



**KOIOS BEVERAGE CORP.**

**NOTICE OF ANNUAL GENERAL MEETING  
OF SHAREHOLDERS  
TO BE HELD ON JUNE 24, 2019**

**AND**

**INFORMATION CIRCULAR**

**May 24, 2019**

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

**KOIOS BEVERAGE CORP.**  
Suite 810, 789 West Pender Street  
Vancouver, British Columbia  
V6C 1H2

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**NOTICE IS GIVEN THAT** an annual general meeting (the “**Meeting**”) of the holders of common shares (the “**Shareholders**”) of Koios Beverage Corp. (“**Koios**” or the “**Company**”) will be held at 816 Acoma Street, Denver, Colorado, 80204, on June 24, 2019, at 1:00 pm (local time), for the following purposes:

1. to receive the audited financial statements of Koios for the fiscal year ended May 31, 2018;
2. to set the number of directors;
3. to elect the directors of Koios to hold office until the next annual meeting of Shareholders;
4. to appoint Dale Matheson Carr-Hilton Labonte LLP, as the auditor of Koios for the current fiscal year ending May 31, 2019 and to authorize the Board of Directors to fix the remuneration to be paid to the auditor;
5. to transact such other business as may be properly brought before the Meeting or any adjournment thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The Board of Directors of Koios has fixed May 3, 2019 as the record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered Shareholder at the close of business on that date is entitled to receive such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered Shareholder of Koios and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with the transfer agent of Koios, National Securities Administrators Ltd., 760 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, no later than 1:00 pm (MDT) / 12:00 p.m. (PDT) on June 20, 2019 or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting.

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

Dated at Vancouver, British Columbia, this 24<sup>th</sup> day of May, 2019.

**BY ORDER OF THE BOARD OF DIRECTORS**

Signed: “*Christopher Miller*”

Christopher Miller, Chief Executive Officer and Director

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**KOIOS BEVERAGE CORP.**  
Suite 810, 789 West Pender Street  
Vancouver, British Columbia  
V6Z 2R9

## **INFORMATION CIRCULAR**

This Circular accompanies the Notice of the annual general meeting (the “**Meeting**”) of the Shareholders of Koios Beverage Corp. (the “**Company**” or “**Koios**”), and is furnished to Shareholders holding Koios common shares (“**Shares**”), in connection with the solicitation by the management of Koios of proxies to be voted at the Meeting to be held on June 24, 2019 at 816 Acoma Street, Denver, Colorado, 80204 or at any adjournment or postponement thereof.

Unless the context otherwise requires, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Glossary of Terms in this Circular.

### **INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR**

The date of this Circular is May 24, 2019. Unless otherwise stated, all amounts herein are in Canadian dollars. The following documents filed by the Company on SEDAR at [www.sedar.com](http://www.sedar.com) are specifically incorporated by reference into, and form an integral part of, this Circular: the audited consolidated financial statements of the Company and the related notes thereto, for the financial year ended May 31, 2018; the report of the Company's auditor thereon; and management's discussion and analysis related to the above financial statements.

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

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

### **GLOSSARY OF TERMS**

“**Beneficial Shareholders**” means the holder of Koios Shares held of record by Intermediaries;

“**Board**” means the board of directors of the Company;

“**Business Day**” means a day other than a Saturday, Sunday or other than a day when banks in the City of Vancouver, British Columbia are not generally open for business;

“**Circular**” means this management information circular;

“**Company**” and “**Koios**” each mean Koios Beverage Corp.;

“**CSE**” means the Canadian Securities Exchange;

“**Koios Option Plan**” means the Company's stock option plan under which the Company grants incentive stock options to purchase Koios Shares;

“**IFRS**” means international financial reporting standards in effect in Canada at the relevant time, including the accounting recommendations in the Handbook of the Canadian Institute of Chartered Accountants;

**“Intermediaries”** refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders;

**“Laws”** means all laws, by-laws, statutes, rules, regulations, principles of law, orders, ordinances, protocols, codes, guidelines, policies, notices, directions and judgments or other requirements and the terms and conditions of any grant of approval, permission, authority or license of any governmental entity (including the CSE) or self-regulatory authority, to the extent each of the foregoing have the force of law, and the term “applicable” with respect to such laws and in a context that refers to one or more Parties, means such laws as are applicable to such Party or its business, undertaking, property or securities and emanate from a Person having jurisdiction over the Party or Parties or its or their business, undertaking, property or securities; and **“Laws”** includes environmental laws;

**“Meeting”** means the annual general meeting of the Shareholders to be held on June 24, 2019, and any adjournment(s) or postponement(s) thereof;

**“National Securities Administrators”** means National Securities Administrators Ltd.;

**“Notice of Meeting”** means the notice of the Meeting;

**“Person”** means an individual, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative;

**“Registered Shareholder”** means a registered holder of Koios Shares as recorded in the shareholder register of Koios maintained by National Securities Administrators;

**“SEDAR”** means the System for Electronic Document Analysis and Retrieval;

**“Shares”** means the common shares of Koios;

**“Shareholder”** means the holder from time to time of Koios Shares;

## **PROXIES AND VOTING RIGHTS**

### **Management Solicitation**

The solicitation of proxies by management of Koios will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. Koios does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that Koios has requested brokers and nominees who hold stock in their respective names to furnish the proxy-related materials to their customers, and Koios will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by Koios. No person has been authorized to give any information or to make any representation other than as contained in this Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by Koios. The delivery of this Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Circular. This Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Koios has arranged for intermediaries to forward the Meeting materials to beneficial owners of Koios Shares (the **“Beneficial Shareholders”**) held of record by those intermediaries. Koios has distributed or made available for distribution, copies of the Notice, this Circular and form of proxy to clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the **“Intermediaries”**) for distribution to Beneficial Shareholders held of record by those Intermediaries. Such Intermediaries are required to forward such documents to the Beneficial Shareholders unless a Beneficial Shareholder has

waived the right to receive them. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by Koios if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. Koios will pay the permitted fees and costs of the Intermediaries for reasonable fees and disbursements incurred in connection with the distribution of these materials.

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

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

### **Appointment of Proxy**

Registered Shareholders are entitled to vote at the Meeting. On a show of hands, every Shareholder is entitled to one vote for each Koios Share that such Shareholder holds on the record date of May 3, 2019 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting. The list of Registered Shareholders is available for inspection during normal business hours at the offices of National Securities Administrators and will be available at the Meeting.

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

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

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

In order to be voted, the completed form of proxy must be received by the transfer agent, National Securities Administrators at their offices located at 760 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, by mail, or by fax at 604-559-8908, or by email at [proxy@transferagent.ca](mailto:proxy@transferagent.ca), no later than 12:00 pm (PDT) / 1:00 pm (MDT) on June 20, 2019, or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting.

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

## Revocation of Proxy

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

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

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

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

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

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

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

## ADVICE TO BENEFICIAL SHAREHOLDERS

**The information set out in this section is of significant importance to those Shareholders who do not hold shares in their own name. Beneficial Shareholders who do not hold their shares in their own name should note that only proxies deposited by Shareholders whose names appear on the records of Koios as the registered holders of Koios Shares can be recognized and acted upon at the Meeting.** If Koios Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Koios Shares will not be registered in the Shareholder's name on the records of Koios. Such Koios Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Koios Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depositary for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS

& Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their Koios Shares are communicated to the appropriate person well in advance of the Meeting.**

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

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

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

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

Koios is authorized to issue an unlimited number of common shares without par value. As of the record date, determined by the Board to be the close of business on May 3, 2019, a total of 76,118,491 Koios Shares were issued and outstanding. Each Koios Share carries the right to one vote at the Meeting.

Only Registered Shareholders as of the record date, May 3, 2019, are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and executive officers of the Koios, the following are the registered holders of shares carrying more than 10% of the voting rights:

<b>Shareholder Name<sup>(1)</sup></b>	<b>Number of Shares Held</b>	<b>Percentage of Issued Shares</b>
CDS & CO <sup>(2)</sup>	39,648,292	52.09%



Notes:

- (1) The above information was supplied by the Company's transfer agent, National Securities Administrators.  
 (2) CDS & CO is a share depository, the beneficial ownership of which is unknown to the Company.

**AUDITED FINANCIAL STATEMENTS**

The audited financial statements of Koios for the fiscal period ended May 31, 2018, and the report of the auditors on those statements will be placed before the Meeting. Receipt at the Meeting of the audited financial statements of Koios will not constitute approval or disapproval of any matters referred to in those statements. No vote will be taken on the audited financial statements. These audited financial statements are available at [www.sedar.com](http://www.sedar.com).

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

**NUMBER OF DIRECTORS**

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

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of Koios for the ensuing year at three (3). The number of directors will be approved if the affirmative vote of the majority of Koios Shares present or represented by proxy at the Meeting and entitled to vote, are voted in favour to set the number of directors at three (3). **Management recommends the approval of the resolution to set the number of directors of Koios at three (3).**

**ELECTION OF DIRECTORS**

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

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

<b>Name, Province, Country of Residence &amp; Position(s)</b>	<b>Principal Occupation Business or Employment for Last Five Years</b>	<b>Date Elected or Appointed as Director</b>	<b>Number of Koios Shares Owned</b>
Christopher Miller Colorado, USA Director, CEO and interim Corporate Secretary	See "Details of Directors Not Previously Elected by a Shareholder Vote" below	April 13, 2018	7,500,000

Name, Province, Country of Residence & Position(s)	Principal Occupation Business or Employment for Last Five Years	Date Elected or Appointed as Director	Number of Koios Shares Owned
Konstantine Lichtenwald Vancouver, B.C. Director	Mr. Lichtenwald provides corporate finance, valuation, taxation, financial reporting, consulting and other accounting services to small businesses and public resource companies.	October 10, 2017	Nil
Erik LeVang Arkansas, USA Director	See "Details of Directors Not Previously Elected by a Shareholder Vote" below	December 3, 2018	Nil

#### **DETAILS OF DIRECTORS NOT PREVIOUSLY ELECTED BY A SHAREHOLDER VOTE**

**Mr. Christopher Miller** – Mr. Miller is the CEO and interim Corporate Secretary of the Company. He leads the sales and marketing team and is involved in crafting company culture, executing the vision and driving high level marketing and sales efforts for Koios. Mr. Miller began working on the business that would become the Company upon the successful exit from his last company in 2008.

**Mr. Erik LeVang** – Mr. LeVang has a 20-year record success as a senior account and Director of Sales for companies selling into large retail networks, such as Walmart, Sam's Club, Costco, Kmart, Kroger, Walgreens, Kohl's, Safeway, Cabela's and Sports Authority, among others. Mr. LeVang is currently Director of Sales for the multinational toy giant Tomy International, responsible for handling Tomy's largest accounts with companies like Walmart, Walgreen and Kohl's. Prior to taking a position with Tomy, Mr. LeVang worked in similar senior roles with Swimways Corp, Jarden Corporation, Playtex Products and the Keebler Company.

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

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

#### **Cease Trade Orders**

Other than as described below, to the knowledge of the Company, as of the date hereof, no nominee:

is, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to a cease trade order or similar order or an order that denied the corporation access to any statutory exemptions for a period of more than 30 consecutive days (an "Order"), which was issued while the proposed director or executive officer was acting in the capacity as director, CEO or CFO; or
- (b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

### ***Bankruptcies***

To the best of the Company's knowledge, no nominees of Koios is, or within ten (10) years before the date of this Circular, has been a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets or made a proposal under any legislation relating to bankruptcies or insolvency.

### ***Personal Bankruptcies***

Except as disclosed herein, no nominees of Koios have, within ten (10) years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Christopher Miller has previously filed for personal bankruptcy. Mr. Miller successfully exited a company in 2011. As a result of the tax treatment of that exit, Mr. Miller was left with a much larger tax liability than anticipated. Mr. Miller subsequently began working on the business that would become the Company. To protect the Company from his potential personal tax liability, Mr. Miller filed for personal bankruptcy. The bankruptcy was discharged in April 2017.

### ***Securities Related Penalties and Sanctions***

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

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

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **Definitions**

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

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

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

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

- (a) a CEO;
- (b) a CFO;

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

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

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

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

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

#### Named Executive Officer and Director Compensation

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

Table of compensation excluding compensation securities							
Name and position	Year Ended May 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Christopher Miller <sup>(1)</sup> CEO, interim Corporate Secretary & Director	2018	50,000	Nil	Nil	Nil	24,509	74,509
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Johannes (Theo) van der Linde <sup>(2)</sup> CFO	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Erik LeVang <sup>(3)</sup> Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Konstantine Lichtenwald Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Anthony Jackson <sup>(4)</sup> (Former Director and CFO)	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Scott Robertson Walters <sup>(5)</sup> (Former Director)	2018	Nil	Nil	Nil	Nil	12,254	12,254
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Wolf Wiese <sup>(6)</sup> (Former CEO and Director)	2018	99,808	Nil	Nil	Nil	Nil	99,808
	2017	60,000	Nil	Nil	Nil	Nil	60,000

<b>Ke Feng (Andrea) Yuan<sup>(7)</sup></b> (Former CFO)	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	3,571	Nil	Nil	Nil	Nil	3,571
<b>Stefan Bender<sup>(8)</sup></b> (Former Director)	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
<b>Dieter Benz<sup>(9)</sup></b> (Former Director)	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

(1) Christopher Miller was appointed as the CEO and a Director on April 13, 2018 and as the interim Corporate Secretary on November 27, 2018.

(2) Johannes van der Linde was appointed as the CFO on December 4, 2018.

(3) Erik LeVang was appointed as a director on December 3, 2018.

(4) Anthony Jackson resigned as a Director and as the CFO on November 27, 2018.

(5) Scott Robertson Walters resigned as a Director on November 28, 2018.

(6) Wolf Wiese resigned as CEO and a Director on April 13, 2018.

(7) Ke Feng (Andrea) Yuan resigned as CFO April 13, 2018.

(8) Stefan Bender resigned as a Director on April 13, 2018.

(9) Dieter Benz resigned as a Director on April 13, 2018.

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

### Stock Options and Other Compensation Securities

The following tables set forth the details of all compensation securities granted or issued to each named executive officer and director by Koios (or any subsidiary, as applicable) in the most recently completed financial year for services provided or to be provided, directly or indirectly, to Koios (or any subsidiary, as applicable):

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
<b>Christopher Miller</b> CEO, interim Corporate Secretary & Director	Stock Options	400,000	April 30, 2018	\$0.20	\$0.20	\$0.27	April 30, 2020
<b>Scott Robertson Walters</b> (Former Director)	Stock Options	200,000	April 30, 2018	\$0.20	\$0.20	\$0.27	April 30, 2020

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

### Stock Option Plans and Other Incentive Plans

The Board has adopted a stock option plan whereby a maximum of 10% of the issued and outstanding Koios Shares, from time to time, may be reserved for issuance pursuant to the exercise of incentive stock options. Under the terms of the Koios Option Plan, options may be granted only to: (i) our employees,

officers, directors, and consultants; (ii) employees, officers, directors, and consultants of an affiliate of ours; and (iii) any other person deemed suitable by the Board to receive options to purchase Koios Shares.

The exercise price of any option when exercised may not be less than the greater of the closing market price of the Koios Shares on: (a) the last trading day immediately preceding the date of grant of the option; and (b) the date of grant of the option; provided however, that if the Koios Shares are not listed on any securities exchange, the exercise price may not be less than the fair market value of the Koios Shares as may be determined by the Board on the day immediately preceding the date of the grant of such option.

The options are non-assignable and non-transferable. Options granted under the Koios Option Plan have a maximum term of five years and can only be exercised by the optionee as long as the optionee remains an eligible optionee pursuant to the Koios Option Plan or within 90 days (or as otherwise determined by the Board) after ceasing to be an eligible optionee, or, if the optionee dies, within one year from the date of the optionee's death.

Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the Koios Option Plan or may terminate the Koios Option Plan at any time.

The decision to grant options is made by the Board as a whole, and a grant is approved by directors' resolutions or at a meeting of the Board. Decisions address vesting, maximum term, number of options, exercise price and method of exercise.

### **Employment, Consulting and Management Agreements**

Other than as set out below, the Company has not entered into any other contract, agreement, plan or arrangement that provides for payments to a NEO or a director at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEOs or directors' responsibilities.

The Company entered into a management consulting agreement with Christopher Miller effective December 30, 2017 with regards to his services as Chief Executive Officer of the Company. Pursuant to the agreement, the Company has agreed to pay Mr. Miller a base salary of \$120,000 USD per annum, with an increase to \$170,000 USD per annum starting January 30, 2019 for a minimum of three years. The agreement shall continue indefinitely until terminated by either party in accordance with the terms of the agreement. Mr. Miller is entitled to be reimbursed for all reasonable travel and out-of-pocket business expenses and is also entitled to milestone based performance bonuses and to participate in the Company's Stock Option Plan. In the event of a change of control, Mr. Miller will be entitled to receive two and a half times his annual compensation and all of his Stock Options shall vest immediately.

The Company entered into a management consulting agreement with Theo van der Linde effective December 1, 2018 with regard to his services as Chief Financial Officer of the Company. Pursuant to the agreement, the Company has agreed to pay Mr. van der Linde a base salary of \$60,000 per annum and shall continue indefinitely until terminated by either party in accordance with the terms of the agreement. The agreement provides for a severance clause of three months' notice for termination. In the event that Mr. van der Linde resigns for "Good Reason" or is terminated "Without Cause" following a "Change of Control" (as those terms are defined in the applicable agreement), Mr. van der Linde will be entitled to two times the annual pro-rated fee paid. Mr. van der Linde is also entitled to participate in the Company's Stock Option Plan.

The Company entered into an advisory board agreement (the "Advisory Agreement") with Nawaz Jiwani, effective February 20, 2019 with regards to his services as member of the Company's Advisory Board. Pursuant to the Advisory Agreement, Mr. Jiwani has been compensated with 500,000 Stock Options to purchase common shares of the Company. Mr. Jiwani is also entitled to be reimbursed for pre-approved expenses. The Advisory Agreement is valid for a term of one year and carries certain non-disclosure terms, non-disparagement and a non-solicitation of client, customers, employees or advisors clause

limiting Mr. Jiwani from soliciting the Company's clients, customers, employees or advisors for a period of one year following the termination of the Advisory Agreement.

The Company entered into a corporate management agreement (the "**Management Agreement**") dated December 1, 2018, with Pender Street Corporate Consulting Ltd. which was subsequently assigned to Partum Advisory Services Corp. ("**Partum**") on April 1, 2019 to provide management, accounting and administrative services to the Company in accordance with the terms of the Management Agreement for a monthly fee of \$5,000 plus applicable taxes and reimbursement of all out-of-pocket expenses incurred on behalf of the Company. Partum is also entitled to charge a 15% administration fee on all disbursements paid by Partum and to charge interest of 2% on all disbursements not reimbursed within 30 days. The Management Agreement is for an initial term of 12 months, to be automatically renewed for further 12 month periods, unless either party gives 30 days' notice of non-renewal, in which case the Management Agreement will terminate. The Management Agreement can be terminated by the Company for cause without prior notice or upon the mutual consent in writing of both parties. If there is a take-over or change of control of the Company resulting in the termination of the Management Agreement, Partum is entitled to receive an amount equal to 12 months of fees payable as a lump sum payment due on the day after the termination date.

Partum was not indebted to the Company during the Company's last completed financial year, and the Management Agreement remains in effect.

During the most recently completed financial year, the Company paid or accrued \$Nil in management and accounting fees.

### **Oversight and Description of Named Executive Officer and Director Compensation**

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussions relating to compensation, but disclose their interest in, and abstain from voting on, decisions related to their own respective compensation.

The overall objective of the Company's compensation strategy is to offer short, medium and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest calibre and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the chief executive officer, if any, in this regard.

Executive officers' compensation is currently composed of two major components: a short term compensation component, which includes the payment of management fees to certain NEOs, and a longterm compensation component, which includes the grant of stock options under the Plan. Management fees primarily reward recent performance and incentive stock options encourage NEOs and directors to continue to deliver results over a longer period of time and serve as a retention tool. The Company intends to further develop these compensation components.

The management fee for each NEO, as applicable, is determined by the Board based on the level of responsibility and experience of the individual, the relative importance of the position to the Company, the professional qualifications of the individual and the performance of the individual over time.

The second component of the executive officers' compensation is stock options. The objectives of the Company's compensation policies and procedures are to align the interests of the Company's employees with the interests of the shareholders of the Company. Therefore, a significant portion of total compensation granted by the Company, being the grant of stock options, is based upon overall corporate performance.

Although it has not to date, the Board may in the future consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is expected to be discretionary, depending on, among other factors, the financial performance of the Company and the performance of the executive. The Board considers that the payment of such discretionary annual cash bonuses may satisfy the medium term compensation component.

The Company relies on Board discussion, without formal objectives, criteria and analysis, when determining executive compensation. There are currently no formal performance goals or similar conditions that must be satisfied in connection with the payment of executive compensation.

The NEOs' performances and salaries or fees are to be reviewed periodically. Increases in management fees are to be evaluated on an individual basis and are performance and market-based. Compensation is not tied to performance criteria or goals such as milestones, agreements or transactions, and the Company does not use a "peer group" to determine compensation.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

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

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

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

### AUDIT COMMITTEE DISCLOSURE

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

#### The Audit Committee Charter

The Board has adopted an Audit Committee Charter, which sets out the Audit Committee's mandate, organization, powers and responsibilities. The full text of the Audit Committee Charter is attached as Schedule "A" to this Circular

#### Composition of the Audit Committee

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

Name of Member	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
Konstantin Lichtenwald	Yes	Yes
Christopher Miller	No <sup>(3)</sup>	Yes
Erik LeVang	Yes	Yes



- (1) A member of the Audit Committee is independent if he has no direct or indirect 'material relationship' with the Company. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. An executive officer of the Corporation, such as the CEO, is deemed to have a material relationship with the Company.
- (2) A member of the Audit Committee is financially literate if he has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.
- (3) Christopher Miller is the CEO of the Company.

### **Relevant Education and Experience**

Each member of the Company's Audit Committee has adequate education and experience that is relevant to their performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

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

The following describes the education (including supervisory or analytical experience) of each AC member that is relevant to understanding and assessing the accounting principles use by Company to prepare its financial statements, the general application of such accounting principles to estimated, accruals and reserves and other issues that can be reasonably be expected to be raised by the preparation of the Company's financial statements, as well as understanding internal controls and procedures for financial report.

Christopher Miller holds a degree in Economics from The University of Nevada. In addition, he has a wealth of practical experience in a variety of business related disciplines.

Konstantin Lichtenwald is a financial consultant with an accounting and finance background. He has a wealth of experience in the corporate and financial sector and many years of insight relating directly to public companies.

Erik LeVang has a 20-year record of success as a senior account and Director of Sales for companies selling into large retail networks, such as Walmart, Sam's Club, Costco, Kmart, Kroger, Walgreens, Kohl's, Safeway, Cabela's and Sports Authority, among others.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

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

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

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

### Reliance on Section 3.8

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

### Reliance on Section 6.1

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

### Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter under the heading “External Auditors”.

### External Auditor Service Fees

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

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

Financial Year Ended April 30	Audit Fees (\$)	Audit-Related Fees (\$)	Tax Fees (\$)	All Other Fees (\$)
2018	\$31,547	Nil	\$2,000	Nil
2017	\$12,240	Nil	\$2,000	Nil

## CORPORATE GOVERNANCE

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

### Board of Directors

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

### Independence of Directors

As a venture issuer, Koios is exempt from the independence requirements of NI 52-110, Part 3.

Christopher Miller is the Chief Executive Officer and Interim Corporate Secretary of Koios, and is therefore not independent.

### **Directorships**

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

The following directors of the Company also serve as directors of other reporting issuers:

Director	Other Reporting Issuer(s)
Konstantin Lichtenwald	A-Labs Capital I Corp., A-Labs Capital II Corp., Biocure Technology Inc.

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

### **Orientation and Continuing Education**

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

### **Ethical Business Conduct**

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

### **Nomination of Directors**

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

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

## Compensation

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

At present, no compensation is paid to the directors of the Company in their capacity as directors. The Board does not currently have a compensation committee.

## Other Board Committees

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

## Assessments

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

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

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

## APPOINTMENT OF AUDITOR

At the Meeting, Shareholders will be asked to pass an ordinary resolution re-appointing Dale Matheson Carr-Hilton Labonte LLP Chartered Professional Accountants as the auditor to hold office until the next annual meeting of the Shareholders or until such firm is removed from office or resigns as provided by law and to authorize the Board to fix the remuneration to be paid to the auditor. Dale Matheson Carr-Hilton Labonte LLP Chartered Professional Accountants, of Vancouver, British Columbia has served as the auditor for Koios since November 2, 2017.

**Management recommends that Shareholders vote for the approval of the re-appointment of Dale Matheson Carr-Hilton Labonte LLP Chartered Professional Accountants as the auditor for Koios for the ensuing year at a remuneration to be fixed by the Board.**

## ADDITIONAL INFORMATION

Additional information relating to Koios is available at [www.sedar.com](http://www.sedar.com) under the Company's profile. Shareholders may contact Koios at its head office by mail at Suite 810, 789 West Pender Street, Vancouver, BC V6C 1H2, to request copies of Koios's financial statements and related Management's Discussion and Analysis (the "MD&A"). Financial information is provided in the audited financial statements and MD&A for Koios for its year ended May 31, 2018.

**OTHER MATTERS**

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

**APPROVAL OF THE BOARD OF DIRECTORS**

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

Dated at Vancouver, British Columbia as of the 24<sup>th</sup> day of May, 2019.

**ON BEHALF OF THE BOARD**

**Koios Beverage Corp.**

*“Christopher Miller”*

Christopher Miller, Chief Executive Officer and Director

**KOIOS CORP.**

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**Schedule "A"**  
**Audit Committee Charter**

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**Meaning of "Independence"**

1. A member of the audit committee is independent if the member has no direct or indirect material relationship with the Company.
2. For the purposes of subsection (1), a material relationship means a relationship which could, in the view of the Company's board of directors, reasonably interfere with the exercise of a member's independent judgement.
3. Despite subsection (2), the following individuals are considered to have a material relationship with the Company:
  - 3.1. an individual who is, or has been, an employee or executive officer of the Company, unless the prescribed period has elapsed since the end of the service or employment;
  - 3.2. an individual whose immediate family member is, or has been, an executive officer of the Corporation, unless the prescribed period has elapsed since the end of the service or employment;
  - 3.3. an individual who is, or has been, an affiliated entity of, a partner of, or employed by, a current or former internal or external auditor of the Company, unless the prescribed period has elapsed since the person's relationship with the internal or external auditor, or the auditing relationship, has ended;
  - 3.4. an individual whose immediate family member is, or has been, an affiliated entity of, a partner of, or employed in a professional capacity by, a current or former internal or external auditor of the Company, unless the prescribed period has elapsed since the person's relationship with the internal or external auditor, or the auditing relationship, has;
  - 3.5. an individual who is, or has been, or whose immediate family member is or has been, an executive officer of an entity if any of the Company's current executive officers serve on the entity's compensation committee, unless the prescribed period has elapsed since the end of the service or employment;
  - 3.6. an individual who:
    - 3.6.1. has a relationship with the Company pursuant to which the individual may accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Company or any subsidiary entity of the Company, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee; or
    - 3.6.2. receives, or whose immediate family member receives, more than \$75,000 per year in direct compensation from the Company, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee, unless the prescribed period has elapsed since he or she ceased to receive more than \$75,000 per year in such compensation.
  - 3.7. an individual who is an affiliated entity of the Company or any of its subsidiary entities.

4. For the purposes of subsection (3), the prescribed period is the shorter of:
  - 4.1. the period commencing on March 30, 2004 and ending immediately prior to the determination required by subsection (3); and
  - 4.2. the three-year period ending immediately prior to the determination required by subsection (3).
5. For the purposes of clauses (3)(c) and (3)(d), a partner does not include a fixed income partner whose interest in the internal or external auditor is limited to the receipt of fixed amounts of A-2 compensation (including deferred compensation) for prior service with an internal or external auditor if the compensation is not contingent in any way on continued service.
6. For the purposes of clause (3)(f), compensatory fees and direct compensation do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company if the compensation is not contingent in any way on continued service.
7. For the purposes of subclause 3(f)(i), the indirect acceptance by a person of any consulting, advisory or other compensatory fee includes acceptance of a fee by:
  - 7.1. a person's spouse, minor child or stepchild, or a child or stepchild who shares the person's home; or
  - 7.2. an entity in which such person is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the Company or any subsidiary entity of the Company.
8. Despite subsection (3), a person will not be considered to have a material relationship with the Company solely because he or she:
  - 8.1. has previously acted as an interim chief executive officer of the Company, or
  - 8.2. acts, or has previously acted, as a chair or vice-chair of the board of directors or any board committee, other than on a full-time basis.

### **Meaning of "Financial Literacy"**

An individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.