

IONIC BRANDS CORP.
2020 NOTICE OF SPECIAL MEETING OF SHAREHOLDERS,
AND
INFORMATION CIRCULAR

JANUARY 21, 2020

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IONIC BRANDS CORP.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the special meeting (the “**Meeting**”) of holders (the “**Shareholders**”) of common shares (the “**Shares**”) of IONIC Brands Corp. (the “**Company**”) will be held at McMillan LLP, Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia on February 19, 2020 at 10:00 a.m. (Pacific time) for the following purposes:

1. to consider and if thought advisable, to pass, with or without variation, an ordinary resolution (the “**Amendment Resolution**”), the full text of which is set forth in Appendix A to the accompanying Management Information Circular, approving certain amendments to the amended and restated debenture indenture dated December 20, 2019 entered into between the Company and Odyssey Trust Company and approving certain amendments to the warrant indenture dated May 16, 2019 entered into between the Company and Odyssey Trust Company; and
2. to transact such other business, including amendments to the foregoing, as may properly come before the Meeting or any adjournment or adjournments thereof.

This Notice of Meeting is accompanied by a Management Information Circular and either a form of proxy for registered Shareholders or a voting instruction form for beneficial Shareholders. The nature of the business to be transacted at the Meeting is described in further detail in the accompanying Management Information Circular. The Management Information Circular is deemed to form part of this Notice of Meeting. Please read the Management Information Circular carefully before you vote on the matters to be presented at the Meeting.

The Directors of the Company have fixed the close of business on January 15, 2020 as the record date for determining Shareholders entitled to receive notice of and to vote at the Meeting. Only Shareholders whose names have been entered into the register of the holders of Shares as at January 15, 2020, will be entitled to receive notice of and to vote at the Meeting in respect of such Shares.

Registered Shareholders are requested to date, sign and return the accompanying form of proxy for use at the Meeting whether or not they are able to attend personally. To be effective, forms of proxy must be received by Odyssey Trust Company, Attention Proxy Department, United Kingdom Building, 323-409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2, before 5:00 pm (Pacific time) on February 14, 2020 or no less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment thereof.

All non-registered Shareholders who receive these materials through a broker or other intermediary should complete and return the materials in accordance with the instructions provided to them by such broker or intermediary.

DATED at Tacoma, Washington, as of this 21st day of January 2020.

By order of the Board of Directors

“John Gorst”

John Gorst
Chief Executive Officer

IONIC BRANDS CORP.

1142 Broadway, Suite 300
Tacoma, WA 98402

**MANAGEMENT INFORMATION CIRCULAR
AS AT AND DATED JANUARY 21, 2020**
(Unless otherwise noted)

GENERAL INFORMATION

Introduction

This Management Information Circular (“**Circular**”) accompanies the Notice of the 2020 Special Meeting (“**Notice of Meeting**”) of holders (“**Shareholders**”) of common shares (the “**Shares**”) of IONIC Brands Corp. (the “**Company**”) scheduled to be held on February 19, 2020 (the “**Meeting**”), and is furnished in connection with a solicitation of proxies by management of the Company for use at that Meeting and at any adjournment or postponement thereof. No person has been authorized to give any information or make any representation in connection with the Proposed Amendments (as defined herein) or any other matters to be considered at the Meeting other than those contained in this Circular (or incorporated by reference herein) and, if given or made, any such information or representation must not be relied upon as having been authorized.

Information Contained in this Circular

The information contained in this Circular is given as at January 21, 2020, except where otherwise noted.

The delivery of this Circular will not, under any circumstance, provide any assurance or create any implication that there has been no change in the information set forth herein since the date as of which such information is given in this Circular.

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

Shareholders should not construe the contents of this Circular as legal, tax or financial advice and should consult with their own professional advisors in considering the relevant legal, tax, financial or other matters contained in this Circular.

If you hold the Shares through a broker, investment dealer, bank, trust company, nominee or other intermediary (collectively, an “**Intermediary**”), you should contact your Intermediary for instructions and assistance in voting at the Meeting.

Conventions

Words importing the singular include the plural and *vice versa*.

In this Circular, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars and references to “dollars” or “\$” are to Canadian dollars and references to “US\$” are to United States dollars.

GENERAL PROXY INFORMATION

Solicitation of Proxies

Solicitations will be made by mail and possibly supplemented by telephone, electronic means or other personal contact to be made without special compensation by directors, officers and employees of the Company. The Company may reimburse Shareholders' nominees or agents for the cost incurred in obtaining from their principals authorization to execute forms of proxy.

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

Record Date

The directors of the Company have fixed January 15, 2020 (the "Record Date") as the record date for the determination of Shareholders entitled to receive notice of the Meeting. Shareholders of record on that date are entitled to vote at the Meeting.

Appointment of Proxyholder

Only those persons whose name appears on the register of the Company as the owner of Shares (the "Registered Shareholders") or duly appointed proxyholders are permitted to vote at the Meeting. Those Shareholders so desiring may be represented by proxy at the Meeting. The persons named in the form of proxy accompanying this Circular are directors and/or officers of the Company (the "Management Appointees"). **A Shareholder has the right to appoint a person or company (who need not be a Shareholder) to attend and act on the Shareholder's behalf at the Meeting other than the Management Appointees.** To exercise this right, the Shareholder must either insert the name of the desired person in the blank space provided in the form of proxy accompanying this Circular and strike out the names of the Management Appointees or submit another proper form of proxy.

Voting by Proxyholder

The Management Appointees named in the Proxy will vote or withhold from voting the 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 Shares will be voted accordingly. The Proxy confers discretionary authority on the Management Appointees named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified,
- (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 Management Appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy, including FOR the approval of the Amendment Resolution as described in this Circular.

Registered Shareholders

Whether or not they are able to attend the Meeting in person, Registered Shareholders may wish to vote by proxy by completing, dating and signing the enclosed proxy and return it to the Company's registrar and transfer agent, Odyssey Trust Company ("**Odyssey**") by mail to United Kingdom Building, 323-409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2 (Attention: Proxy Department) by 5:00 p.m. (Pacific Time) on February 14, 2020 or forty-eight hours (excluding Saturdays, Sundays and holidays) prior to the time of any adjournment or postponement thereof at which the enclosed proxy is to be used. Notwithstanding the foregoing, the Chair of the Meeting has the discretion to accept proxies received after such deadline.

Non-Registered (Beneficial) Shareholders

Only Registered Shareholders whose names appear on the records of the Company or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders of the Company are not Registered Shareholders because the Shares they own are not registered in their names. More particularly, a person is not a Registered Shareholder in respect of Shares which are held on behalf of that person (a "**Beneficial Shareholder**") but which are registered either (a) in the name of an intermediary (an "**Intermediary**") that the Beneficial Shareholder deals with in respect of the securities including, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIF's, RESP's and similar plans; or (b) in the name of a clearing agency such as CDS of which the Intermediary is a participant. In accordance with securities regulatory policy, the Company has distributed copies of the Notice of Meeting, this Circular and the form of proxy accompanying this Circular (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries.

Current securities regulatory policy requires Intermediaries to forward the Meeting Materials to, and to seek voting instructions from, Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. Intermediaries will often use service companies to forward the Meeting Materials to Beneficial Shareholders. Generally, Beneficial Shareholders who have not waived the right to receive Meeting Materials will either:

- (a) Be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of securities beneficially owned by the Beneficial Shareholder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Beneficial Shareholder when submitting the proxy. In this case, the Beneficial Shareholder who wishes to submit a proxy should otherwise properly complete this form of proxy and **submit it to the Company, c/o Odyssey Trust Company, Proxy Department, United Kingdom Building, 323-409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2; or**
- (b) more typically, be given a voting instruction or proxy authorization form **which is not signed by the Intermediary**, and which, when properly completed and signed by the Beneficial Shareholder and **returned to the Intermediary or its service company**, (such as Broadridge Financial Solutions Inc.), will constitute voting instructions (often called a "**proxy authorization form**") which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a bar-code and other information. In order for this proxy form to validly constitute a proxy authorization form, the Beneficial Shareholder must remove the label from the instructions and affix it to the proxy form, properly complete and sign the proxy form and return it to the Intermediary or its service company, or otherwise communicate voting instructions to the Intermediary or its service company (by way of telephone or the Internet, for example) in accordance with the instructions of the Intermediary or its service

company. **A Beneficial Shareholder cannot use a proxy authorization form to vote shares directly at the Meeting.**

In either case, the purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the Shares which they beneficially own.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting the Shares registered in the name of its Intermediary, he or she may attend the Meeting as a proxyholder for the Registered Shareholder and vote his or her Shares in that capacity. Should a Beneficial Shareholder wish to vote at the Meeting in person, it should enter its own name in the blank space on the form of proxy or voting information form provided to the Beneficial Shareholder and return the document to its Intermediary (or the agent of such Intermediary) in accordance with the instructions provided by such Intermediary or agent well in advance of the Meeting.

Beneficial Shareholders should carefully follow the voting instructions they receive, including those on how and when voting instructions are to be provided, in order to have their Shares voted at the Meeting.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Registered Shareholder or the Registered Shareholder's attorney authorized in writing, or if the Registered Shareholder is a corporation, by a duly authorized officer or attorney thereof, and deposited either at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, or, as to any matter in respect of which a vote shall not already have been cast pursuant to such proxy, with the Chairman of the Meeting on the day of the Meeting, or any adjournment or postponement thereof, and upon either of such deposits the proxy is revoked.

Only Registered Shareholders have the right to revoke a proxy. Beneficial Shareholders who wish to change their vote must arrange for their Intermediaries to revoke the proxy on their behalf.

THE PROPOSED AMENDMENTS

Background

On May 16, 2019, the Company completed a brokered private placement of 17,227 convertible debenture units (the “**Units**”) for gross proceeds of \$17,227,000. Concurrent with the closing of the brokered private placement, the Company also closed a non-brokered private placement of 2,532 Units for gross proceeds of \$2,532,000. The Units sold under the brokered private placement have the same terms as the Units sold under the non-brokered private placement. Each Unit consisted of (i) \$1,000 principal amount of 8% unsecured convertible debentures (the “**Debentures**”), and (ii) 1,333 Share purchase warrants (the “**Warrants**”). Of the original \$19,759,000 principal amount of Debentures and 26,338,747 Warrants issued, an aggregate of \$19,699,000 principal amount of Debentures and 26,338,747 Warrants are outstanding as of January 15, 2020.

On December 20, 2019, the indenture dated May 16, 2019 entered into between the Company and Odyssey that governs the Debentures was amended and restated to, among other things, (a) grant to Odyssey, on its behalf and on behalf of the holders of Debentures (the “**Debentureholders**”), a security interest in all of the Company’s present and after acquired properties, including causing its material subsidiaries to grant to Odyssey, on its behalf and on behalf of the Debentureholders, a security interest in each of the Company’s material subsidiaries’ present and after acquired properties; (b) cause certain shareholders of the Company to pledge to Odyssey, on its behalf and on behalf of the Debentureholders, 50% of the Shares held directly or indirectly by such shareholders; (c) increase the annual interest rate from 8% to 10%; and (d) provide for the future payments of interest in kind, subject to certain conditions, all as further set out in the Amended and Restated Indenture between the Company and Odyssey dated December 20, 2019 (the “**Amended and Restated Indenture**”). A copy of the Amended and Restated Indenture is available on the Company’s SEDAR profile page at www.sedar.ca.

The Proposed Amendments

The Company is seeking to make the following proposed amendments (the “**Debenture Proposed Amendments**”) to the Amended and Restated Indenture: (a) decrease the conversion price at which the Debentureholders may convert the outstanding principal amount of the Debentures into Shares from \$0.75 per Share to \$0.05 per Share such that each \$1,000 of outstanding principal amount under the Debentures will be convertible into 20,000 Shares; and (b) decrease the price per Share upon which the acceleration clause which gives the Company the right (but not the obligation) to convert the outstanding principal amount under the Debentures into Shares is triggered, such that if prior to May 16, 2022, being the maturity date of the Debentures, the daily volume weighted average price of the Shares on the Canadian Securities Exchange (the “**CSE**”) for five consecutive trading days exceeds \$0.16 per Share, the Company will have the right, at its option, to convert all of the principal amount of the Debentures into Shares at the conversion price of \$0.05 per Share.

The Company is also seeking to amend the warrant indenture dated May 16, 2019 entered into between the Company and Odyssey (the “**Warrant Indenture**”) that governs the Warrants. The Company is seeking to (a) decrease the exercise price at which the holders of Warrants (the “**Warrantholders**”) may exercise their Warrants for Shares from \$0.90 per Share to \$0.075 per Share; and (b) include a clause to accelerate the expiry date of the Warrants, as is required by the policies of the CSE, whereby, if the closing price of the Shares on the CSE for ten consecutive trading days exceeds \$0.094 per Share (the “**Accelerated Period**”), the expiry date of the Warrants will be automatically accelerated without any further action on the part of the Company or the Warrantholders to a date that is 30 days following the end of the Accelerated Period (collectively, the “**Warrant Proposed Amendments**”) and with the Debenture Proposed Amendments, the “**Proposed Amendments**”).

At a meeting of Debentureholders to be held on February 19, 2020 at the same place and on or about the same time as the Meeting of Shareholders, Debentureholders will be asked to consider, and if

deemed advisable, to approve a resolution approving the Debenture Proposed Amendments (the “**Debenture Amendment Resolution**”). The Debenture Amendment Resolution must be approved by holders of not less than 66⅔% of the aggregate principal amount of the Debentures, present or represented by proxy at the meeting of Debentureholders and voted upon on a poll. If the Debenture Amendment Resolution is passed and Shareholders approve the Amendment Resolution, the Company and Odyssey will enter into a supplemental indenture to amend the terms of the Amended and Restated Indenture to include the Debenture Proposed Amendments.

At a meeting of holders of Warrantholders to be held on February 19, 2020 at the same place and on or about the same time as the Meeting of Shareholders, Warrantholders will be asked to consider, and if deemed advisable, to approve a resolution approving the Warrant Proposed Amendments (the “**Warrant Amendment Resolution**”). The Warrant Amendment Resolution must be approved by holders of not less than 66⅔% of the aggregate number of Shares which could be acquired pursuant to all outstanding Warrants, present or represented by proxy at the meeting of Warrantholders and voted upon on a poll. If the Warrant Amendment Resolution is passed and Shareholders approve the Amendment Resolution, the Company and Odyssey will enter into a supplemental indenture to amend the terms of the Warrant Indenture to include the Warrant Proposed Amendments.

Quorum and Votes Necessary to Pass the Proposed Amendments at the Meeting

At the Meeting, a quorum shall be two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the total number of issued and outstanding Shares. In order for the Proposed Amendments to be effective, the Amendment Resolution must be approved by an affirmative vote of at least a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting and entitled to vote thereat, other than votes attached to Shares of (a) all directors or executive officers of the Company; (b) any person or company who beneficially owns, or controls or directs, directly or indirectly, or a combination of both, the Shares, carrying more than ten percent of the voting rights attached to the outstanding Shares; and (c) any Shareholder who beneficially owns, or controls or directs, directly or indirectly, or a combination of both, the Debentures or the Warrants (collectively, the “**Excluded Shareholders**”).

Recommendation of the Board

After careful considerations, the Board has unanimously determined that the Proposed Amendments are fair to the Shareholders and are in the best interests of the Company. The Board unanimously recommends that Shareholders vote **FOR** the Proposed Amendments.

Reasons for the Proposed Amendments and Recommendations

The Board considered many factors, including the potential advantages and disadvantages of the Proposed Amendments. Without limiting the generality of the foregoing, the benefits considered by the Company include:

- the Company’s reliance on working capital to supplement cash flow as the Company is currently in its growth and development phase;
- the lower conversion price and lower exercise price would encourage conversion of the Debentures or exercise of the Warrants, as applicable;
- any conversion of the Debentures would reduce the financial risk for the Company in a difficult economic environment; and
- any exercise of the Warrants would enable the Company to increase its cash reserves.

The foregoing summary of the information and factors considered by the Board is not intended to be exhaustive of the factors considered by them in reaching their respective conclusions and making their recommendations. In their evaluation of the Proposed Amendments, individual members of the Board evaluated the various factors summarized above in light of their own knowledge of the business, financial condition and prospects of the Company. In view of the numerous factors considered in connection with their evaluation of the Proposed Amendments, the Board did not find it practicable to, and did not, quantify or otherwise attempt to assign relative weight to specific factors in reaching their conclusions and recommendations. In addition, individual members of the Board may have given different weights to different factors. The conclusions and recommendations of the Board were made after considering all of the information and factors involved.

The Board was unanimous in its determination that the Amendment Resolution is in the best interests of the Company and the Shareholders and in its recommendation that Shareholders vote IN FAVOUR OF the Amendment Resolution.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Shares without par value. As at January 15, 2020, there were 161,749,793 Shares issued and outstanding without par value that are entitled to be voted at the Meeting. The directors have determined that all Shareholders as of the Record Date will be entitled to receive notice of and to vote at the Meeting, except that the votes of the Excluded Shareholders will not be counted for purposes of the requisite approval of the Amendment Resolution.

At the Meeting, on a show of hands, every Registered Shareholder present in person and entitled to vote and every proxyholder duly appointed by a Registered Shareholder who would have been entitled to vote shall have one vote and, on a poll, every Registered Shareholder present in person or represented by proxy or other proper authority and entitled to vote shall have one vote for each the Share of which such shareholder is the registered holder. Shares represented by proxy will only be voted as to the number of the Shares represented if a poll or ballot is called for. A Shareholder who wishes to be represented by proxy at the Meeting must deliver their proxy at the place and within the time set for the above under the heading “*General Proxy Information*” to entitle the person appointed by the proxy to attend and vote at the Meeting.

To the knowledge of the directors and executive officers of the Company, the following person, beneficially owns, directly or indirectly, or exercises control or direction over, securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company:

Name of Shareholder	Number of Shares	Percentage of Class
John Gorst	16,333,404	10.1%

As of January 15, 2020, management and the directors of the Company and their associates or affiliates beneficially own or control 28,357,857 Shares representing approximately 17.5% of the issued and outstanding Shares.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Company or any associate or affiliate of any informed person of the Company has had any material interest, direct or indirect, in any transaction since the commencement of the Company’s most recently completed financial year, or in any proposed transaction that has materially affected or would materially affect the Company, except with respect to an interest arising from the ownership of Shares where such person or company will receive no extra or special benefit or advantage

not shared on a pro-rata basis by all holders of the Shares. See also *Interest of Certain Persons or Companies in Matters to be Acted Upon* below.

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

Except as otherwise set out below, none of the directors or executive officers of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last financial year and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

John Gorst, Chief Executive Officer and Director of the Company, beneficially owns, directly or indirectly, 16,333,404 Shares, \$390,000 principal amount of Debentures and 519,870 Warrants.

OTHER MATTERS

As of the date of this Circular, management knows of no other matters to be acted upon at this Meeting. However, should any other matters properly come before the Meeting, the Shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the shares represented by the proxy.

ADDITIONAL INFORMATION

Additional information is also available upon request at the operating office of the Company. The Company's telephone number is 253.248.7920.

DIRECTOR APPROVAL

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

Dated at Tacoma, Washington, United States, on this 21st day of January 2020

BY ORDER OF THE BOARD OF DIRECTORS OF THE COMPANY

"John Gorst"

John Gorst
Chief Executive Officer and Director

APPENDIX A

AMENDMENT RESOLUTION

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the Company and Odyssey Trust Company ("**Odyssey**") be and are hereby authorized to enter into and perform their respective obligations under a supplemental indenture (the "**First Supplemental Debenture Indenture**") to be entered into between the Company and Odyssey at such time as may be determined by the Company, in its sole discretion, pursuant to which the amended and restated indenture entered into between the Company and Odyssey dated December 20, 2019 (the "**Amended and Restated Indenture**") and governing the 10.0% convertible senior secured debentures of the Company (the "**Debentures**") shall be supplemented and amended to:
 - a. decrease the conversion price at which the holders of Debentures may convert the outstanding principal amount of the Debentures into common shares of the Company (the "**Shares**") from \$0.75 per Share to \$0.05 per Share such that each \$1,000 of outstanding principal amount under the Debentures will be convertible into 20,000 Shares; and
 - b. decrease the price per Share upon which the acceleration clause which gives the Company the right (but not the obligation) to convert the outstanding principal amount under the Debentures into Shares is triggered, such that if prior to May 16, 2022, being the maturity date of the Debentures, the daily volume weighted average price of the Shares on the Canadian Securities Exchange (the "**CSE**") for the preceding five consecutive trading days exceeds \$0.16 per Share, the Company has will have a the right, at its option, to convert all of the principal amount of the Debentures into Shares at the conversion price of \$0.05 per Share;

a copy of the First Supplemental Debenture Indenture (in draft form) is attached as Appendix A to the management information circular of the Company dated January 21, 2020 for the meeting of holders of Debentures, such First Supplemental Debenture Indenture being subject to such changes and amendments as may be approved by the persons authorized to sign the First Supplemental Debenture Indenture (as changed or amended), and the First Supplemental Debenture Indenture (as changed or amended, if applicable) as signed is the First Supplemental Indenture which is hereby approved;

2. the Company and Odyssey be and are hereby authorized to enter into and perform their respective obligations under a supplemental indenture (the "**First Supplemental Warrant Indenture**" and with the First Supplemental Debenture Indenture, the "**Supplemental Indentures**") to be entered into between the Company and Odyssey at such time as may be determined by the Company, in its sole discretion, pursuant to which the warrant indenture dated May 16, 2019 entered into between the Company and Odyssey (the "**Warrant Indenture**") that governs the common share purchase warrants issued on May 16, 2019 (the "**Warrants**") shall be supplemented and amended to:
 - a. decrease the exercise price at which the holders of Warrants of the may exercise their Warrants for Shares from \$0.90 per Share to \$0.075 per Share; and
 - b. include a clause to accelerate then accelerated expiry date of the Warrants, as per is required by the policies of the CSE, whereby, if the closing price of the Shares on the CSE for the preceding ten consecutive trading days exceeds \$0.094 per Share (the "**Accelerated Period**"), the expiry date of the Warrants will be automatically accelerated without any further action on the part of the Company or the holders of the Warrants to a date that is 30 days following the end of the Accelerated Period;

a copy of the First Supplemental Warrant Indenture (in draft form) is attached as Appendix A to the management information circular of the Company dated January 21, 2020 for the meeting of the holders of the Warrants, such First Supplemental Warrant Indenture being subject to such changes and amendments as may be approved by the persons authorized to sign the First Supplemental Warrant

Indenture (as changed or amended), and the First Supplemental Warrant Indenture (as changed or amended, if applicable) as signed is the First Supplemental Warrant Indenture which is hereby approved;

3. the Company is hereby authorized and directed to executed and deliver the Supplemental Indentures;
4. the issuance of additional Shares (the “**Additional Shares**”) under the Supplemental Indentures to the holders of Debentures or holders of Warrants, as applicable, is hereby authorized to reserve such number of Additional Shares as is required for issuance to the holders of Debentures or holders of Warrants, as applicable, on the terms and conditions of the Supplemental Indentures, as applicable;
5. such Additional Shares are hereby reserved, allotted and set aside for issuance as fully paid and non-assessable shares of the Company upon conversion of the Debentures or exercise of the Warrants, as applicable, in the manner provided for in the First Supplemental Debenture Indenture or the First Supplemental Warrant Indenture, as applicable.
6. notwithstanding that this ordinary resolution has been passed by the holders of the Shares, the Company is authorized, without further notice or approval of holders of Shares, to not enter into the Supplemental Indentures; and
7. any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or cause to be delivered, all such documents and instruments and to perform or cause to be performed all such other acts and things as in such person’s opinion may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such authorization to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.