

**ICANIC BRANDS COMPANY INC.**  
(the “Company”)

Suite 810 - 789 West Pender Street  
Vancouver, British Columbia V6C 1H2

**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
<b>Sothi Thillairajah</b> <sup>(10)</sup> Former Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	\$19,758	Nil	Nil	Nil	\$55,268	\$75,026
<b>Pardeep Luddu</b> <sup>(11)</sup> Former Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
<b>Seth Wiles</b> <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
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.