

**ICANIC BRANDS COMPANY INC.**

**ANNUAL GENERAL MEETING  
OF SHAREHOLDERS**

**NOTICE OF MEETING  
AND MANAGEMENT INFORMATION CIRCULAR**

**TO BE HELD AT:**

**Suite 810 – 789 West Pender Street  
Vancouver, British Columbia**

**ON DECEMBER 14, 2020  
AT 11:30 A.M. (PDT)**

**ICANIC BRANDS COMPANY INC.**  
**Suite 810 - 789 West Pender Street**  
**Vancouver, British Columbia V6C 1H2**  
**Tel: (604) 687-2038**  
**Fax: (604) 687-3141**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**TAKE NOTICE** that the annual general meeting (the “Meeting”) of the shareholders of **Icanic Brands Company Inc.** (the “**Company**”) will be held at Suite 810 – 789 West Pender Street, Vancouver, British Columbia, on Monday, December 14, 2020 at 11:30 a.m., local time, for the following purposes:

1. To receive the consolidated financial statements of the Company for the financial year ended July 31, 2019, the report of the auditor and the related management discussion and analysis;
2. To fix the number of directors of the Company at six (6);
3. To elect directors of the Company for the ensuing year;
4. To appoint A Chan and Company LLP, Chartered Professional Accountant, as the Company’s auditor for the ensuing year, and to authorize the directors to fix the remuneration to be paid to the auditor; and
5. To consider any permitted amendment to or variation of any matter identified in this Notice and to transact such other business as may properly come before the Meeting or any adjournment thereof.

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

**In light of current advice from governmental and medical authorities related to the COVID-19 pandemic and to mitigate potential risks to health and safety of shareholders, employees and others, the Company will hold the Meeting in a virtual only format, despite the deemed location set forth above. Shareholders are encouraged to vote on the matters before the Meeting by proxy and to join the Meeting by teleconference. To access the Meeting by teleconference, dial toll free at 1-800-319-7310, Participation Code: 77783, followed by the # key.**

**Shareholders who are unable to attend the Meeting via conference call and who wish to ensure that their shares will be voted at the Meeting are requested to complete, date and sign the enclosed form of Proxy, or another suitable form of proxy, and deliver it in accordance with the instructions set out in the form of Proxy and in the Information Circular.**

**Non-registered shareholders who plan to attend the Meeting via conference call must follow the instructions set out in the form of Proxy and in the Information Circular to ensure that such shareholder's shares will be voted at the Meeting. If you hold your shares in a brokerage account you are not a registered shareholder.**

**DATED** at Vancouver, British Columbia, this 9<sup>th</sup> day of November, 2020.

**BY ORDER OF THE BOARD**

*"Brandon Kou"*

**Brandon Kou**  
**Chief Executive Officer**

**ICANIC BRANDS COMPANY INC.**  
**Suite 810 - 789 West Pender Street**  
**Vancouver, British Columbia V6C 1H2**  
**Tel: (604) 687-2038**  
**Fax: (604) 687-3141**

### **INFORMATION CIRCULAR**

as at November 9, 2020 except as otherwise indicated

**This Information Circular is furnished in connection with the solicitation of proxies by the management of Icanic Brands Company Inc. (the “Company”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on December 14, 2020 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.**

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

### **GENERAL PROXY INFORMATION**

#### **Solicitation of Proxies**

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

#### **Appointment of Proxyholders**

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers and directors of the Company and legal counsel for the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

#### **Voting by Proxyholder**

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

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

**In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy and, if applicable, for the nominees of management for directors and auditors as identified in the Proxy.**

### **Registered Shareholders**

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so as follows:

- (a) complete, date and sign the enclosed form of proxy and return it to the Company's transfer agent, National Securities Administrators Ltd. ("NSA"), by fax (604) 559-8908, or by mail, or by hand delivery to the Suite 760, 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4; or
- (b) via the internet through the NSA website at [www.eproxy.ca](http://www.eproxy.ca) or email a completed proxy form to the Company's transfer agent [proxy@transferagent.ca](mailto:proxy@transferagent.ca).

Registered Shareholders must ensure that the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting, or the adjournment thereof, at which the proxy is to be used.

### **Beneficial Shareholders**

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

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of intermediaries. In Canada the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing process and provides its own return instructions to clients.

There are two kinds of Beneficial Shareholders: Objecting Beneficial Owners ("OBOs") object to their name being made known to the issuers of securities which they own; and Non-Objecting Beneficial Owners ("NOBOs") who do not object to the issuers of the securities they own knowing who they are.

Pursuant to National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101") the Company distributes copies of the Notice of Meeting, this Information Circular and the form of Proxy (collectively, the "Meeting materials") to the Depository and Intermediaries for onward distribution to Beneficial Shareholders. The Company does not send Meeting materials directly to Beneficial Shareholders. Intermediaries are required to forward the Meeting materials to all Beneficial Shareholders for whom they hold Common Shares unless such Beneficial Shareholders have waived the right to receive them.

These securityholder materials are being sent to both registered and non-registered (beneficial) owners of the securities of the Company. If you are a beneficial owner, and the Company or its agent sent these materials to you directly, your name, address and information about your holdings of securities were

obtained in accordance with applicable securities regulatory requirements by the intermediary holding securities on your behalf.

***If you are a Beneficial Shareholder:***

If you are a Beneficial Shareholder you should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

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

**Revocation of Proxies**

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

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder’s authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to NSA, or at the address of the registered office of the Company at Suite 810 – 789 West Pender Street, Vancouver, BC V6C 1H2, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the registered shareholder’s Common Shares.

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

**Notice to Shareholders resident in the United States**

The solicitation of proxies is not subject to the requirements of Section 14(a) of the U.S. Exchange Act by virtue of an exemption applicable to proxy solicitations by foreign private issuers as defined in Rule 3b-4 of the U.S. Exchange Act. Accordingly, this Circular has been prepared in accordance with applicable Canadian disclosure requirements. Residents of the United States should be aware that such requirements differ from those of the United States applicable to proxy statements under the U.S. Exchange Act.

This document does not address any income tax consequences of the disposition of the Company’s shares by shareholders. Shareholders in a jurisdiction outside of Canada should be aware that the disposition of shares by them may have tax consequences both in those jurisdictions and in Canada, and are urged to

consult their tax advisors with respect to their particular circumstances and the tax considerations applicable to them.

Any information concerning any properties and operations of the Company has been prepared in accordance with Canadian standards under applicable Canadian securities laws, and may not be comparable to similar information for United States companies.

If financial statements are included or incorporated by reference herein, they have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, and are subject to auditing and auditor independence standards in Canada. Such consequences for the Company Shareholders who are resident in or citizens of, the United States may not be described fully in this Circular.

The enforcement by the Company Shareholders of civil liabilities under the United States federal securities laws may be affected adversely by the fact that the Company is incorporated or organized under the laws of a foreign country, that some or all of their officers and directors and the experts named herein are residents of a foreign country and that the major assets of the Company are located outside the United States.

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

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

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

The board of directors (the “**Board**”) of the Company has fixed November 9, 2020 as the record date (the “**Record Date**”) to be the date by which persons entitled to receive notice of the Meeting is determined. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is authorized to issue an unlimited number of Common Shares, which Common Shares are listed for trading on the Canadian Securities Exchange (the “**CSE**”). As of November 9, 2020 there were 225,226,998 Common Shares issued and outstanding, each carrying the right to one vote. The Company is also authorized to issue an unlimited number of Preferred Shares. As of November 9, 2020 there were no Preferred Shares outstanding. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

##### *Escrow Shares*

As at the year ended July 31, 2019, there were 65,549 Common Shares held in escrow under escrow agreement dated May 31, 2018.

##### *Principal Holders of Voting Securities*

To the knowledge of the directors and executive officers of the Company, the following are all the persons who beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Corporation as at November 9, 2020.

<b>Shareholder Name<sup>(1)</sup></b>	<b>Number of Common Shares Held</b>	<b>Percentage of Issued Common Shares<sup>(1)</sup></b>
Alex Patel	45,090,184	20.02%
CDS&Co.(2)	69,680,237	30.938%

Note:

(1) This information was obtained from the Company's transfer agent, National Securities Administrators Ltd.

(2) CDS & Co is a share depository, the beneficial ownership of which is unknown to the Company.

## **FINANCIAL STATEMENTS**

The audited consolidated financial statements of the Company for the financial year ended July 31, 2019, the report of the auditor thereon and the related management discussion and analysis will be placed before the Meeting. Additional information may be obtained upon request from the CFO of the Company at Suite 810, 789 West Pender Street, Vancouver, BC, V6C 1H2, Tel: (604) 687-2038, or Fax: (604) 687-3141 or at [info@partumadvisory.com](mailto:info@partumadvisory.com). Copies of these documents and additional information are also available under the Company's profile at [www.sedar.com](http://www.sedar.com).

## **VOTES NECESSARY TO PASS RESOLUTIONS**

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein.

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

## **ELECTION OF DIRECTORS**

Pursuant to the Articles the size of the Board is to be set by shareholder resolution. The Board has determined that the number of directors to be fixed for election at the meeting be set at six (6). Accordingly, at the Meeting shareholders will be asked to vote on and pass an ordinary resolution to set the number of directors to be elected to the Board at six (6).

Shareholders are asked to consider the persons set forth in the table below as director nominees, and to vote at the Meeting to elect them as directors for the ensuing year. The term of office of each of the current directors will end at the conclusion of the Meeting. Unless a director's office is vacated earlier in accordance with BCA provisions, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's six nominees for election as director, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's current principal occupation, business or employment, the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction at November 9, 2020.



<b>Name of Nominee; Current Position with the Company and Province and Country of Residence</b>	<b>Period as a Director of the Company</b>	<b>Present Principal Occupation</b>	<b>Common Shares Beneficially Owned or Controlled<sup>(1)</sup></b>
Eugene Beukman <sup>(2)</sup> Director and Chief Financial Officer (“CFO”) British Columbia, Canada	Since March 27, 2019	Corporate consultant to public companies since January 1994; director and/or officer of several reporting companies listed on the TSX-V and the CSE; President of Pender Street Corporate Consulting Ltd.	Nil
Nishal R. Kumar <sup>(2)</sup> Director British Columbia, Canada	Since February 17, 2017	CEO of Ariza Holdings Inc., since February, 2016; Lead Geophysicist, GeoPacific Consultants Ltd. (January 2015 to April 2016); Product Specialist, Tesla Motors Inc. (April 2013 to January 2015).	Nil
Chris Cherry <sup>(2)</sup> Director British Columbia, Canada	Since May 28, 2019	Chartered Accountant and Certified General Accountant; self- employed management consultant providing management and accounting consulting services to public companies.	Nil
Ripal Patel Director British Columbia, Canada	Since February 27, 2020	Licensed attorney with expertise in Business law, Privacy law and information security matters; Certified Mediator; Senior Data Protection and Technology counsel at PayPal Inc.	Nil
Suhas Patel Director California, USA	Since November 1, 2020	Licensed attorney with expertise in Business Law, Arbitration, Real Estate & Tax Law.	Nil
Brandon Kou Director & CEO California, USA	Since October 14, 2020	Co-founder and partner of Mavan Capital Partners, an investment firm; Previous investor and advisor to several private and publicly traded companies as well as a founder/advisor to various companies in the technology and CPG space; Graduate of the Marshall School of Business at the University of Southern California.	200,000

Notes:

1. The information as to shares beneficially owned, not being within our knowledge, has been furnished by the respective person, has been extracted from the register of shareholders maintained by our transfer agent, has been obtained from insider reports filed by the person and available through the Internet at the Canadian System for Electronic Disclosure by Insiders (SEDI) or has been obtained from early warning reports and alternative monthly reports filed by the person and available through the Internet at the Canadian System for Electronic Document Analysis and Retrieval (SEDAR).
2. Member of Audit Committee.

None of the nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

### **Penalties, Sanctions and Cease Trade Orders**

Other than as described below, to the knowledge of the Company, no proposed director is, as at the date of this information circular, or has been, within ten (10) years before the date of this information circular, a director, chief executive officer or chief financial officer of any company (including the Company, in respect of which the information circular is being prepared) that:

- a. was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- b. was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- c. while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- d. has, within the ten (10) years before the date of this information circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### **Cease Trade Orders [ntd – Chris to confirm]**

Mr. Cherry is currently the CFO of Mexivada Mining Corp. (“**Mexivada**”). On October 29, 2010, at the request of management of Mexivada, the BCSC issued a CTO against the insiders of Mexivada for not filing comparative financial statements for its financial year ended June 30, 2010 and the related management’s discussion and analysis for the same period. The CTO was rescinded on November 30, 2010 and is no longer in effect. On October 31, 2011, at the request of management, the BCSC issued a CTO against the insiders of Mexivada for not filing comparative financial statements for its financial year ended June 30, 2011 and the related management’s discussion and analysis for the same period. The CTO was rescinded on November 24, 2011 and is no longer in effect. On October 31, 2012, at the request of management, the BCSC issued a CTO against the insiders of Mexivada for not filing comparative financial statements for its financial year ended June 30, 2012 and the related management’s discussion and analysis for the same period. The cease trade order is still in effect.

Christopher P. Cherry, the CFO and a director of the Company, is the CFO and a director of Wolfeye Resource Corp. (“**Wolfeye**”). On August 7, 2013, the British Columbia Securities Commission (the “**BCSC**”) and the Alberta Securities Commission (the “**Commissions**”) issued a cease trade order (the “**CTO**”) against Wolfeye, its directors, officers and insiders for failure of Wolfeye to file its audited financial statements and management’s discussion & analysis and related certifications for the year ended March 31, 2013 (collectively, the “**Financial Materials**”). On August 8, 2013, trading in Wolfeye’s common shares was suspended by the TSX Venture Exchange (“**TSXV**”) for failure to file the Financial Materials. Wolfeye filed the Financial Materials with the Commissions and the CTO was lifted by the Commissions on September 26, 2013. Wolfeye applied to the TSXV to lift the trading suspension and,

after satisfying all of the conditions of the TSXV, the suspension was lifted and trading in Wolfeye's common shares recommenced on October 30, 2013.

Mr. Cherry was a former director and officer of 1040426 BC Ltd., 1040433 BC Ltd., 1040440 BC Ltd., 1040442 BC Ltd. and Genix Pharmaceutical Corp., companies that are reporting issuers in the provinces of British Columbia and Alberta. On December 2, 2016, the BCSC issued a CTO against these companies, their directors, officers and insiders for failure to file audited financial statements and management's discussion & analysis and related certifications for the year ended July 31, 2016. The BCSC also issued deficiency notices to each of 1040440 BC Ltd. and Genix Pharmaceutical Corp. for failure to file first quarter financial statements and management's discussion & analysis for the period ended October 31, 2016. On May 23, 2017, the BCSC issued revocation orders for each of 1040426 BC Ltd., 1040433 BC Ltd. and 1040442 BC Ltd. and the CTOs were lifted. The CTO remains in effect for 1040440 BC Ltd. and Genix Pharmaceutical Corp.

Mr. Cherry is currently the CFO of Block One Capital Inc. ("**Block One**"). On January 2, 2019, at the request of management of Block One, the BCSC issued a CTO against the insiders of Block One for not filing comparative financial statements for its financial year ended August 31, 2018 and the related management's discussion and analysis for the same period. The CTO was rescinded on January 31, 2019 and is no longer in effect.

Mr. Cherry is the CFO of NetCents Technology Inc. ("**NetCents**"). On March 1, 2019, at the request of management of NetCents, the BCSC issued a CTO against the insiders of NetCents for not filing comparative financial statements for its financial year ended October 31, 2018 and the related management's discussion and analysis for the same period. On March 29, 2019, the BCSC issued a revocation order for NetCents and the CTO was lifted.

Mr. Cherry is the CFO and a director for Corsurex Resource Corp. ("**Corsurex**"). On May 6, 2019, the BCSC issued a CTO against the Company, its directors, officers and insiders for failure to file audited financial statements and management's discussion & analysis and related certifications for the year ended December 31, 2018. On May 16, 2019, the BCSC issued a revocation order for the Company and the CTO was lifted.

### **Bankruptcies**

Christopher Cherry is a former CFO and Director of Wellstar Energy Corp. On March 24, 2017, the Court of Queen's Bench of Alberta granted an application of the Wellstar Energy Corp lenders, to appoint Grant Thornton Limited (the "Receiver") as receiver and manager over the assets, undertakings and property of WellStar and its wholly owned subsidiary Nexxstep Resources Ltd ("Nexxstep"). The Receiver is charged with managing the day to day affairs of the Company and Nexxstep during the period of its appointment. Mr. Cherry resigned as CFO of Wellstar Energy Corp. effective March 24, 2017 and as a director in May 2017. Mr. Cherry is not privy to any update on proceedings, to the best of his knowledge, the Company is still in the receivership with Grant Thornton subject to an asset sale of oil and gas assets.

### **Personal Bankruptcies**

To the best of the Company's knowledge, no proposed director of the Company has, 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.

Biographies of Director Nominees

**Nishal R. Kumar** is a geophysicist and is an entrepreneur who is currently the principal of an aftermarket automotive parts business. Mr. Kumar earned a Bachelor of Sciences at the University of British Columbia with a major in Geophysics and a minor in Commerce.

**Eugene Beukman** is the President of Partum Advisory Services Corp. has been a corporate consultant to public companies since January 1994. He is also a director and/or officer of several reporting companies listed on the TSX Venture Exchange.

**Chris Cherry** is a Chartered Accountant and Certified General Accountant and self-employed management consultant providing management and accounting consulting services to public companies.

**Ripal Patel** is a California licensed attorney with expertise in Business law, Privacy law and information security matters. He is also a Certified Mediator. Mr. Patel earned his Bachelors in Philosophy from the University of California, Davis. He has experience working for several start-up companies in Silicon Valley. Currently, Mr. Patel holds the title of Senior Data Protection and Technology counsel at PayPal Inc. in San Jose, CA.

**Suhas Patel** is a California licensed attorney with expertise in Business Law, Arbitration, Real Estate & Tax Law. He is also a Certified Mediator and has a Master of Laws in Taxation (L.L.M.) from Golden Gate University, where he earned his J.D as well. Suhas has earned a Bachelors in Economics from the University of California, Davis. He has experience in both the private and public sectors. Suhas works with individuals, small to mid-sized business structuring, agreements, tax planning, workers compensation and benefits, financial planning and tax disputes (State and Federal). In the Public sector, Suhas Patel worked for the Tax Appeals Assistance Program of the California Board of Equalization (B.O.E), Sales and Use Tax Division. He conducted research and evaluated and documented evidence for submission before state auditors.

**Brandon Kou** was most recently the co-founder and partner of Mavan Capital Partners, an investment firm focused on bringing technology opportunities to its investors. Mr. Kou is heavily involved in the legalized Cannabis industry. He has also been an investor and advisor to several private and publicly traded companies as well as a founder/advisor to various companies in the technology and CPG space. Prior to Mavan Capital, Mr. Kou was the Co-Founder and General Manager of Steve Nash Enterprises, a family office with portfolio companies in media/entertainment, sports and health/wellness/lifestyle. In addition to his responsibilities at Steve Nash Enterprises, Mr. Kou served as a Board of Directors proxy for Steve Nash Sports Club and Fitness World, a growing chain fitness clubs in Vancouver co-founded by Mark Mastrov. He also ran Meathawk, a film production company that focuses on feature films and television but also develops and executes video content campaigns for companies like Toyota, Vitamin Water and EA Sports. Mr. Kou has previously served on the Board of Directors for Liquid Nutrition, a healthy QSR that is publically traded on the Toronto Stock Exchange and on the Board of Directors for OneBode, an international holistic vitamin company as well as the board of advisors for several companies including RadPad, Work Force Athletics and Farafena. Prior to joining Steve Nash Enterprises, Mr. Kou provided investment banking services at Houlihan Lokey where he focused on Media, Sports and Entertainment. Mr. Kou is a graduate of the Marshall School of Business at the University of Southern California and was born and raised in Seal Beach, CA.

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the election of the nominees named herein as directors of the Company until the close of the next annual general meeting.**

## APPOINTMENT OF AUDITOR

A. Chan & Company LLP, Chartered Professional Accountants, located at Unit 114B (2<sup>nd</sup> Floor), 8988 Fraserton Court, Burnaby, British Columbia V5J 5H8, will be nominated at the meeting for appointment as auditor for the ensuing year. A. Chan & Company LLP, Chartered Professional Accounts, was first appointed as the Company's auditor on November 8, 2018, following the resignation of the Company's former auditor, I&A Professional Corporation LLP, Chartered Professional Accountants. The change of auditor was approved by the Company's audit committee. A copy of the Notice of Change of Auditor and copies of the supporting letter from each of the former and successor auditor has been filed on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com) in accordance with the requirements of National Instrument 51-102.

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the appointment of A. Chan & Company LLP, Chartered Professional Accountants, as auditor of the Company until the close of the next annual general meeting.**

## AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

The provisions of National Instrument 52-110 – *Audit Committees* (“**NI52-110**”) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth below.

### The Audit Committee's Charter

The audit committee has a charter, a copy of which is attached as Schedule A to this Information Circular.

### Composition of the Audit Committee

Members of the audit committee are Nishal Kumar, Chris Cherry and Eugene Beukman. Messrs. Kumar and Cherry are independent members of the audit committee, but Mr. Beukman is not independent as he is the CFO of the Company. All audit committee members are considered to be financially literate.

An audit committee member is independent if the member has no direct or indirect material relationship with the Company that could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. An audit committee member is financially literate if he has the ability to read and understand a set of financial statements that present a breadth 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 Corporation's financial statements.

### Relevant Education and Experience

Each member of the Company's audit committee has adequate education and experience relevant to their performance as an audit committee member and, in particular, the requisite education and experience that provides 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.

See *Biographies of Director Nominees* above for further information about each audit committee member.

## Audit Committee Oversight

The audit committee has not made any recommendations to the Board to nominate or compensate any auditor other than A. Chan & Company LLP.

## Reliance on Certain Exemptions

At no time has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis* Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

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

## Pre-Approval Policies and Procedures

See the Audit Committee Charter, Schedule A hereto, for specific policies and procedures for the engagement of non-audit services.

## External Auditor Service Fees

The auditor of the Company is A. Chan & Company LLP, Chartered Professional Accountants (“**A. Chan & Co.**”), who were appointed as auditor effective November 8, 2018. The audit committee has reviewed the nature and amount of the non-audit services provided by A. Chan & Co. to the Company to ensure auditor independence. Fees incurred with A. Chan & Co. for audit and non-audit services in the last two fiscal years are outlined in the following table.

<b>Nature of Services</b>	<b>Fees Paid to Auditor in Year Ended July 31, 2019</b>	<b>Fees Paid to Auditor in Year Ended July 31, 2018</b>
Audit Fees(1)	\$30,000	\$10,500
Audit-Related Fees(2)	\$600	Nil
Tax Fees(3)	Nil	Nil
All Other Fees(4)	Nil	Nil
Total	\$30,600	\$10,500

Notes:

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

## CORPORATE GOVERNANCE

### General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices; as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

## Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the opinion of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board facilitates its independent supervision over management by conducting quarterly reviews of the Company’s audited consolidated financial statements and management discussion and analysis as well as requiring material transactions to be approved by the Board prior to the transaction taking place.

Currently, the independent Board members are Nishal Kumar, Chris Cherry, Suhas Patel, and Ripal Patel. The non-independent directors are Brandon Kou, Chief Executive Officer, and Eugene Beukman, Chief Financial Officer.

## Directorships

The following current directors are board members of other reporting issuers as follows:

<b>Name of Director</b>	<b>Name of Reporting Issuer</b>	<b>Exchange</b>
Nishal Rai Kumar	Yorkton Ventures Inc.	TSXV
Eugene Beukman	Slam Exploration Inc. Reliq Health Technologies Inc. International Cobalt Corp. Black Isle Resources Corporation La Jolla Capital Inc. 1014379 BC Ltd.	TSXV TSXV CSE N/A N/A N/A
Chris Cherry	Petrichor Energy Inc. NRG Metals Inc. Block One Capital Inc. Harvest Gold Corporation American Biofuels Inc. Premier Health Group Inc. Anquiro Ventures Ltd. Clydesdale Resources Inc. Corsurex Resource Corp.	TSXV TSXV TSXV TSXV TSXV CSE TSXV NEX CSE
Suhas Patel	None	N/A
Ripal Patel	None	N/A
Brandon Kou	Spyder Cannabis Inc.	TSX-V

## Orientation and Continuing Education

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the Company’s properties and on the responsibilities of directors.

Board meetings may also include presentations by the Company’s management and employees to give the directors additional insight into the Company’s business.

## Ethical Business Conduct

The Board finds that the fiduciary duties placed on individual directors by the Company’s governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director’s participation in decisions of the Board in which the director has an interest

have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

### **Nomination of Directors**

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

### **Compensation**

Directors of the Company, including independent directors and non-independent directors, are not paid any fees. The only form of director compensation is through Option grants. For further details see *Statement of Executive Compensation – Venture Issuer* below.

### **Other Board Committees**

The Board has no committees other than the audit committee.

### **Assessments**

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

## **STATEMENT OF EXECUTIVE COMPENSATION**

The following information is provided as required under *Statement of Executive Compensation – Venture Issuer*, Form 51-102F6V (the “**F6V**”), as such form is defined in National Instrument 51-102 (“**NI 51-102**”) and relates to the Company's July 31, 2019 financial year end.

References in the F6V to “**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, all share compensation 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.

All currency references in this section are expressed in Canadian dollars unless otherwise specified. A reference to **US\$** means United States dollars.

### *Named Executive Officer*

In this section “Named Executive Officer” (“**NEO**”) means any individual who, during the Company's two most recently completed financial years ended July 31, 2019 and July 31, 2018, respectively, was:

- (a) the chief executive officer (“**CEO**”) (or an individual who acted in a similar capacity) of the Company;
- (b) the chief financial officer (“**CFO**”) (or an individual who acted in a similar capacity) of the Company;
- (c) each of the three other most highly compensated executive officers of the Company or any of its subsidiaries or the three most highly compensated individuals acting in a similar capacity (except those whose total salary and bonus does not exceed C\$150,000); and



- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer nor a director of the Company or any of its subsidiaries, nor acting in a similar capacity, at the end of the Company’s fiscal years ended July 31, 2019 and July 31, 2019.

During the financial year ended July 31, 2019, based on the definition above, the NEOs of the Company were: Eugene Beukman (CFO) and John Knapp (Former CEO). John Knapp resigned as CEO on July 31, 2019.

Subsequently, Suhas Patel (current director of the Company), was appointed interim-CEO on November 27, 2019 and resigned as interim-CEO on December 17, 2019. Brandon Kou (current director & CEO) was appointed CEO on December 17, 2019.

The following statement of executive compensation also includes disclosure in respect of each person who served as a director of the Company in the year ended July 31, 2019. The Board members who were not also NEOs during the financial year ended July 31, 2018 were each of Nishal Kumar, Sothi Thillairajah and Clive Spray.

#### Director and NEO compensation, excluding compensation securities

The following compensation table, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and members of the board of directors of the Company (the “Board”) for the two most recently completed financial years ended July 31, 2018 and July 31, 2019. Options and compensation securities are disclosed under the heading “Stock Options and Other Compensation Securities” below.

Table of compensation excluding compensation securities							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Eugene Beukman</b> <sup>(1)</sup> Current CFO and Director	2019	\$104,450	Nil	Nil	Nil	Nil	\$104,450
	2018	\$49,500	Nil	Nil	Nil	Nil	\$49,500
<b>Nishal Kumar</b> <sup>(2)</sup> Current Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	\$27,364	\$27,364
<b>Suhas Patel</b> Current Director & Former Interim CEO <sup>(3)</sup>	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
<b>Ripal Patel</b> Current Director <sup>(4)</sup>	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
<b>Brandon Kou</b> Current Director and Current CEO <sup>(5)</sup>	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
<b>Christopher Cherry</b> Current Director <sup>(6)</sup>	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
<b>Clive Spray</b> <sup>(7)</sup> Former Director and Former CSO	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	\$87,750	Nil	Nil	Nil	\$967,195	\$1,054,945
<b>John Knapp</b> <sup>(8)</sup> Former Director & Former CEO	2019	\$99,123	Nil	Nil	Nil	Nil	\$99,123
	2018	\$117,000	Nil	Nil	Nil	\$414,512	\$531,512
<b>Randy Clifford</b> <sup>(9)</sup> Former CEO and Former Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil

Table of compensation excluding compensation securities							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Sothi Thillairajah <sup>(10)</sup> Former Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	\$19,758	Nil	Nil	Nil	\$55,268	\$75,026
Pardeep Luddu <sup>(11)</sup> Former Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Seth Wiles <sup>(12)</sup> Former President and Former Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- 1) Mr. Beukman was appointed CFO on June 4, 2018 and was appointed to the board of directors on March 27, 2019.
- 2) Mr. Kumar was appointed to the board of directors on February 17, 2017.
- 3) Mr. S. Patel was appointed to the board of directors on November 1, 2019 and appointed Interim CFO on Nov. 27, 2019. Mr. S. Patel resigned as Interim CEO on December 17, 2019.
- 4) Mr. R. Patel was appointed to the board of directors on February 27, 2020.
- 5) Brandon Kou was appointed CEO on December 17, 2019 and was appointed to the board of directors on October 14, 2020.
- 6) Mr. Cherry was appointed to the board of directors on May 28, 2019.
- 7) Mr. Spray was appointed to the board of directors on May 31, 2018 and resigned as a director on November 1, 2019.
- 8) Mr. Knapp was appointed to the board of directors May 30, 2018 and was appointed CEO on April 15, 2019. Mr. Knapp resigned as a director and CEO on July 31, 2019.
- 9) Mr. Clifford was appointed to the board of directors and as CEO on February 17, 2017 and resigned as CEO and director on May 31, 2018.
- 10) Mr. Thillairajah was appointed to the board of directors on September 13, 2017 and resigned as a director on November 19, 2018.
- 11) Mr. Luddu was appointed to the board of directors on November 19, 2018 and resigned as a director on May 28, 2019.
- 12) Mr. Wiles was appointed as President of the Company on July 31, 2019 and resigned as President on April 1, 2020. He was appointed to the board of directors on August 19, 2019 and resigned as a director on February 27, 2020.

## Stock Options and Other Compensation Securities

### Summary of Stock Option Plan

The Company has an incentive-based compensation plan, being the rolling stock option plan (the “**Stock Option Plan**”) which was adopted by the Board on May 27, 2016. The Stock Option Plan is designed to promote the long-term success of the Company by strengthening the ability of the Company to attract and retain highly competent employees and by promoting greater alignment of interests between executives and shareholders in the creation of long-term shareholder value. A copy of the Stock Option Plan is available under the Company’s profile at [www.sedar.com](http://www.sedar.com).

The purpose of granting stock options (“**Options**”) is to assist the Company in compensating, attracting, retaining and motivating its executive officers and to closely align the personal interests of such persons to that of the shareholders. During the year ended July 31, 2019, the Company granted 9,600,000 Options. The Company granted 3,600,000 stock options during the financial year ended July 31, 2018.

The Board has the authority either to grant Options or has the authority to delegate to any Board committee (the “**Committee**”) appointed for the purpose of compensating the Company’s directors, officers, employees and consultants) the ability to grant Options to the Company’s directors, management, employees and consultants. Options can be granted, from time to time at the sole discretion

of the Board or the Committee, to persons eligible to receive Options under the Stock Option Plan. Option exercise prices are set in accordance with CSE policies.

In determining the number of Options to be granted to the executive officers, the Board considers a number of factors including the amount and term of Options previously granted, base salary and annual performance incentives awarded to the executives and commensurate with those offered by other companies in our industry; and the exercise price of any outstanding options to ensure that such grants are in accordance with CSE policies. Options vest on terms established by the Board at the time of grant

The Stock Option Plan is a rolling plan. Under the Plan, options totalling a maximum of 10% of the Common Shares outstanding from time to time are available for grant.

As at November 9, 2020 there were 225,226,998 Common Shares issued and outstanding. Accordingly, under the Stock Option Plan the Company has the authority to grant options to purchase up to a total of 22,522,699 Common Shares. At the date of this Information Circular, there are 14,569,000 options granted and outstanding under the Stock Option Plan, representing 6.47% of the outstanding Common Shares.

### ***Stock Option Grants***

The following table sets forth stock options pursuant to the Company's Stock Option Plan that were outstanding to NEOs and directors of the Company during the financial year ended July 31, 2019.

<b>Compensation Securities</b>							
<b>Name and Position</b>	<b>Type of compensation security</b>	<b>Number of compensation securities, number of underlying securities, and percentage of class</b>	<b>Date of Issue or Grant</b>	<b>Issue, conversion or exercise price (\$)</b>	<b>Closing price of security or underlying security on date of grant (\$)</b>	<b>Closing price of security or underlying security at year end (\$)</b>	<b>Expiry date</b>
Eugene Beukman Current CFO and Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Nishal Kumar Current Director	Options	50,000	June 8, 2018	\$0.40	\$0.68	\$0.44	June 8, 2023
Suhas Patel Current Director & Former Interim CEO	Options	300,000	July 31, 2019	\$0.33	\$0.44	\$0.44	July 31, 2024
Ripal Patel Current Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Brandon Kou Current Director and Current CEO	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Christopher Cherry Current Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Clive Spray Former Director and Former CSO	Options	1,750,000	June 8, 2018	\$0.40	\$0.68	\$0.44	June 8, 2023

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
John Knapp Former Director & Former CEO	Options	750,000	June 8, 2018	\$0.40	\$0.68	\$0.44	June 8, 2023
Randy Clifford Former CEO and Former Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Sothi Thillairajah Former Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Pardeep Luddu Former Director	Options	250,000	July 4, 2019	\$0.33	\$0.32	\$0.44	July 4, 2024
Seth Wiles Former President and Former Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A

### Exercise of Compensation Securities by NEOs and Directors

There were no Options exercised by a NEO or director of the Company during the financial years ended July 31, 2019 and July 31, 2018.

### Employment, consulting and management agreements

Other than as set out herein, the Company has no agreements or arrangements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or NEO.

**John Knapp** – The Company entered into an employment agreement with Mr. Knapp on May 31, 2018, entitling him to receive: (i) payment of an annual Base Salary of US\$120,000, paid bi-monthly; (ii) annual stock options as part of the Company’s annual compensation review; (iv) extended health benefits; and (v) four weeks annual paid vacation. The base salary is to be reviewed on the anniversary date of the Employment Agreement. Upon his accounting for them, the Company will also reimburse Mr. Knapp for expenses incurred that directly relate to performance of services under the Employment Agreement. Subject to specified milestones, one-time performance bonuses are payable pursuant to a performance schedule, and provided that Mr. Morel is not required to be employed by the Company for the periods in which such bonuses are earned.

Termination of Mr. Knapp’s Employment Agreement is: (i) automatically upon death of Mr. Knapp; (ii) immediately for just cause; (iii) with notice of termination given by Mr. Knapp within 6 months following change of control (defined in the Employment Agreement) the Company will pay Mr. Knapp a termination fee equivalent to 1 months’ Base Salary; or (iv) by the Company upon payment to Mr. Knapp of a termination fee equivalent to 1 months’ Base Salary, or the minimum amount permitted under applicable employment laws.

***Eugene Beukman*** – The Company entered into a consulting agreement with Mr. Beukman to provide outsourced CFO and outsourced accounting services on May 31, 2018, entitling Mr. Beukman to receive: (i) payment of an annual Base Fee of CDN\$90,000; and (ii) annual stock options as part of the Company’s annual compensation review. The Base Fee is to be reviewed on the anniversary date of the Consulting Agreement. Upon his accounting for them, the Company will also reimburse Quantum for expenses incurred that directly relate to performance of services under the Consulting Agreement.

Termination of Mr. Beukman’s Consulting Agreement is: (i) immediately for just cause; (ii) with notice of termination given by the Company or providing 30 days written notice; or (iii) with notice of termination given by the Company within 1 months before or 12 months following a change of control (defined in the Consulting Agreement) the Company will pay a termination fee equivalent to 1 months’ Base Fees.

## **Oversight and description of director and NEO compensation**

### *Compensation Review Process*

The Board determines the compensation of its executive officers. In determining compensation, the Board considers industry standards and financial situation but does not currently have any formal objectives or criteria. The performance of each executive officer is informally monitored by the Board having in mind the business strengths of the individual and the purpose of originally appointing the individual as an officer.

The Company does not have a compensation committee. The Board has not adopted any specific policies or practices to determine the compensation for the Company’s directors and executive officers other than as disclosed above.

### *Elements of Executive Compensation Program*

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

- (a) base salary or consulting fees;
- (b) bonus payments; and
- (c) equity participation through the Stock Option Plan.

### *Base Salary or Consulting Fees*

Base salary ranges for NEOs were initially determined upon review of salaries paid by other companies that are comparable in size to the Corporation.

In determining the base salary of a NEO, the Board considers the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by other companies in the same industry, which were similar in size and stage of development as the Corporation;
- (c) the experience level of the NEO;
- (d) the amount of time and commitment which the NEO devotes to the Company; and
- (e) the NEO’s overall performance and performance in relation to the achievement of corporate milestones and objectives.

### Bonus Payments

Each of the NEOs, as well as all employees, are eligible for an annual bonus, payable in cash or through option-based compensation. The amount paid is based on the Board's assessment of the Company's performance for the year. Factors considered in determining bonus amounts include individual performance, financial criteria (such as cash management and share price performance) and operational criteria (such as significant acquisitions of licensed cannabis operations and the attainment of corporate milestones).

### Equity Participation

The Company currently offers equity participation in the Company through the Stock Option Plan.

### Executive Compensation

Except for the grant of incentive stock options, there are no arrangements under which NEOs were compensated by the Corporation during the two most recently completed financial years for their services in their capacity as NEOs, directors or consultants.

### Director Compensation

The directors of the Company will receive no monthly directors' fees in their capacity as directors, and there were no other arrangements under which directors were compensated by the Company, for their services in their capacity as directors, during the financial years ended July 31, 2016 and July 31, 2017.

### Share-based Awards – Equity Compensation Plan

The Board has not adopted and the Company has not approved any equity compensation plans utilizing share-based awards.

### Option-based Awards – Stock Option Plan

On May 27, 2016, the Board adopted the Stock Option Plan, a “rolling” stock option plan, pursuant to which the Board may from time to time, at its discretion, and in accordance with CSE requirements, grant to directors, officers, employees and consultants, non-assignable and non-transferable options to purchase the Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the then issued and outstanding Common Shares. See “Stock Options and Other Compensation Securities – Summary of the Stock Option Plan,” above.

### **Pension Disclosure**

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

## **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

See disclosure under “*Stock Options and Other Compensation Securities*” under “*Statement of Executive Compensation*” above for disclosure on the Company’s equity compensation regime.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company or have any indebtedness that is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company, as of the end of the most recently completed financial year or as at the date hereof.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

To the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the financial years ended July 31, 2019, or has any interest in any material transaction in the current year or as of the date hereof other than as set out herein.

As of July 31, 2019, the due to related parties is \$18,009 (July 31, 2018 - \$18,009). This amount consists of amounts due to a former director of the Company. These amounts were made to provide working capital and are non-interest bearing and without fixed terms of repayment.

During the year ended July 31, 2019, the Company paid/accrued management and consulting fees of \$99,123 (2018 - \$Nil) to John Knapp, the Chief Executive Officer of the Company.

During the year ended July 31, 2019, the Company paid/accrued management and consulting fees of \$104,450 (2018 - \$Nil) to companies controlled by Eugene Beukman, the Chief Financial Officer of the Company. As at July 31, 2019, \$578 (July 31, 2018 - \$8,895) remained outstanding.

## **MANAGEMENT CONTRACTS**

### **Management Agreement with Pender Street Corporate Consulting Ltd. & Partum Advisory Services**

Pender Street Corporate Consulting Ltd. (“PSCC”), is a private company wholly-owned by Eugene Beukman, director of the Company. Pursuant to an agreement dated April 1, 2018, the Company entered into a management agreement (the “**Management Contract**”) with PSCC of Suite 810 – 789 West Pender Street, Vancouver, British Columbia, V6C 1H2, and provided management and administrative services to the Company in accordance with the terms of the Management Contract for a monthly fee of \$2,500 plus applicable taxes and reimbursement of all out-of-pocket expenses incurred on behalf of the Company. On October 1, 2018, the Corporate Management Agreement was assigned to Partum Advisory Services Corp. (“Partum”). The monthly fee for corporate services was increased to \$7,500.00 per month pursuant to Section 6 of the Agreement, and financial services were also added.

Under the Management Contract, Partum is entitled to charge a 15% administration fee on all disbursements actually paid by it, and to charge interest of 2% on all disbursements not reimbursed within thirty (30) days. The Management Contract is for an initial term of twelve (12) months, to be automatically renewed for further twelve (12) month periods unless ninety (90) days’ notice of non-renewal has been given. The Management Contract can be terminated by either party on ninety (90)

days' written notice. It can also 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 Contract, the Company is to pay an amount equal to twenty-four (24) months of fees.

Mr. Beukman is a director of Partum and is also a current director of the Company and proposed nominee for election as a director of the Company at the meeting for which this Information Circular relates.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### *Items of Business*

- (1) Presentation of Financial Statements;
- (2) Fixing the number of Directors;
- (3) Election of Directors;
- (4) Appointment of Auditor; and
- (5) Consideration of any permitted amendment to or variation of any matter identified among these items of business and to transact such other business as may properly come before the Meeting or any adjournment thereof.

## **ADDITIONAL INFORMATION**

Financial information is provided in the audited consolidated financial statements of the Company for the year ended July 31, 2019, the report of the auditor and in the related management discussion and analysis (together, the "Financial Statements"). Copies of the Financial Statements are available on [www.sedar.com](http://www.sedar.com).

Additional information relating to the Company is available as filed on [www.sedar.com](http://www.sedar.com) and upon request from the CFO of the Company at Suite 810, 789 West Pender Street, Vancouver, BC, V6C 1H2, Tel: (604) 687-2038, or Fax: (604) 687-3141 or at [info@partumadvisory.com](mailto:info@partumadvisory.com). Copies of documents will be provided free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document.

## **OTHER MATTERS**

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

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

**APPROVED** by the Board at Vancouver, British Columbia, this 9<sup>th</sup> day of November, 2020.

### **BY ORDER OF THE BOARD**

*"Brandon Kou"*

**Brandon Kou**  
**Chief Executive Officer**



**SCHEDULE A**  
**Audit Committee Charter**

**Mandate**

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

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

**Composition**

The Audit Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would reasonably interfere with the exercise of his or her independent judgment as a member of the Audit Committee. At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee's Charter, the definition of "financially literate" is 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 presumably be expected to be raised by the Corporation's financial statements. The members of the Audit Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting.

**Meetings**

The Audit Committee shall meet frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the external auditors.

**Responsibilities and Duties**

To fulfill its responsibilities and duties, the Audit Committee shall:

**Documents/Reports Review**

1. Review and update this Charter annually.
2. Review the Corporation's financial statements, MD&A and any annual and interim earnings, press releases before the Corporation publicly discloses this information and any reports or other financial

information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

3. Confirm that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements.

### **External Auditors**

1. Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Audit Committee as representatives of the shareholders of the Corporation.

2. Obtain annually, a formal written statement of the external auditors setting forth all relationships between the external auditors and the Corporation, consistent with the Independence Standards Board Standard 1.

3. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.

4. Take, or recommend that the full Board of Directors, take appropriate action to oversee the independence of the external auditors.

5. Recommend to the Board of Directors the selection and compensation and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.

6. At each meeting, consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.

7. Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.

8. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.

9. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

(a) the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent of the total amount of fees paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided;

(b) such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and

(c) such services are promptly brought to the attention of the Audit Committee by the Corporation and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Audit Committee. Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval, such

authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

### **Financial Reporting Processes**

1. In consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external.
2. Consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
3. Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management.
4. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
5. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
6. Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
7. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
8. Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
9. Review certification process.
10. Establish a procedure for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

### **Other**

Review any related-party transactions.