collective, the CSPA Group, Inc. and assumed its lease of a vacant 20,000 sq ft facility in the "green zone" of Adelanto. The next step was the meticulous and somewhat slow, but necessary, process of retrofitting the complete building.

By fall of 2017, we had transformed an empty warehouse into a vertically-integrated state-of-the-art facility with eight isogenic seed rooms, agricultural nursery, cultivation division, cutting-edge laboratory and three explosion proof extraction and distillation rooms. And of course, our CannaStrips™ division.

Our next job was to source large quantities of organic grade plant material, also referred to as biomass, in California. Having scoured the countryside, we realized it would be virtually impossible to consistently obtain biomass free of pesticides or infestation, especially at the quantity levels we hope to scale to. To overcome this challenge, we acquired parcels comprising 24.25 acres in Adelanto's "green zone". We will subdivide the acres, build indoor nursery facilities, and lease the facilities to qualified license holders. Phase one was announced on November 16th, 2017, when we submitted plans to the City of Adelanto planning department to subdivide one 10-acre parcel for a proposed 202,500 square-foot cultivation facility. This facility will include environmentally controlled hybrid greenhouse capable of producing over 150,000 mature cannabis plants from seedlings every 100 days. Our goal is to create a consistent, constant stream of organic grade biomass for our internal use as we continue to scale-up the production of CannaStrips™, oils for vape cartridges, and white label products for third-party clients.

Inflexion Point. On December 21, 2017, our licensee, CSPA Group, Inc., received a California State license to Manufacture Using Volatile Solvents beginning January 1, 2018. There is a once in a lifetime event that will take place in California on January 1st, 2018. The California legal ability to acquire cannabis for Adult-Use purposes in the state. At the center of this inflexion point will be a tremendous wave of demand for cannabis related products from "Adult-Use" consumers. Simultaneously, we anticipate a significant decline in biomass that will pass the new State of California testing requirements due to contaminants. We believe that the painstaking work the LDS team has put in over the last two years lends itself to the oncoming inflexion point. In short, LDS has the capacity to scale. We meet or exceed California's pending new laws relating to cannabis. In 2018 we believe we'll grow all the medicinal and Adult-Use cannabis needed to fulfill our overall goal of having a closed loop ecosystem within our vertically-integrated company.

Overview of Our Accomplishments:

- Created CannaStrips™ that provides metered dosage of organic grade medicinal cannabis, in a discreet, odorless format allowing for up to 6 hours of effect
- Sourced "fresh frozen" organic grade biomass (medicinal cannabis plant material)
- Converted an empty 20,000 sq foot shell into a state-of-the-art, semi-automated facility
- Obtained manufacturing, volatile extraction, and dispensary permits through our permit holders
- Acquired 24.25 acres in Adelanto's "green zone" allowing for up to 30 indoor nurseries
- Retrofitted our CannaStrip™ processing equipment to produce 500,000 CannaStrips™ per day
- Acquired new packaging equipment allowing for packaging of up to 500,000 CannaStrips™ per day
- Completed a \$9.6m in private placement financing, including a \$7.1m brokered private placement with Canaccord Genuity acting as agent

- Retained arguably the best talent as it relates to agricultural nursery, cultivation, extraction and distillation

Why California. We're asked on a regular basis if we're planning to expand beyond California. Though we continue to keep all options available, we are extremely excited being in California.

In short, the demographics speak for themselves. There are approximately 39 million residents and over 251 million annual visitors. California's population is larger than the seven western cannabis-approved states combined. Its population is larger than Canada. In fact, when you combine the number of residents and visitors in California, it equals approximately 89% of the total United States population of 326 million. Even with the fact that California laws require a user to be 21 years old to participate in Adult-Use, the numbers are overwhelming.

The above numbers translate into medicinal cannabis and soon to be Adult-Use cannabis sales. It's reported that California's medicinal cannabis sales in 2016 were \$2.6 billion, and 2017 is anticipated to be approximately \$3.7 billion. Conditional on continuation of this upward trend and adding in Adult-Use sales, it's a reasonable conclusion to believe 2018 cannabis sales in California may exceed \$5 billion. Again, this figure is larger than the projected sales for 2018 relating to the seven western cannabis states combined.

Long Term Solutions. We've tried to solve each challenge we've confronted with long term solutions. Admittedly, it would have been easier and more expedient to find a "band aid" approach to most of the business challenges that have materialized over the past few years. But we're confident that it would have compromised the Company and everything we've worked incredibly hard to create. Attempting to find the long-term solutions have, at times, temporarily set us back either in time or capital. However, we firmly believe that finding long-term solutions to challenges has been, and will continue to be, the correct approach, especially in an industry as fluid and pivotal as the cannabis marketplace.

We now believe the stage is set for a successful 2018 and beyond. Should you wish to reach out to us, please do so. We make every attempt to return phone calls and emails within 24 hours, and will continue to do so. With that said we wish each and every one of you a healthy and happy holiday season, and a very prosperous New Year.

Sincerely,

/s/ Brad Eckenweiler
Brad Eckenweiler
CEO / LDS

LIFESTYLE DELIVERY SYSTEMS INC.
Suite 820, 1130 Pender Street West
Vancouver, British Columbia, Canada V6E 4A4
Telephone: 866-347-5058 / Fax: 604-648-0517

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an annual general meeting (the “Meeting”) of Shareholders of Lifestyle Delivery Systems Inc. (the “Company”) will be held at Princess Louisa Suite, The Fairmont Waterfront, 900 Canada Place Way, Vancouver, BC V6C 3L5, on January 25, 2018 at 4:00 p.m. PST for the following purposes:

1. To receive and consider the audited financial statements of the Company for the two fiscal years ended December 31, 2016 and December 31, 2015, respectively and the reports of the auditors and the management discussion and analysis related thereto;
2. To set the number of directors of the Company for the ensuing year at six (6) persons;
3. To elect Brad Eckenweiler, James Pakulis, Dr. John Sanderson, Yanika Silina, David Velisek and Arni Johannson as the Company’s directors for the ensuing year;
4. To appoint Dale Matheson Carr-Hilton Labonte LLP as the auditor of the Company for the ensuing year, and to authorize the directors to fix the remuneration to be paid to the auditors;
5. To consider and, if deemed advisable, to pass a special resolution amending the articles of the Company to incorporate the Company’s Advance Notice Policy, as more particularly described in the accompanying Information Circular; and
6. To transact such other business as may properly come before the Meeting and any adjournment thereof.

No other matters are contemplated, however any permitted amendment to or variation of any matter identified in this Notice may properly be considered at the Meeting. The Meeting may also consider the transaction of such other business as may properly come before the Meeting or any adjournment thereof.

The Company’s board of directors (the “Board”) has fixed December 20, 2017, as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting.

A shareholder who is unable to attend the Meeting in person and who wishes to ensure that such shareholder’s Common Shares will be voted at the Meeting is requested to complete, date and execute 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 Common Shares in a brokerage account you are not a registered shareholder. Unregistered shareholders who plan to attend the Meeting must follow the instructions set out in the form of proxy or voting instruction form to ensure that their Common Shares will be voted at the Meeting.

The audited financial statements for the year ended December 31, 2016, report of the auditor and related management discussion and analysis will be made available at the Meeting and are available on www.sedar.com.

DATED at Vancouver, British Columbia, this 22nd day of December, 2017.

BY ORDER OF THE BOARD

“Brad Eckenweiler”
Brad Eckenweiler
Chief Executive Officer and Director

LIFESTYLE DELIVERY SYSTEMS INC.

Suite 820, 1130 Pender Street West
Vancouver, British Columbia, Canada V6E 4A4
Telephone: 866-347-5058 / Fax: 604-648-0517

INFORMATION CIRCULAR

as at December 22, 2017 *(except as otherwise indicated)*

This Information Circular is furnished in connection with the solicitation of proxies by the management of Lifestyle Delivery Systems Inc. (the “Company”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on January 25, 2018 at the time and place and for the purposes set forth in the accompanying Notice of the Meeting.

In this Information Circular, references to the “Company”, “we” and “our” refer to Lifestyle Delivery Systems Inc. “Common Shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company without payment of any special compensation. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Appointment of Proxyholders

Registered shareholders as of the close of business on the Record Date (as defined below) are entitled to attend and vote at the Meeting, and are encouraged to participate in the Meeting and to vote on the matters to be considered in person or by proxy.

The individuals named in the accompanying form of proxy (the “Proxy”) are directors and/or officers of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy. You should notify the nominee of the appointment, obtain the nominee’s consent to act as proxy and provide instructions to the nominee on how you wish your shares to be voted. Your nominee should bring personal identification to the meeting.**

Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

In the case of abstentions from, or withholding of, the voting of the Common Shares on any matter, the Common Shares that are the subject of the abstention or withholding will be counted for determining whether a valid quorum is present at the Meeting, but will not be counted as affirmative or negative on the matter to be voted on.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders may submit a proxy using one of the following methods:

- (a) complete, date and sign the enclosed form of proxy and return it to the Company's transfer agent, Computershare Trust Company of Canada ("Computershare"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9; or
- (b) use a touch-tone phone to transmit voting choices to a toll-free number listed on your proxy card. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll-free number, the holder's account number and the proxy access number; or
- (c) log on to Computershare's website at www.investorvote.com. Registered shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number.

Whatever method a registered shareholder chooses to submit their proxy they must ensure that the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof.

Beneficial Shareholders

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

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 the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker (an "intermediary"). In Canada, the vast majority of such Common Shares are registered under the

name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States of America (the “United States” or the “U.S.”), under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients. There are two kinds of Beneficial Shareholders: Objecting Beneficial Owners (“OBOs”) object to their name being made known to the issuers of securities which they own; and Non-Objecting Beneficial Owners (“NOBOs”) who do not object to the issuers of the securities they own knowing who they are.

The Company is taking advantage of the provisions of National Instrument 54-101 - Communication with Beneficial Owners of Securities of a Reporting Issuer (“NI 54-101”) that permit the Company to deliver proxy-related materials directly to its NOBOs. As a result NOBOs can expect to receive a Voting Instruction Form (“VIF”) from our transfer agent, Computershare. The VIF is to be completed and returned to Computershare as set out in the instructions provided on the VIF. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

These securityholder materials are being sent to both registered and non-registered (beneficial) owners of the securities of the Company. If you are a beneficial owner, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your VIF as specified in the request for voting instructions that was sent to you.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The proxy form supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”) in Canada and in the United States. Broadridge mails a VIF in lieu of the proxy provided by the Company. The VIF will name the same persons as the Company’s Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), who is different from any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative, which may be you, in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge in accordance with Broadridge’s instructions. 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 and the appointment of any shareholder’s representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting and vote the Common Shares at the Meeting.**

Notice to Shareholders in the United States

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of

Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia) certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the registered shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare Trust Company of Canada, or to the Company's business office located at Suite 820 – 1130 Pender Street West, Vancouver, British Columbia, Canada, V6E 4A4, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of auditor and as may be set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the "Board") of the Company has fixed the close of business on December 20, 2017, as the record date for the determination of persons entitled to receive notice of and to vote at the Meeting (the "Record Date"). Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

As of December 20, 2017, there were 94,377,919 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, and there are no cumulative or similar voting rights attached to the Common Shares.

As of December 20, 2017, there were 8,196,000 Common Shares held in escrow.

To the knowledge of the directors and executive officers of the Company, no person or corporation beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at December 20, 2017.

VOTES NECESSARY TO PASS RESOLUTIONS

Except with respect to the proposal to amend the Company's articles to adopt the Advance Notice Policy, a simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. The proposal to alter the Company's articles to incorporate and adopt the Advance Notice Policy must be approved by 2/3 of the votes cast on the resolution.

If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled all such nominees will be declared elected or appointed by acclamation.

CORPORATE GOVERNANCE

General

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders of the Company. Corporate governance also takes into account the role of the individual members of management appointed by the Board who are charged with the day-to-day management of the Company. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

Board of Directors

The Board is currently composed of three (3) directors. None of the current directors of the Company are independent as that term is defined in NI 52-110. Mr. Eckenweiler is the CEO of the Company, and Mr. Pakulis is the President of the Company. Mr. Velisek was an executive officer of the Company until May 22, 2015.

The Board is proposing to increase the number of directors to six (6). In addition to Mr. Eckenweiler, Mr. Pakulis and Mr. Velisek, the Board has nominated Yanika Silina, Dr. John Sanderson and Arni Johannson. Of the proposed nominee directors, Mr. Johannson is independent as that term is defined in NI 52-110. Ms. Silina currently acts as the CFO of the Company and Dr. Sanderson currently acts as the Company's Chief Science Officer. In addition, the Company currently licenses certain technologies used in the Company's CannaStrips™ products from Dr. Sanderson, and for which Dr. Sanderson has received 1,000,000 Common Shares, and has the right to receive an additional 1,000,000 if patent is issued by the United States Patent and Trademark Office for the licensed technology.

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

Directorships

The following table sets forth the current and proposed directors of the Company who currently hold directorships in other reporting issuers:

Name of Director	Name of Issuer	Trading market
James Pakulis	Wisdom Homes of America, Inc.	OTCPink
David Velisek	Confederation Minerals Ltd.	TSXV
	Novo Resources Corp.	TSXV
Yanika Silina	Cell MedX Corp.	OTCQB

	Kesselrun Resources Ltd.	TSXV
Dr John Sanderson, MD	Cell MedX Corp.	OTCQB
Arni Johannson	Mega Uranium Ltd.	TSX

Orientation and Continuing Education

In order to orient new directors, the Board briefs all new directors with the policies of the Board, and other relevant corporate and business information.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Further, the Company's auditor has full and unrestricted access to the Audit Committee at all times to discuss the audit of the Company's financial statements and any related findings as to the integrity of the financial reporting process.

Under applicable corporate legislation, a director is required to act honestly and in good faith with a view to the best interest of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction is a director or officer (or an individual acting in a similar capacity) of a party to the contract or voting on the contract or transaction, unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

Nomination of Directors

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of the shareholders.

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

Compensation

The Board as a whole conducts reviews with regard to the directors' and the CEO's compensation once a year. To make its recommendation on directors' and the CEO's compensation, the Board takes into account the types of compensation and the amounts paid to directors and the CEO of comparable publicly traded Canadian companies. Members of the Board do not currently receive any remuneration for acting in such capacity.

Other Board Committees

The Board has no committees other than the Audit Committee.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and the management, and the strategic direction and processes of the Board and committees of the Board.

EXECUTIVE COMPENSATION

In this section “Named Executive Officer” (“NEO”) means the Chief Executive Officer (the “CEO”), the Chief Financial Officer (the “CFO”) and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed fiscal year and whose total salary and bonus exceeds \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Company at the end of the most recently completed fiscal year end.

For the financial year ended December 31, 2016, the NEOs of the Company were: Brad Eckenweiler, CEO, James Pakulis, President, Yanika Silina, CFO, and Dr. Sanderson, Chief Science Officer (“CSO”).

Compensation Discussion and Analysis

As the Company does not have a compensation committee, the Board has the responsibility to administer compensation policies related to executive management.

Executive compensation is based upon the need to provide a compensation package that will allow the Company to attract and retain qualified and experienced executives balanced with a pay-for-performance philosophy. Compensation for this fiscal year and prior fiscal years is based upon a negotiated salary, with option-based awards and bonuses potentially being issued and paid as an incentive for performance.

The Board has not considered the implications of the risks associated with the Company’s compensation program.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the best of the Company’s knowledge, none of the executive officers or directors have purchased such financial instruments.

Compensation Review Process

The Board is responsible for the compensation policies and guidelines for the Company and for implementing and overseeing compensation policies.

The Board reviews on an annual basis the cash compensation, performance and overall compensation package of each executive officer, including the NEOs. The Board makes decisions with respect to basic salary and participation in share compensation arrangements for each executive officer. In considering executive officers other than the CEO, the Board takes into account the recommendation of the CEO.

The Company does not have a formal compensation program with set benchmarks, however, the Company does have a compensation program which seeks to reward an executive officer's current and future expected performance. Individual performance in connection with the achievement of corporate milestones and objectives is also reviewed for all executive officers.

Elements of Executive Compensation Program

The Company's compensation program consists of the following elements:

- (a) base salary or consulting fees;
- (b) bonus payments; and
- (c) equity participation through the Company's stock option plan.

Base Salary or Consulting Fees

In determining the base salary of an executive officer, the Board considers the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by other companies in the machinery and equipment wholesale industry which were similar in size as the Company;
- (c) the experience level of the executive officer;
- (d) the amount of time and commitment which the executive officer devotes to the Company; and
- (e) the executive officer's overall performance and performance in relation to the achievement of corporate milestones and objectives.

Bonus Payments

Each of the executive officers, as well as all employees, is eligible for an annual bonus, payable in cash or through stock-based compensation. The amount paid is based on the Board's assessment of the Company's performance for the year. Factors considered in determining bonus amounts include individual performance, financial criteria (such as cash flow and share price performance) and operational criteria (such as significant licensing contracts, revenue growth and the attainment of corporate milestones).

The Company did not award any bonuses during the financial years ended December 31, 2016 and 2015.

Equity Participation

Equity participation is accomplished through the Company's stock option plan.

Option-based Awards

The Board is responsible for administering compensation policies related to the Company's executive management, including the option-based awards.

The Board approved a stock option plan dated April 21, 2011 (the "2011 Plan") pursuant to which the Board may grant stock options to directors, officers, employees, management and others who provide services to the Company. The 2011 Plan provides compensation to participants and additional incentive to work toward long-term Company performance.

The 2011 Plan was implemented to grant stock options in consideration of the level of responsibility as well as optionee impact and/or contribution to the longer-term operating performance of the Company. In determining the number of share options to be granted, the Company's Board takes into account the number of share options, if any, previously granted, and the exercise price of any outstanding stock options to ensure that such grants are in accordance with the policies of the CSE, and closely align the interests of the executive officers with the interests of the Company's shareholders.

Summary Compensation Table For Financial Years Ended December 31, 2016, 2015, and 2014

The compensation paid to the NEOs during the Company's three most recently completed financial years ended December 31st is as set out below and expressed in Canadian dollars, unless otherwise noted:

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation ⁽¹⁾ (\$)
					Annual incentive plans	Long-term incentive plans			
Brad Eckenweiler ⁽²⁾ Director and CEO	2016	Nil	Nil	83,369	Nil	Nil	Nil	252,129	335,498
	2015	Nil	Nil	Nil	Nil	Nil	Nil	69,475	69,475
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
James Pakulis ⁽³⁾ President and Director	2016	Nil	Nil	28,748	Nil	Nil	Nil	79,536	108,284
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Yanika Silina ⁽⁴⁾ CFO and Corporate Secretary	2016	Nil	Nil	14,695	Nil	Nil	Nil	12,000	26,695
	2015	Nil	Nil	Nil	Nil	Nil	Nil	1,000	1,000
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dr. John Sanderson ⁽⁵⁾ CSO	2016	Nil	Nil	57,496	Nil	Nil	Nil	Nil	57,496
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
David Velisek ⁽⁶⁾ Director and Former CEO	2016	Nil	Nil	11,499	Nil	Nil	Nil	Nil	11,499
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

1. These amounts include all amounts set out in this table for each NEO and executive officer.
2. Mr. Eckenweiler was appointed a director of the Company on May 1, 2015, and as CEO of the Company on May 22, 2015. On July 31, 2015, the Company entered into a consulting agreement with Mr. Eckenweiler for a one year term for USD\$6,700 per month. Effective July 1, 2016, the Company agreed to extend the agreement for an additional one year term for USD\$25,000 per month. On February 28, 2017, the Consulting Agreement was further amended to extend the initial term to February 28, 2021, with automatic renewals for successive one year periods thereafter. In case of the termination of the Consulting Agreement by the Company without due cause, the Company agreed to pay Mr. Eckenweiler a lump sum amount equal to the product of monthly remuneration otherwise payable to Mr. Eckenweiler under the Consulting Agreement (US\$25,000 per month, as amended on July 31, 2016) multiplied by 18 months regardless of the length of time remaining under the then current term. In addition to the above, during the year ended December 31, 2015, the Company paid \$25,972 in consulting fees to Mariscos Del Mar Inc., a company controlled by Mr. Eckenweiler. On July 13, 2016, the Company granted Mr. Eckenweiler stock options to purchase up to 1,450,000 common shares at \$0.12 per share expiring on July 13, 2017.
3. Mr. Pakulis has served as Director and President of the Company since November 2, 2015. The Company agreed to reimburse Mr. Pakulis for his consulting services at USD\$5,000 per month. On May 1, 2017, the Company and Mr. Pakulis entered into a management consulting agreement for US\$5,000 per month extending for a term of two years expiring on May 1, 2019, with automatic renewals for successive one year periods thereafter. On July 13, 2016, the Company granted Mr. Pakulis stock options to purchase up to 500,000 common shares at \$0.12 per share expiring on July 13, 2017.
4. Ms. Silina has served as the Company's Chief Financial Officer and Corporate Secretary since November 27, 2015. The Company agreed to pay Ms. Silina \$1,000 per month for her services. On May 1, 2017, the Company and Ms. Silina entered into a management consulting agreement for US\$7,500 per month extending for a term of two years expiring on May 1, 2019, with automatic renewals for successive one year periods thereafter. On July 13, 2016, the Company granted Ms. Silina stock options to purchase up to 255,595 common shares at \$0.12 per share expiring on July 13, 2017.
5. Dr. Sanderson has served as the Company's Chief Science Officer since April 26, 2016. On July 13, 2016, the Company granted Dr. Sanderson stock options to purchase up to 1,000,000 common shares at \$0.12 per share expiring on July 13, 2017.
6. David Velisek acted as the Company's CEO from December 31, 2013 until May 22, 2015. Mr. Velisek continues to act as the Company's director. On August 15, 2011, the Company granted Mr. Velisek stock options to purchase up to 25,000 shares of the Company's Common stock at an exercise price of \$0.80 per share, expiring August 15, 2021. On July 13, 2016, the Company granted Mr. Velisek stock options to purchase up to 200,000 common shares at \$0.12 per share expiring on July 13, 2017.

Incentive Plan Awards

Value of Option-Based Awards Vested or Earned During the Year by NEOs

The following table sets forth, for each NEO, the values of all incentive plan awards which vested or were earned during the financial year ended December 31, 2016.

Option-based Awards				
Name	Number of securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price (\$)	Option expiration date (M/D/Y)	Value of unexercised in-the-money options ⁽²⁾ (\$)
Brad Eckenweiler Director and CEO	1,450,000	\$0.12	July 13, 2017	\$768,500
James Pakulis President and Director	500,000	\$0.12	July 13, 2017	\$265,000
Yanika Silina CFO and Corporate Secretary	255,595	\$0.12	July 13, 2017	\$135,465
David Velisek ⁽³⁾ Director and CEO	25,000 200,000	\$0.80 \$0.12	August 15, 2021 July 13, 2017	Nil \$106,000
Dr. John Sanderson CSO	1,000,000	\$0.12	July 13, 2017	\$530,000

Notes:

1. These stock options are fully vested.
2. Value is calculated by multiplying the number of securities which may be acquired on exercise of the option by the difference, if any, between the market value of the securities underlying the options as at the closing price on the date of the current financial year end, or, if no trades on date of the current financial year end, closing price on the previous trading day. On December 30, 2016, the Company's common shares traded at \$0.65 per share.

On July 27, 2017, the Company granted to the executive officers and directors of the Company options to acquire up to 7,311,000 common shares, exercisable at \$0.50 per share, expiring on July 27, 2019. The options vested immediately upon grant.

Pension Plan Benefits

The Company does not have a pension plan or deferred compensation plan for its directors, officers or employees.

Termination and Change of Control Benefits

There are no compensatory plan(s) or arrangements(s), with respect to any of the NEOs resulting from the resignation, retirement or any other termination of employment of the officer's employment or from a change of the NEOs responsibilities following a change of control.

Compensation of Directors

Except as disclosed in this Information Circular, the Company had no arrangements under which directors were compensated by the Company and its subsidiaries for their services in their capacity as directors during the financial year ended December 31, 2016.

At December 31, 2016, there were no option-based awards outstanding for any director, excluding a director set out in the *Option-based Awards* table in the NEO disclosure above.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has a "rolling" stock option plan dated April 21, 2011, as amended on April 8, 2013 (the "Plan"). Pursuant to the Plan, the Company can grant options up to a maximum of 10% of the Company's issued and outstanding Common Shares.

The following table sets out equity compensation plan information as at the end of the financial year ended December 31, 2016.

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by security holders (the Plan)	2,930,595 ⁽¹⁾	\$0.13	2,199,867
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	2,930,595	\$0.13	2,199,867

Notes:

- As at July 13, 2017, options to acquire up to 2,905,595 were exercised.

On July 27, 2017, options for an additional 7,311,000 common shares, exercisable at \$0.50 per share, expiring on July 27, 2019 and vesting immediately, were granted to the executive officers and directors of the Company. On July 27, 2017, the Company granted 1,000,000 options to its consultant. The options are exercisable at \$0.50 per share, expiring on July 27, 2019 and vest over a 12-month period beginning on October 27, 2017, at 250,000 shares per quarter.

On July 27, 2017, the Company granted 532,900 options at \$0.75 expiring on January 27, 2019. Pursuant to the Company's stock option plan, the options vest over a 12-month period beginning on October 27, 2017, at 133,225 shares per quarter.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No individual who is or who at any time during the last financial year was a director or executive officer of the Company, a proposed nominee for election as a director of the Company, or an associated of any such director, executive officer or proposed nominee is, or at any time since the beginning of the last completed financial year has been, indebted to the Company or any of its subsidiaries and no indebtedness of any such individual to another entity is, or has at any time since the beginning of such year been, the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, no executive officer, director, nominee for election as a director of the Company, any person who beneficially owns or controls, directly or indirectly, common shares carrying more than 10% of the voting rights of the Company, or any associate or affiliate of any of the forgoing has or has had any interest in any transaction which, since the commencement of the Company's most recently completed financial year, or in any proposed transaction, which has materially affected or would materially affect the Company, other than the following:

On May 3, 2017, the Company entered into an exclusive worldwide license agreement with its Chief Science Officer, Dr. John D. Sanderson, and Nanostrips, Inc., a company controlled by Dr. Sanderson (the "Sanderson License Agreement"). Under the terms of the Sanderson License Agreement, the Issuer has been granted a worldwide exclusive license to the technology described in the provisional patent application relating to the transmucosal delivery of biologically active substances filed by Dr. Sanderson on November 6, 2016, and any technologies deriving therefrom, in the field of cannabis and cannabis extract related products. The technology developed by Dr. Sanderson relates to infusing cannabis extracts in thin film oral delivery strips. In consideration for this license, the Issuer has agreed to issue to Dr. Sanderson 1,000,000 common shares, which were issued on May 23, 2017, with an additional 1,000,000 common shares issuable upon the granting of a United States patent containing claims directed to the new and innovative subject matter described in the

provisional patent application. The Sanderson License Agreement extends for a term expiring on the expiration of the last patent issued in relation to the technology licensed by Dr. Sanderson to the Issuer.

On February 12, 2016, the Company, through its wholly-owned subsidiary, Canna Delivery Systems Inc., (“CDS”) signed a definitive License Agreement to license its CannaStrips™ technology to Wisdom Homes of America, Inc. (“WOFA”). James Pakulis, the President of LDS, is the Chief Executive Officer of WOFA. Pursuant to the License Agreement, CDS granted WOFA a non-exclusive license to manufacture and distribute CannaStrips™ in Northern California using the CannaStrips™ brand. The License Agreement was subject to an annual license fee of \$25,000 and expiring on December 31, 2018, with a mutual option to renew the License Agreement for successive two-year periods. With the Company’s current business focus on its project in Adelanto, California, the Company has terminated its non-exclusive license agreement with WOFA during the first half of its fiscal 2017.

CONTRACTS

There are no management functions of the Company which are, to any substantial degree, performed by a person or company other than the directors or senior officers of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Board, the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting.

1. Financial Statements, Auditor’s Report and Management Discussion & Analysis

The audited financial statements of the Company for the fiscal years ended December 31, 2016 and December 31, 2015 as prepared by the Company, the audit report for the years ended December 31, 2016 and December 31, 2015 as issued by Dale Matheson Carr-Hilton Labonte LLP, as well as each related management discussion and analysis will be placed before the Meeting. Additional information may be obtained upon request from the Company at Suite 820 – 1130 Pender Street West, Vancouver, British Columbia, V6E 4A4, tel: 604-648-0522 or fax: 604-648-0517. These documents and additional information are also available through the internet at www.sedar.com.

No further action or approval is required at the Meeting with respect to these documents.

2. Set the Number of Directors to be Elected

Shareholders will be asked to pass an ordinary resolution at the Meeting to set the number of directors to be elected. At the Meeting, it will be proposed that six (6) directors be elected to hold office until the next annual general meeting of the Company’s shareholders or until their successors are elected or appointed. **Unless otherwise directed, it is the intention of the persons named in the enclosed form of proxy to vote in favour of the ordinary resolution setting the number of directors to be elected at six (6).**

The Board unanimously recommends that each shareholder vote “for” the setting of the number of directors to be elected at six (6).

3. Election of Directors

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director’s office is vacated earlier in accordance with the provisions of the *Business Corporations Act* (British Columbia) (the “BCA”), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's six (6) nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment (including for the five preceding years for new director nominees), the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the date of this Information Circular.

Name of Nominee; Current Position with the Company and Province and Country of Residence	Occupation, Business or Employment⁽¹⁾	Period as a Director or Officer of the Company	Common Shares Beneficially Owned or Controlled⁽¹⁾
Brad Eckenweiler Director and Chief Executive Officer Washington, USA	Director and CEO of Triton Emission Solutions Inc. (fka Polyshield Technologies Inc.) from September 2013 to May 2014. During 2011 to 2013 Mr. Eckenweiler acted as an independent consultant to various companies.	Director and CEO since May 1, 2015	8,770,000 ⁽³⁾
James Pakulis ⁽²⁾ Director and President California, USA	From 2010 to present, Mr. Pakulis has acted as chairman and chief executive officer of Wisdom Homes of America, Inc. (formerly Search Core, Inc., formerly General Cannabis Inc.)	Director and President since November 2, 2015	1,260,000 ⁽⁴⁾
Dr. John Sanderson Chief Science Officer, California, USA	Dr. Sanderson is a stem cell researcher, who has worked as a medical director and consultant at Johnson & Johnson, as well as consulted other Fortune 100 health care companies and the U.S. government, on technological solutions for obesity, diabetes, and asthma. From 2015 to present Dr. Sanderson is the Chief Medical Officer of Cell MedX Corp. In addition, Dr. Sanderson is the CEO and Director of Cellese Inc., CEO and Director of Nanostrips Inc. and Secretary and Director of Locata Inc (USA), privately held corporations.	CSO since April 26, 2016	3,200,000 ⁽⁵⁾
Yanika Silina ⁽⁹⁾ Chief Financial Officer BC, Canada	Ms. Silina is a Chartered Professional Accountant. Ms. Silina is CFO of Cell MedX Corp. and a director of Kesselrun Resources Ltd., a reporting issuer listed on the TSX Venture Exchange.	CFO since November 27, 2015	186,095 ⁽⁶⁾

Name of Nominee; Current Position with the Company and Province and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Period as a Director or Officer of the Company	Common Shares Beneficially Owned or Controlled ⁽¹⁾
David Velisek ⁽²⁾ Director and Former Chief Executive Officer BC, Canada	Manager, Corporate Development at Baron Global Financial Canada Ltd. from 2009 to present.	Since September 14, 2010	418,500 ⁽⁷⁾
Arni Johannson ⁽²⁾ Nominee director BC, Canada	Founding Partner and President, Canadian Nexus Ventures Ltd., a venture capital firm focused on Canadian public and private equity.	Management's nominee for election	2,642,500 ⁽⁸⁾

Notes:

1. The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Common Shares beneficially owned, are voting securities beneficially owned, directly or indirectly, or over which the director nominee exercises control or direction.
2. Proposed member of Audit Committee.
3. Common shares beneficially owned or controlled by Brad Eckenweiler consist of 8,770,000 Common Shares of the Company, of which 936,000 are subject to escrow. In addition to these shares, Mr. Eckenweiler owns options to purchase up to 4,211,000 Common Shares of the Company at an exercise price of \$0.50, expiring on July 27, 2019, and warrants to purchase up to 400,000 Common Shares of the Company at an exercise price of \$0.75 expiring on May 31, 2018.
4. James Pakulis holds options to purchase up to 1,000,000 Common Shares of the Company at an exercise price of \$0.50, expiring on July 27, 2019.
5. Dr. Sanderson holds options to purchase up to 1,200,000 Common Shares of the Company at an exercise price of \$0.50, expiring on July 27, 2019.
6. Ms. Silina holds options to purchase up to 600,000 Common Shares of the Company at an exercise price of \$0.50, expiring on July 27, 2019.
7. David Velisek holds options to purchase up to 300,000 Common Shares of the Company at an exercise price of \$0.50, expiring on July 27, 2019, and options to purchase up to 25,000 Common Shares of the Company at an exercise price of \$0.80, expiring on August 15, 2021.
8. Mr. Johannson holds warrants to purchase up to 1,000,000 Common Shares of the Company at an exercise price of \$0.20 expiring on May 9, 2018, and up to 1,390,000 Common Shares of the Company at an exercise price of \$0.75 expiring on May 31, 2018.
9. Ms. Silina is currently employed by Da Costa Management Corp., a privately-held corporation that provides bookkeeping and administrative services to LDS. Da Costa Management Corp. does not pay Ms. Silina for acting as the CFO of LDS, nor does Da Costa Management Corp. is paid by LDS for Ms. Silina's services. Ms. Silina is compensated directly by the Company for her services as CFO.

Management does not contemplate that any of the nominees will be unable to serve as a director. However, if a nominee should be unable to so serve for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion. **The persons named in the enclosed form of proxy intend to vote for the election of all of the nominees whose names are set forth above.**

The Board unanimously recommends that each shareholder vote "for" the election of the above nominees as directors.

Cease Trade Orders

To the best of the Company's knowledge, no proposed nominee for election as a director of the Company (a "Proposed Director") is, or has been, within the ten years preceding the date of this Information Circular, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to an order that was issued while the Proposed Director was acting in the capacity of a director, chief executive officer or chief financial officer of that company; or

- (b) was subject to an order that was issued after the Proposed Director ceased to be a director, chief executive officer or chief financial officer of that company and that order resulted from an event that occurred while the Proposed Director was acting as a director, chief executive officer or chief financial officer of that company.

For the purposes of this Information Circular, an “order” means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to an exemption under securities legislation, and such order was in effect for more than 30 consecutive days.

Bankruptcies

To the best of the Company’s knowledge, no Proposed Director has, within ten years before the date of this Information Circular been a director or executive officer of any company that, while the Proposed Director was acting as a director or executive officer, 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 or receiver manager or trustee appointed to hold the company’s assets.

To the best of the Company’s knowledge, no Proposed Director has, within ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to, or instituted, any proceedings, arrangement, or compromise with creditors, or had a receiver or receiver manager or trustee appointed to hold the Proposed Director’s assets.

Other Penalties or Sanctions

To the best of the Company’s knowledge, no Proposed Director 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.

Audit Committee and Relationship with Auditor

Pursuant to National Instrument 52-110 of the Canadian Securities Administrators (“NI 52-110”), the Company is required to have an Audit Committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company, or affiliates of the Company, and the Company is required to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor. Such disclosure is set forth below:

Audit Committee Charter

The purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing the financial information, which will be provided to the shareholders and the public, the systems of corporate controls, which management and the Board have established, and overseeing the audit process. It has general responsibility to oversee internal controls, accounting and auditing activities and legal compliance of the Company. The Committee also is mandated to review and approve all material related party transactions. A copy of the Audit Committee Charter was filed on SEDAR as Schedule “A” to the Company’s preliminary long form prospectus dated March 18, 2011.

Composition of the Audit Committee

Following the Meeting, provided that they are elected as directors at the Meeting, the following persons are expected to be confirmed as members of the Company’s Audit Committee:

- James Pakulis – current member of the audit committee. Mr. Pakulis is not independent as he is currently President of the Company.
- David Velisek - current member of the audit committee. Mr. Velisek is not independent, as Mr. Velisek acted as an executive officer of the Company until May 22, 2015. Mr. Velisek is not currently an executive officer, employee, or control person of the Company or any affiliate of the Company.
- Arni Johannson – management’s nominee, independent.

Each of the above persons are considered to be financially literate.

Relevant Education and Experience

James Pakulis. In addition to acting as a director and officer of the Company, Mr. Pakulis has acted as an executive officer and a director of Wisdom Homes of America, Inc. (formerly SearchCore, Inc., formerly General Cannabis, Inc.) since 2010. Mr. Pakulis has three decades of experience working with entrepreneurial companies in a variety of emerging and high-growth sectors including internet, finance, real estate, and health care. From 2003 to 2009, Mr. Pakulis was President of Pacific West Funding Corporation, a real estate financing firm headquartered in Utah, where he oversaw operations, finance, accounting, legal and compliance. He also structured non-residential real estate transactions and sourced financing for real estate development projects. From 1990 to 1995, Mr. Pakulis played a key role in corporate development and business expansion for CliniCorp, a publicly traded company, providing outsourced clinic management and operations services to healthcare clinics.

David Velisek. Mr. Velisek has been involved in the capital markets for 10 years in investor relations, as a trader of equities, options and futures as well as an investment advisor. He is currently employed with Baron Global Financial Canada Ltd. as Manager, Corporate Development.

Arni Johannson. Mr. Johannson is President and Co-Founder of Canadian Nexus Ventures Ltd. He has over 28 years of experience in the Canadian capital markets, focusing on building assets and senior management teams, while executing defined business plans. Through Canadian Nexus, Mr. Johannson's investments have covered the pulp & paper, mining exploration, financial technology, film, agriculture, cannabis and energy sectors, in a wide variety of locations around the world. Within the Cannabis space Mr. Johannson has successfully financed several early stage Cannabis companies helping them launch and achieve financial stability and move towards mature product launch. Mr. Johannson is the founder of Titan Uranium Inc., the junior exploration company that staked and put the first exploration dollars into the Rook I (Arrow Zone) property that NexGen is developing. Titan merged with Energy Fuels Inc. in 2012. In 2017 Mr. Johannson has invested in and joined the advisory board of Meridian Energy Group Inc., a company based in North Dakota building the first green field fuels refinery in the USA and the first to be permitted in the last 40 years.

Based on their business experiences, Messrs. Pakulis, Velisek and Johannson have the education and experience necessary to act on our Audit Committee.

Audit Committee Oversight

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

Reliance on Certain Exemptions

Except as disclosed below, since the commencement of the Company’s most recently completed fiscal year, the Company has not relied on:

- (a) the exemption in Section 2.4 (*De Minimis Non-audit Services*) of NI 52-110;

- (b) the exemption in Subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*) of NI 52-110;
- (c) the exemption in Subsection 6.1.1(5) (*Events Outside Control of Member*) of NI 52-110;
- (d) the exemption in Subsection 6.1.1(6) (*Death, Incapacity or Resignation*) of NI 52-110; or
- (e) an exemption from NI 52-110 in whole or in part granted under Part 8 (*Exemption*) of NI 52-110.

As of the date of this proxy statement, the Company’s Audit Committee is not compliant with the audit committee composition requirements for venture issuers, and was not compliant during its fiscal year ended December 31, 2016. In the opinion of the Board, the Company’s current level of operations were suitably addressed. The Company intends to continue to pursue its growth strategy and as such the Company’s Board is nominating Mr. Johansson to the Board and as a member of the Audit Committee in order to satisfy the audit committee composition requirements applicable to venture issuers as set forth in NI 52-110.

Pre-Approval Policies and Procedures

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

External Auditor Service Fees (By Category)

Fees incurred with the Company’s Auditor for audit and non-audit services in the Company’s last two fiscal years are outlined in the following table:

	Fees Paid to Auditor in Fiscal Year Ended December 31, 2016	Fees Paid to Auditor in Fiscal Year Ended December 31, 2015
Audit Fees ⁽¹⁾	\$28,560	\$29,267
Audit-related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	\$2,000	\$3,500
All Other Fees ⁽⁴⁾	Nil	Nil
Total	\$30,560	\$32,767

Notes:

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

Exemption

The Company is a “venture issuer” as defined in NI 52-110 and relies on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of NI 52-110.

4. Appointment and Remuneration of Auditors

Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants, Suite 1500, 1140 Pender Street West, Vancouver, British Columbia V6E 4G1, will be nominated at the Meeting for reappointment as auditor of the Company. Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants, was first appointed auditor on January 18, 2016.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the reappointment of the firm of Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants, as auditor of the Company until the close of the next annual meeting of shareholders.

The Board unanimously recommends that each shareholder vote “for” the appointment of Dale Matheson Carr-Hilton Labonte LLP, as auditor and authorizing the Board to approve the compensation of the auditor.

5. Amendment to Articles to Incorporate Advance Notice Policy Provisions

Effective November 3, 2017, the Board adopted an advance notice policy for the election of directors (the “Advance Notice Policy”), which became effective immediately upon its adoption. At the same time, the Board approved an amendment to the Articles of the Company to incorporate the provisions of the Advance Notice Policy (the “Advance Notice Provisions”). A summary of the Advance Notice Provisions is proved below, with the full text of the Advance Notice Provisions attached as Schedule "A" to this Information Circular. If the amendments to the Articles of the Company to incorporate the Advance Notice Provisions is not approved, the Advance Notice Policy will cease to be effective upon the conclusion of the Meeting.

The Advance Notice Provisions are intended to facilitate an orderly and efficient annual and/or special meeting process and ensure that all shareholders receive adequate notice and information about director nominees. The Advance Notice Provisions provide a clear process for shareholders to follow to nominate directors, and sets out a reasonable time for nominee submissions to be considered.

The Advance Notice Provisions fix a deadline by which holders of record of the Company’s common shares must submit director nominations to the Company prior to any annual or special meeting of shareholders, and sets out the information that a shareholder must include in such notice to the Company. In the case of an annual meeting of shareholders, notice to the Company must be made not less than 30 days nor more than 65 days prior to the date of the annual meeting, unless the annual meeting is to be held less than 40 days after the meeting was first announced, in which case notice may be made no later than the close of business on the 10th day after the announcement. In the case of a special meeting of the shareholders, notice to the Company must be made no later than the close of business on the 15th day following public announcement of the date of the special meeting.

Vote Required to Amend the Company’s Articles to Adopt the Advance Notice Provisions

The Company is seeking the authorization of its shareholders to alter the Company’s Articles to include the proposed Advance Notice Provisions.

Under the Company’s Articles and the *Business Corporations Act* (British Columbia) (the “BCBCA”), an alteration to the Company’s Articles must be approved by way of a special resolution passed by at least two-thirds (2/3) of the votes cast on the resolution, either in person or by proxy. The text of the proposed special resolution that management intends to place before the Meeting is as follows:

“BE IT RESOLVED, as a special resolution, THAT:

1. The Articles of the Company be altered to incorporate advance notice provisions having the same terms and conditions as set forth in Schedule “A” to the Company’s Management Information Circular dated December 22, 2017(the “Information Circular”);
2. The Company’s board of directors (the “Board”) is authorized to revoke the forgoing special resolution and to abandon and terminate the alteration to the Company’s Articles approved therein prior to such alteration being effective if the Board deems it appropriate and in the best interests of the Company to do so, without further confirmation, ratification or approval by the Company’s shareholders; and

3. Any one director or officer of the Company be and is hereby authorized and directed, for an on behalf of the Company, to execute and deliver all such documents and to do all such other acts or things as such director or officer may determine to be necessary or advisable to give effect to the forgoing.”

The Board of Directors unanimously recommends that shareholders of the Company vote for the foregoing amendments to the Company’s Articles. Common shares of the Company represented by proxies in favour of management will be voted in favour of the amendment of the Company’s Articles, unless a shareholder has specified that his, her or its common shares are to be voted against the amendment of the Company’s Articles.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found in each of the Company’s audited comparative financial statements for the financial years ended December 31, 2016 and 2015 and the accompanying auditor’s report and related management discussion and analyses. Additional copies of this Information Circular may be obtained from SEDAR at www.sedar.com and upon request from the Company at Suite 820, 1130 Pender Street West, Vancouver, British Columbia, V6E 4A4, telephone number: 604-648-0522 or fax number 604-648-0517. Copies of documents will be provided free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document.

OTHER MATTERS

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

The contents of this Information Circular and its distribution to shareholders have been approved by the Board of the Company.

DATED at Vancouver, British Columbia, December 22nd, 2017.

BY ORDER OF THE BOARD

“Brad Eckenweiler”

Brad Eckenweiler
Chief Executive Officer and Director

SCHEDULE "A"

LIFESTYLE DELIVERY SYSTEMS INC.

ALTERATION TO ARTICLES TO ADOPT ADVANCE NOTICE PROVISIONS

The Articles of the Company are hereby amended by adding the following Article 14.12

Nomination of Directors

14.12 Subject only to the Act, only persons who are nominated in accordance with the following procedures shall be eligible for election as Directors of the Company. Nominations of persons for election to the Board may be made at any annual meeting of shareholders, or at any special meeting of shareholders (but only if the election of Directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting), (a) by or at the direction of the Board or an authorized officer of the Company, including pursuant to a notice of meeting, (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act or (c) by any person (a "Nominating Shareholder") (i) who, at the close of business on the date of the giving of the notice provided for below in this §14.12 of this Article 14 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and (ii) who complies with the notice procedures set forth below in this §14.12 of this Article 14:

(A) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given (a) timely notice thereof in proper written form to the secretary of the Company at the principal executive offices of the Company in accordance with this §14.12 of this Article 14 and (b) the representation and agreement with respect to each candidate for nomination as required by, and within the time period specified in, §14.12(D) of this Article 14.

(B) To be timely under §14.12(A) of this Article 14, a Nominating Shareholder's notice to the secretary of the Company must be made (a) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 40 days after the date (the "Notice Date") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the tenth (10th) day following the Notice Date; and (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing Directors (whether or not called for other purposes), not later than the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made. Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this paragraph (B).

(C) To be in proper written form, a Nominating Shareholder's notice to the secretary of the Company, under §14.12(A) of this Article 14, must set forth (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a Director (a "Nominee") (i) the name, age, business address and residence address of the Nominee, (ii) the principal occupation or employment of the Nominee, (iii) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the Nominee as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, (iv) a statement as to whether the Nominee would be "independent" of the Corporation (within the meaning of sections 1.4 and 1.5 of National Instrument 52-110 – Audit Committees of the Canadian Securities Administrators, as such provisions may be amended from time to time) if elected as a Director at such meeting and the reasons and basis for such determination and (v) any other information relating to the Nominee that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of Directors pursuant to the Act and Applicable Securities Laws; and (b) as to the Nominating Shareholder giving the notice, (i) any information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of Directors pursuant to the Act and Applicable Securities Laws, and (ii) the class or series and number of

shares in the capital of the Company which are controlled or which are owned beneficially or of record by the Nominating Shareholder as of the record date for the Meeting of Shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice.

(D) To be eligible to be a candidate for election as a Director of the Company and to be duly nominated, a candidate must be nominated in the manner prescribed in this §14.12 of this Article 14 and the candidate for nomination, whether nominated by the Board or otherwise, must have previously delivered to the secretary of the Company at the principal executive offices of the Company, not less than 5 days prior to the date of the Meeting of Shareholders, a written representation and agreement (in form provided by the Company) that such candidate for nomination, if elected as a Director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to Directors and in effect during such person's term in office as a Director (and, if requested by any candidate for nomination, the secretary of the Company shall provide to such candidate for nomination all such policies and guidelines then in effect).

(E) No person shall be eligible for election as a Director of the Company unless nominated in accordance with the provisions of this §14.12 of this Article 14; provided, however, that nothing in this §14.12 of this Article 14 shall be deemed to preclude discussion by a shareholder (as distinct from nominating Directors) at a Meeting of Shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

(F) For purposes of this §14.12 of this Article 14:

- (a) "Affiliate", when used to indicate a relationship with a person, shall mean a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified person;
- (b) "Applicable Securities Laws" means the *Securities Act* (British Columbia) and the equivalent legislation in the other provinces and in the territories of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each of the applicable provinces and territories of Canada;
- (c) "Associate", when used to indicate a relationship with a specified person, shall mean (i) any corporation or trust of which such person owns beneficially, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of such corporation or trust for the time being outstanding, (ii) any partner of that person, (iii) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity, (iv) a spouse of such specified person, (v) any person of either sex with whom such specified person is living in conjugal relationship outside marriage or (vi) any relative of such specified person or of a person mentioned in clauses (iv) or (v) of this definition if that relative has the same residence as the specified person;
- (d) "Derivatives Contract" shall mean a contract between two parties (the "Receiving Party" and the "Counterparty") that is designed to expose the Receiving Party to economic benefits and risks that correspond substantially to the ownership by the Receiving Party of a number of shares in the capital of the Company or securities convertible into such shares specified or referenced in such contract (the number corresponding to such economic benefits and risks, the "Notional Securities"), regardless of whether obligations under such contract are required or permitted to be settled through the delivery of cash, shares in the capital of the Company or securities convertible into such shares or other property, without regard to any short position

under the same or any other Derivatives Contract. For the avoidance of doubt, interests in broad-based index options, broad-based index futures and broad-based publicly traded market baskets of stocks approved for trading by the appropriate governmental authority shall not be deemed to be Derivatives Contracts;

- (e) “Meeting of Shareholders” shall mean such annual shareholders meeting or special shareholders meeting, whether general or not, at which one or more persons are nominated for election to the Board by a Nominating Shareholder;
- (f) “owned beneficially” or “owns beneficially” means, in connection with the ownership of shares in the capital of the Company by a person, (i) any such shares as to which such person or any of such person’s Affiliates or Associates owns at law or in equity, or has the right to acquire or become the owner at law or in equity, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, upon the exercise of any conversion right, exchange right or purchase right attaching to any securities, or pursuant to any agreement, arrangement, pledge or understanding whether or not in writing; (ii) any such shares as to which such person or any of such person’s Affiliates or Associates has the right to vote, or the right to direct the voting, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, pursuant to any agreement, arrangement, pledge or understanding whether or not in writing; (iii) any such shares which are beneficially owned, directly or indirectly, by a Counterparty (or any of such Counterparty’s Affiliates or Associates) under any Derivatives Contract (without regard to any short or similar position under the same or any other Derivatives Contract) to which such person or any of such person’s Affiliates or Associates is a Receiving Party; provided, however that the number of shares that a person owns beneficially pursuant to this clause (iii) in connection with a particular Derivatives Contract shall not exceed the number of Notional Securities with respect to such Derivatives Contract; provided, further, that the number of securities owned beneficially by each Counterparty (including their respective Affiliates and Associates) under a Derivatives Contract shall for purposes of this clause be deemed to include all securities that are owned beneficially, directly or indirectly, by any other Counterparty (or any of such other Counterparty’s Affiliates or Associates) under any Derivatives Contract to which such first Counterparty (or any of such first Counterparty’s Affiliates or Associates) is a Receiving Party and this proviso shall be applied to successive Counterparties as appropriate; and (iv) any such shares which are owned beneficially within the meaning of this definition by any other person with whom such person is acting jointly or in concert with respect to the Company or any of its securities; and
- (g) “public announcement” shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company or its agents under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.

(G) Notice or any delivery given to the secretary of the Company pursuant to this §14.12 of this Article 14 may only be given by personal delivery, facsimile transmission or by email (provided that the secretary of the Company has stipulated an email address for purposes of this notice, at such email address as stipulated from time to time), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

(H) In no event shall any adjournment or postponement of a Meeting of Shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described in §14.12(B) of this Article 14 or the delivery of a representation and agreement as described in §14.12(D) of this Article 14.