SPYDER CANNABIS INC.

7600 Weston Road, Unit 51
Woodbridge, ON, L4L 8B7

MANAGEMENT INFORMATION CIRCULAR

June 6, 2021

SOLICITATION OF PROXIES

This management information circular (the "**Circular**") is furnished in connection with the solicitation of proxies by the management of Spyder Cannabis Inc. (the "**Corporation**" or "**we**") to be voted at the annual and special meeting (the "**Meeting**") of holders (the "**Shareholders**") of common shares ("**Common Shares**") of the Corporation to be held at 7941 Jane Street, Unit 2, Concord, Ontario, L4K 2M7 at 10:00 a.m. (Toronto time) on Monday, July 12, 2021, and at any adjournment(s) or postponement(s) thereof.

In this Circular, all information provided is current as of June 6, 2021, unless otherwise indicated. All references to "$" are to Canadian currency.

This Circular is furnished in connection with the solicitation, by or on behalf of the management of the Corporation, of proxies to be used at the Meeting. The Corporation will use the Notice-and-Access Provisions (as defined below) to conduct the solicitation of proxies in connection with this Circular. It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally, by advertisement or by telephone, by directors, officers and employees of the Corporation without special compensation, or by the Corporation's registrar and transfer agent (the "**Transfer Agent**"), Alliance Trust Company, at nominal cost. The cost of any such solicitation will be borne by the Corporation. Arrangements have been made with brokerage houses and other Intermediaries (as defined below), clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial Shareholders of record as of the Record Date (as defined below).

NOTICE-AND-ACCESS

The Corporation has elected to deliver the materials in respect of the Meeting pursuant to the notice-and-access provisions (the "**Notice-and-Access Provisions**") concerning the delivery of proxy-related materials to shareholders found in section 9.1.1 of National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**"), in the case of registered shareholders, and section 2.7.1 of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), in the case of beneficial shareholders. The Notice-and-Access Provisions are a set of rules that reduce the volume of proxy-related materials that must be physically mailed to shareholders by allowing issuers to deliver meeting materials to shareholders electronically by providing shareholders with access to these materials online.

The use of the Notice-and-Access Provisions reduces paper waste and mailing costs to the Corporation. In order for the Corporation to utilize the Notice-and-Access Provisions to deliver

proxy-related materials by posting the Circular (and if applicable, other materials) electronically on a website that is not SEDAR, the Corporation must send the notice of meeting (the "**Notice of Meeting**") to Shareholders, including beneficial Shareholders, indicating that the proxy-related materials have been posted and explaining how a Shareholder can access them or obtain a paper copy of those materials from the Corporation.

In accordance with the Notice-and-Access Provisions, the Notice of Meeting and a form of proxy (the "**Form of Proxy**") or voting instruction form (the "**VIF**"), as applicable, has been sent to all Shareholders informing them that this Circular is available online and explaining how this Circular may be accessed, in addition to outlining relevant dates and matters to be discussed at the Meeting. This Circular has been posted in full at www.alliancetrust.ca/shareholders/ and under the Corporation's SEDAR profile at www.sedar.com.

The Corporation will cause its Transfer Agent to deliver copies of the proxy-related materials to the Intermediaries for onward distribution to Non-Registered Shareholders. The Corporation intends to pay for the Intermediaries to deliver to objecting beneficial owners ("**OBOs**") the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* of NI 54-101.

Any Shareholder who wishes to receive a paper copy of this Circular free of charge must contact Alliance Trust Company at: (a) 407 – 2nd Street S.W., Suite 1010, Calgary, Alberta, T2P 2Y3; (b) by phone at 1-403-237-6111 or toll free at 1-877-537-6111; or (c) by emailing a request to inquires@alliancetrust.ca. In order to ensure that a paper copy of the Circular can be delivered to a requesting Shareholder in time for such Shareholder to review the Circular and return a Form of Proxy or VIF prior to the deadline to receive proxies, it is strongly suggested that Shareholders ensure their request is received no later than June 28, 2021.

COVID-19

This year, out of an abundance of caution, to proactively deal with the unprecedented public health impact of COVID-19, and to mitigate the risks to the health and safety of our communities, Shareholders, employees and other stakeholders, although we plan to hold an in-person meeting, **we strongly recommend that you DO NOT attend the Meeting in person, particularly if you are experiencing any of the described COVID-19 symptoms or if you or someone with whom you have been in close contract has travelled to/from outside Ontario within the 14 days prior to the Meeting**. We intend to quickly deal with the business at hand and there will be no refreshments or additional presentations at the Meeting. COVID-19 is causing unprecedented social and economic upheaval and we want to ensure that no one is unnecessarily exposed to any risks.

We may take additional precautionary measures in relation to the Meeting in response to further developments with COVID-19. In the event it is not possible or advisable to hold the Meeting in person, we will announce alternative arrangements for the Meeting as promptly as practicable, which may include delaying the Meeting or holding the Meeting entirely by electronic means, telephone or other communication facilities. **If you are a registered shareholder or appointed proxyholder and are planning to attend the Meeting, please notify the Corporation within a minimum of five (5) business days' in advance of the Meeting at either the email address or phone number provided below:**

Email: corporate@spydercannabis.com

Telephone: 1-905-330-1602

Public health restrictions and recommendations in place at the time of the Meeting may require the Corporation to restrict the number of people in attendance at the Meeting and therefore physical attendance by a Shareholder or appointed proxyholder may not be possible.

REGISTERED SHAREHOLDERS

A Shareholder is a registered Shareholder (a "**Registered Shareholder**") if shown on the register of holders of Common Shares at the close of business on June 1, 2021 (the "**Record Date**"). In accordance with the Notice-and-Access Provisions, a Notice of Meeting and a Form of Proxy has been sent to all Registered Shareholders informing them that this Circular is available online and explaining how this Circular may be accessed, in addition to outlining relevant dates and matters to be discussed at the Meeting. All references to Shareholders in this Circular and the Form of Proxy and Notice of Meeting are to Registered Shareholders of record on the Record Date, unless specifically stated otherwise.

Appointment of Proxy

Whether or not you expect to attend the Meeting, please exercise your right to vote. Shareholders who have voted by proxy may still attend the Meeting. Please complete and return the Form of Proxy in the envelope provided. The Form of Proxy must be dated and executed by the Registered Shareholder or the attorney of such Shareholder, duly authorized in writing. Proxies to be used at the Meeting must be deposited with the Transfer Agent in the envelope provided or otherwise to Alliance Trust Company, at 407 – 2nd Street S.W., Suite 1010, Calgary, Alberta, T2P 2Y3, **not later than 10:00 a.m. (Toronto time) on July 8, 2021 or 48 hours (excluding Saturdays, Sundays and holidays) prior to any adjournment(s) or postponement(s) thereof**. Alternatively, Registered Shareholders may choose to vote using the Internet in accordance with the instructions set out in the Form of Proxy. Voting by mail or by Internet are the only methods by which a Registered Shareholder may appoint a person as proxyholder other than the management nominees named on the Form of Proxy.

The persons named in the Form of Proxy are directors and officers of the Corporation. A Shareholder may appoint as proxyholder a person or company (who need not be a Shareholder), other than those persons named in the Form of Proxy, to attend and act on such Shareholder's behalf at the Meeting or at any adjournment(s) or postponement(s) thereof. Such right may be exercised by either inserting such other desired proxyholder's name in the blank space provided on the Form of Proxy or by completing another proper form of proxy.

Revocation of Proxy

A Registered Shareholder who has given a proxy pursuant to this solicitation may revoke it as to any matter on which a vote has not already been cast pursuant to its authority by an instrument in writing executed by the Shareholder or by the attorney of such Shareholder authorized in writing or, if the Registered Shareholder is a corporation, by an officer or attorney thereof duly authorized, and deposited either at the Transfer Agent, on or before the last business day preceding the day of the Meeting or any adjournment(s) or postponement(s) thereof at which the Form of Proxy is to be used or with the Chairman of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof, or in any other manner permitted by law.

NON-REGISTERED SHAREHOLDERS

Only Registered Shareholders or their duly appointed proxy holders are permitted to vote at the Meeting. Most Shareholders are "non-registered" Shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares or a clearing agency or other Intermediary. More particularly, a person is not a Registered Shareholder if shares are held on behalf of that person (the "**Non-Registered Shareholder**") but which are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as the Canadian Depository for Securities Limited ("**CDS**")) of which the Intermediary is a participant. In accordance with the requirements of NI 54-101, the Corporation has distributed copies of the proxy-related materials to the clearing agencies and Intermediaries for onward distribution to Non-Registered Shareholders.

Intermediaries are required to forward the proxy-related materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the proxy-related materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive proxy-related materials will either:

(i) be given a Form of Proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed. Because the Intermediary has already signed the Form of Proxy, this Form of Proxy is not required to be signed by the Non-Registered Shareholder when submitting the Form of Proxy. In this case, the Non-Registered Shareholder who wishes to submit an instrument of proxy should otherwise properly complete the Form of Proxy and deposit it with the Corporation as provided above; or

(ii) more typically, be given a VIF which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Shareholder and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. Typically, the VIF will consist of a one-page, pre-printed form. Sometimes, instead of the one-page, pre-printed form, the VIF will consist of a regular printed Form of Proxy accompanied by a page of instructions which contains a removable label containing a bar-code and other information. In order for the Form of Proxy to validly constitute a proxy authorization form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the Form of Proxy, properly complete and sign the Form of Proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit Non-Registered Shareholders to direct the voting of the Common Shares which they beneficially own. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Shareholder should strike out the names of the management's representatives named in the Form of Proxy and insert the Non-Registered Shareholder's name in the blank space provided.

The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails the

VIFs or Forms of Proxy to the Non-Registered Shareholders and asks the Non-Registered Shareholders to return the VIFs or Forms of Proxy to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions with respect to the voting of Common Shares to be represented at the Meeting by such Intermediary. A Non-Registered Shareholder receiving a VIF from Broadridge cannot use that proxy to vote Common Shares directly at the Meeting. The VIF must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted. If you have any questions with respect to the voting of Common Shares held through a broker or other Intermediary, please contact the broker or other Intermediary for assistance.

Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Non-Registered Shareholders in order to ensure that their Common Shares are voted at the Meeting. Non-Registered Shareholders should carefully follow the instructions on the Form of Proxy or VIF that they receive from their Intermediary in order to vote the Common Shares that are held through that Intermediary.

Revocation of Voting Instructions

A Non-Registered Shareholder giving voting instructions may revoke such voting instructions by contacting his or her Intermediary in respect of such voting instructions and complying with any applicable requirements imposed by such Intermediary. An Intermediary that has submitted a Form of Proxy based on voting instructions received from a Non-Registered Shareholder may not be able to revoke a Form of Proxy if it receives insufficient notice of revocation.

VOTING OF PROXIES

On any ballot that may be called for, the Common Shares represented by a properly executed proxy given in favour of the persons designated by management of the Corporation in the Form of Proxy will be voted or withheld from voting in accordance with the instructions given on the Form of Proxy and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. **In the absence of such instructions, such Common Shares will be voted FOR the approval of all resolutions in this Circular.**

The Form of Proxy confers discretionary authority upon the persons named therein with respect to amendments to matters identified in the accompanying Notice of Meeting and with respect to other matters which may properly come before the Meeting or any adjournment(s) or postponement(s) thereof. As of the date of this Circular, management of the Corporation is not aware of any such amendments or other matter to come before the Meeting. However, if any amendments to matters identified in the accompanying Notice of Meeting or any other matters which are not now known to management should properly come before the Meeting or any adjournment(s) or postponement(s) thereof, the Common Shares represented by properly executed proxies given in favour of the persons designated by management of the Corporation in the Form of Proxy will be voted on such matters in accordance with the best judgment of the named proxies.

VOTING OF COMMON SHARES AND PRINCIPAL SHAREHOLDERS THEREOF

Record Date

The Record Date for the purpose of determining the Shareholders entitled to receive notice of and vote at the Meeting has been fixed as June 1, 2021. All Shareholders of record at the

close of business on the Record Date are entitled to vote the Common Shares registered in such Shareholder's name at that date on each matter to be acted upon at the Meeting.

Description of Voting Securities

The authorized share capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preferred shares ("**Preferred Shares**"), issuable in series.

On the Record Date, the issued and outstanding voting securities of the Corporation consisted of 74,048,157 Common Shares. Each Common Share carries the right to one vote per Common Share at the Meeting.

No other voting securities are issued and outstanding as of the Record Date.

Quorum

The by-laws of the Corporation provide that a quorum for the transaction of business at a meeting of Shareholders is at least one person who is, or who represent by proxy, Shareholders holding in the aggregate, at least ten (10%) percent of the votes attaching to all the issued and outstanding Common Shares entitled to be voted at the Meeting.

Principal Shareholders

To the knowledge of the directors and officers of the Corporation, as at the date hereof, no person, firm or company beneficially owns, controls or directs, directly or indirectly, voting securities of the Corporation carrying 10% or more of the voting rights attached to all issued and outstanding Common Shares, except as follows:

Name of Shareholder	Number of Common Shares Owned[(1)]	Percentage of Issued Common Shares[(1)(2)]
Mark Pelchovitz	12,281,755	16.59%
Saimi Pelchovitz	8,191,589	11.26%

Notes:

(1) The information as to Common Shares beneficially owned, controlled or directed, not being within the knowledge of the Corporation, has been obtained by the Corporation from publicly disclosed information and/or furnished by the Shareholders listed above.

(2) Percentage of total Common Shares is based on 74,048,157 Common Shares issued and outstanding as at the Record Date.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

1. Financial Statements

The Corporation's (i) audited consolidated financial statements of the Corporation for the years ended January 31, 2021 and 2020, and (ii) audited consolidated financial statements of the Corporation for the years ended December 31, 2018, 2017 and 2016 (collectively, the "**Annual Financial Statements**"), together with reports of the auditors thereon, were sent to Shareholders who requested a copy of such documents, and are additionally available under the Corporation's profile on SEDAR at www.sedar.com. At the Meeting, the Corporation will submit to Shareholders the Annual Financial Statements and the reports of the auditors thereon. No formal action will be taken at the Meeting to approve the Annual Financial Statements.

2. Appointment of Auditors

Stern & Lovrics LLP, Chartered Professional Accountants, are currently the auditors of the Corporation and were first appointed on February 10, 2020 as auditor of the Corporation.

It is proposed that Stern & Lovrics LLP, Chartered Professional Accountants, be reappointed as auditors of the Corporation to hold such office until the next annual meeting of Shareholders or until their successors are elected or appointed and that the board of directors of the Corporation (the "**Board of Directors**" or "**Board**") be authorized to fix the remuneration of the auditors.

Unless the Shareholder directs that his or her Common Shares are to be withheld from voting in connection with the appointment of the auditors, the persons named in the Form of Proxy intend to vote FOR the appointment of Stern & Lovrics LLP, Chartered Professional Accountants, to serve as the auditor of the Corporation until the next annual meeting of Shareholders and to authorize the Board to fix the auditor's remuneration.

3. Election of Directors

The Corporation currently has four directors and it is intended that five directors be elected for the ensuing year. The Board has determined that a board of five members will be effective in the governance and supervision of the management of the Corporation's business and affairs upon the completion of the Meeting.

The following five persons whose names are set out below (the "**Nominees**") have been nominated by the Board for election as directors at the Meeting. Each elected director will hold office until the next annual meeting of Shareholders of the Corporation or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with the by-laws of the Corporation.

The following table sets forth the names and jurisdictions of residence of the Nominees for election as directors of the Corporation, the offices in the Corporation, if any, held by them, their principal occupations (for the past five years) and the number of Common Shares beneficially owned or over which control or direction is exercised. If any such individual should be unable or unwilling to serve, an event not presently anticipated, the persons named in the Form of Proxy will have the right to vote, at their discretion, for another nominee, unless a proxy withholds authority to vote for the election of directors.

Name and Municipality of Residence, Position With the Corporation	Present Principal Occupation If Different From Office Held & Principal Occupation For The Past 5 Years	Date Elected /Appointed Director[(1)]	Common Shares Owned or Over Which Control or Direction is Exercised[(2)(3)]
Mark Pelchovitz Richmond Hill, Ontario, Canada Director, Executive Chair	Partner at Truster Zweig LLP. (since 1989). Mr. Pelchovitz is a Chartered Public Accountant.	May 31, 2019	12,281,755[(4)] (16.59%)
Cameron Wickham Collingwood, Ontario, Canada Director, Executive Vice Chair, Chief Executive Officer, Corporate Secretary	Director, Chief Executive Officer and Corporate Secretary of the Corporation (since May 2021); Corporate finance advisor/consultant to various listed issuers including: Plant-Based Investment Corp., Aion Therapeutic Inc., Bhang Inc., CordovaCann Corp., Gilla Inc. and DealNet Capital Corp. (since	May 7, 2021	340,000 (0.46%)

Name and Municipality of Residence, Position With the Corporation	Present Principal Occupation If Different From Office Held & Principal Occupation For The Past 5 Years	Date Elected /Appointed Director[(1)]	Common Shares Owned or Over Which Control or Direction is Exercised[(2)(3)]
	2012 – various); Director and Chief Executive Officer of Prime City One Capital Corp. (since March 2021); Chief Financial Officer of Baymount Inc. (since March 2019). Mr. Wickham has over nine years of experience in public company management in the cannabis, consumer finance and other regulated sectors.		
Steven Glaser Toronto, Ontario, Canada Director	Director, Chief Financial Officer and Chief Operating Officer of Pool Safe Inc. (since April 2017); Principal of Glaser Capital Advisors (since October 2015). Mr. Glaser is a financial service executive with a diverse background in corporate finance, communications and governance for private and public companies.	May 31, 2019	433,333 (0.59%)
Daniel Pelchovitz Brampton, Ontario, Canada Director, CEO of the Corporation's Cannabis Division	Director and Chief Executive Officer of the Corporation's Cannabis Division. (since May 2019); Founder, President and Chief Executive Officer of Spyder Vapes Inc. (since October 2014). Mr. Pelchovitz has over six years of experience in the cannabis and vape sectors and has successfully launched and operated a number of retail stores.	May 31, 2019	3,821,641 (5.16%)
Marc Askenasi Toronto, Ontario, Canada Nominee	Founder and President of PI CO. (since May 2016); President of Baron Group Ventures Inc. (since February 2009). Mr. Askenasi is an entrepreneur with a diverse background in quick service restaurants, advertising, media and gaming.	N/A	Nil

Notes:

(1) If elected, each Nominee's term will continue until the next annual meeting of Shareholders at which time it will expire or until the Nominee resigns, becomes ineligible or unable to serve or until his or her successor is elected or appointed.

(2) The number of Common Shares beneficially owned, or over which control or direction is exercised, not being within the direct knowledge of the Corporation, has been furnished by the respective Nominee or obtained from the System for Electronic Disclosure by Insiders ("**SEDI**") and may include Common Shares owned or controlled by their spouses and/or children and/or companies controlled by them or their spouses and/or children.

(3) Percentage of total Common Shares is based on 74,048,157 Common Shares issued and outstanding as at the Record Date.

(4) Mark Pelchovitz's spouse, Saimi Pelchovitz, owns 8,191,589 Common Shares (representing 11.26% of the issued and outstanding Common Shares), and, if Ms. Pelchovitz's Common Shares are aggregated with Mr. Pelchovitz's, they would collectively hold 20,473,344 Common Shares (representing 27.85% of the issued and outstanding Common Shares).

As a group, the Nominees beneficially own, control or direct, directly or indirectly, 16,876,729 Common Shares, representing 22.79% of the issued and outstanding Common Shares as at the date hereof.

The following are brief biographies of the Nominees:

Mark Pelchovitz (Director, Executive Chair)

Mr. Pelchovitz is a partner at Truster Zweig LLP where his practice focuses primarily on accounting, auditing, and tax planning in a wide range of fields, including real estate, software development, travel, professionals, and the automotive industry. His client base is comprised of owner managed businesses. Mr. Pelchovitz is a CPA, CA, LPA and a BBA, and a graduate of York University's Schulich School of Business.

Cameron Wickham (Director, Executive Vice Chair, CEO, Corporate Secretary)

Mr. Wickham has over nine years of experience in public company management and has been involved in a number of going public transactions in Canada and the United States in the cannabis, consumer finance and other regulated sectors. He specializes in navigating early-stage financing structures, M&A and ongoing management of public companies having significant experience in managing corporate finance, audit and legal teams. Mr. Wickham began his career in investment banking after obtaining his Bachelor of Commerce from Queen's University. He currently serves as a director and Chief Executive Officer of Prime City One Capital Corp., as Chief Financial Officer of Baymount Incorporated, both non-operating listed issuers, and as an advisor to a number of public companies.

Steven Glaser (Director)

Mr. Glaser is a financial service executive with a diverse background in corporate finance, communications and governance for private and public companies. He is currently Chief Operating Officer, Chief Financial Officer and a Director at Pool Safe Inc., a company that designs, develops and distributes a product known as the "PoolSafe". From 2008 through 2017, Mr. Glaser worked in the corporate finance and investment banking arena focused on assisting late stage private and early stage public companies with strategic planning and capital raising. Prior to that, Mr. Glaser spent seven years as Vice President Corporate Affairs of Azure Dynamics Corporation. He was responsible for the company's corporate governance, its domestic and international stock exchange listings, as well as the build-out of the company's investor relations division. Mr. Glaser holds a Bachelor of Administrative Studies degree as well as an M.B.A. in finance.

Daniel Pelchovitz (Director, CEO of the Corporation's Cannabis Division)

Mr. Pelchovitz is a leader in the vape industry and was the founder of Spyder Vapes Inc. which was acquired by the Corporation through a reverse takeover transaction completed on May 31, 2019. In addition to launching Spyder Vapes, Mr. Pelchovitz has been involved in several vape shop and cannabis store launches. With over six years of experience in the vape industry, Mr. Pelchovitz has cultivated a loyal following of customers and has built strong and lasting relationships with many of the largest manufacturers in the business. Over the past two years, Mr. Pelchovitz has developed and launched the Corporation's SPDR Cannabis dispensary brandand has obtained a *Retail Operator License* from the Alcohol and Gaming Commission of Ontario ("AGCO") and a *Retail Cannabis Store License* from the Alberta Gaming, Liquor and Cannabis Commission ("AGLC") for the Corporation's wholly-owned subsidiaries to operate two dispensaries in Niagara Falls and Calgary. Mr. Pelchovitz is also an active member in many of the industry's self-guided associations surrounding the vape industry. Mr. Pelchovitzholds a diploma in international business from Seneca College.

Marc Askenasi (Nominee)

Mr. Askenasi has founded numerous companies, orchestrated transactions with and has acted as a consultant to both private and public companies across an array of sectors including: advertising, marketing media, publicity, government, gaming (lottery and casino), telecommunications, healthcare, mining exploration, restaurants and hospitality. Mr. Askenasi is the Founder and President of Pi Co., one of the fastest growing quick service restaurant franchises in Canada. He is also the President of Baron Group Ventures Inc. and is a Director of Spruce Ridge Resources Ltd., a listed issuer.

At the Meeting, Shareholders will be entitled to cast their votes for, or withhold their votes from, the election of each Nominee. **Unless the Shareholder directs that his or her Common Shares are to be withheld from voting in respect of any particular Nominee or Nominees, the persons named in the Form of Proxy intend to vote FOR the election of each of the five (5) Nominees as directors of the Corporation.**

Cease Trade Orders

As at the date of this Circular, no Nominee of the Corporation is, or was within 10 years prior to the date of this Circular, a director, chief executive officer or chief financial officer of any company that:

(i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director, executive officer or promoter was acting in the capacity as director, chief executive officer or chief financial officer of the relevant company; or

(ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director, executive officer or promoter 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.

Penalties or Sanctions

As at the date of this Circular, no Nominee of the Corporation, is or has been, within 10 years prior to the date of this Circular, subject to:

(i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Shareholder in deciding whether to vote for a Nominee.

Bankruptcies

As of the date of this Circular, no Nominee of the Corporation:

(i) is, at the date of this Circular, or has been within 10 years prior to the date of this Circular, a director or executive officer of any company (including the Corporation)

that, 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

(ii) has, within 10 years prior to 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 that person.

4. Approval of Omnibus Plan

The Board has determined that it is advisable to adopt an omnibus incentive plan (the "**Omnibus Plan**"), which it believes is in the best interests of the Corporation. The Omnibus Plan will amend and restate the Corporation's current share option plan (the "**Existing Option Plan**") to, among other things, allow for issuance of restricted share units. Stock options granted under the Existing Option Plan will remain outstanding and be governed by the terms of the Omnibus Plan if the Omnibus Plan is approved by the Shareholders of the Corporation, subject to the acceptance of the TSX Venture Exchange (the "**TSXV**").

The Board is of the view that the Omnibus Plan is required in order to provide additional incentive to, and attract and retain, the key executives necessary for the Corporation's long-term success, to encourage executives to further the development of the Corporation and its operations, and to motivate top quality and experienced executives.

Pursuant to the policies of the TSXV, the Corporation is required to obtain disinterested shareholder approval of the Omnibus Plan in connection with the implementation thereof. Accordingly, at the Meeting, the disinterested shareholders of the Corporation will be asked to pass an ordinary resolution to approve the Omnibus Plan. For this purpose, disinterested shareholders will include all Shareholders other than insiders of the Corporation to whom Awards may be granted under the Omnibus Plan and each of their respective associates. A copy of the Omnibus Plan is available to any Shareholder at or prior to the Meeting upon request to the Corporate Secretary of the Corporation and is also attached hereto as Appendix "A". Set forth below is a summary of the Omnibus Plan. The following summary is qualified in all respects by the provisions of the Omnibus Plan. Reference should be made to the Omnibus Plan for the complete provisions thereof.

Summary of the Omnibus Plan

Purpose, Administration and Eligible Participants

The purpose of the Omnibus Plan is to advance the interests of the Corporation through the motivation, attraction and retention of key employees, consultants and directors of the Corporation and designated affiliates of the Corporation and to secure for the Corporation and the Shareholders of the Corporation the benefits inherent in the ownership of Common Shares by key employees, consultants and directors of the Corporation and the designated affiliates of the Corporation through the granting of non- transferable options ("**Options**") and restricted share units ("**RSUs**", and together with the Options, collectively, the "**Awards**") to eligible participants under the Omnibus Plan. The Omnibus Plan is currently administered by the directors of the Corporation. Pursuant to the Omnibus Plan, the directors may delegate the administration of the Omnibus Plan to a committee (the "**Committee**") of the directors

of the Corporation authorized to carry out such administration and, failing a committee being so designated, the Omnibus Plan is to be administered by the directors of the Corporation.

Subject to the provisions of the Omnibus Plan, the Committee has the authority to select those persons to whom Awards will be granted. In respect of a grant of Options, eligible participants under the Omnibus Plan include the directors, officers and employees (including both full-time and part-time employees) of the Corporation or of any designated affiliate of the Corporation and any person or corporation engaged to provide ongoing management, advisory or consulting services for the Corporation or a designated affiliate of the Corporation or any employee of such person or corporation. In respect of a grant of RSUs, eligible participants under the Omnibus Plan include the directors, officers and employees (including both full-time and part-time employees) of the Corporation or of any designated affiliate of the Corporation and any person or corporation engaged to provide ongoing management, advisory or consulting services for the Corporation or a designated affiliate of the Corporation or any employee of such person or corporation, other than any persons retained to provide Investor Relations Activities (as such terms are defined in the policies of the TSXV).

Common Shares Subject to the Omnibus Plan

The aggregate number of Common Shares reserved for issue under the Omnibus Plan may not exceed ten percent (10%) of the Common Shares outstanding from time to time. The Omnibus Plan is a "rolling" maximum share Omnibus Plan, and any increase or reduction in the number of outstanding Common Shares will result in an increase or reduction, respectively, in the number of Common Shares that are available to be issued under the Omnibus Plan.

The Omnibus Plan sets the maximum number of Common Shares reserved for issuance, in the aggregate, pursuant to the settlement of RSUs granted under the Omnibus Plan at 3,700,000 Common Shares. As of the Record Date, there were 3,675,000 Common Shares reserved for issue upon the exercise of outstanding Options, representing in the aggregate approximately 4.96% of the issued and outstanding Common Shares, leaving approximately 3,729,816 Common Shares currently available to be reserved for issuance pursuant to new grants of Options under the Omnibus Plan and 7,400,000 Common Shares available to be reserved for issuance pursuant to new grants of RSUs under the Omnibus Plan.

The maximum number of Common Shares reserved for issue pursuant to Awards granted to participants who are insiders of the Corporation in any twelve (12) month period may not exceed, in the aggregate, ten percent (10%) of the number of Common Shares then outstanding, unless disinterested Shareholder approval is received therefor in accordance with the policies of the TSXV. The maximum number of Common Shares reserved for issue pursuant to Awards granted under the Omnibus Plan to any one participant in any twelve (12) month period shall not exceed five percent (5%) of the number of Common Shares then outstanding, unless disinterested Shareholder approval is received therefor in accordance with the policies of the TSXV. The maximum number of Common Shares reserved for issue under Awards granted to any one participant (other than a participant who is an eligible director or eligible employee) in any twelve (12) month period shall not exceed two percent (2%) of the number of Common Shares then outstanding.

The maximum number of Common Shares reserved for issue under Options granted to all eligible employees and to all participants (other than participants who are eligible directors) conducting Investor Relations Activities in any twelve (12) month period shall not exceed, in the aggregate, two percent (2%) of the number of Common Shares then outstanding. Options granted to participants (other than participants who are eligible directors or eligible employees) performing Investor Relations Activities shall vest in stages over a twelve (12)

month period, with no more than one-fourth (¼) of the Options vesting in any three (3) month period. The directors of the Corporation shall, through the establishment of appropriate procedures, monitor the trading in the securities of the Corporation by all grantees of Options performing Investor Relations Activities.

Option Awards

Nature of Options

An Option is an option granted by the Corporation to a participant entitling such participant to acquire a designated number of Common Shares from treasury at the exercise price. The Corporation is obligated to issue and deliver the designated number of Common Shares on the exercise of an Option and shall have no independent discretion to settle an Option in cash or other property other than Common Shares issued from treasury.

Exercise Price of Options

The exercise price of any Option may not be less than the closing price of the Common Shares on the principal stock exchange on which the Common Shares are listed on the last trading day immediately preceding the date of grant of the Option less the maximum discount, if any, permitted by such stock exchange and, if the Common Shares are not then listed on any stock exchange, the exercise price may not be less than the fair market value of the Common Shares as may be determined by the directors of the Corporation on the day immediately preceding the day of the grant of such Option.

Expiry Date of Options

Each Option, unless sooner terminated pursuant to the provisions of the Omnibus Plan, will expire on a date to be determined by the Committee at the time the Option is granted, subject to amendment by an employment contract, which date cannot be later than ten (10) years after the date the Option is granted. However, if the expiry date falls within a "blackout period" or within ten (10) business days after the expiry of a "blackout period", then the expiry date of the Option will be the date which is ten (10) business days after the expiry of the blackout period.

Vesting and Exercise of Options

Except as otherwise provided in the Omnibus Plan or in any employment contract, each Option may be exercised during the term of the Option only in accordance with the vesting schedule, if any, determined by the Committee at the time of the grant of the Option, which vesting schedule may include performance vesting or acceleration of vesting in certain circumstances and which may be amended or changed by the Committee from time to time with respect to a particular Option, subject to applicable regulatory requirements. If the Committee does not determine a vesting schedule at the time of the grant of any particular Option, such Option will be exercisable in whole at any time, or in part from time to time, during the term of the Option.

Effect of Termination

No Option granted under the Omnibus Plan may be exercised unless the optionee at the time of exercise thereof is:

a) in the case of an eligible employee, an officer of the Corporation or a designated affiliate of the Corporation or in the employment of the Corporation or a designated

affiliate of the Corporation and has been continuously an officer or so employed since the date of the grant of such Option;

b) in the case of an eligible director who is not also an eligible employee, a director of the Corporation or a designated affiliate of the Corporation and has been such a director continuously since the date of the grant of such Option; and

c) in the case of any other eligible participant, engaged, directly or indirectly, in providing ongoing management, advisory, consulting, technical or other services for the Corporation or a designated affiliate of the Corporation and has been so engaged since the date of the grant of such Option;

provided, however, that if a participant: (i) ceases to be a director of the Corporation and of the designated affiliates of the Corporation (and is not or does not continue to be an employee thereof) for any reason (other than death); or (ii) ceases to be employed by, or provide services to, the Corporation or the designated affiliates of the Corporation (and is not or does not continue to be a director or officer thereof), or any corporation engaged to provide services to the Corporation or the designated affiliates of the Corporation, for any reason (other than death) or receives notice from the Corporation or any designated affiliate of the Corporation of the termination of his or her employment contract, except as otherwise provided in any employment contract, such participant will have ninety (90) days from the date of such termination to exercise his or her Options to the extent that such participant wasentitled to exercise such Options at the date of such termination. Notwithstanding the foregoing or any employment contract, in no event shall such right extend beyond the periodduring which the Option was exercisable under the terms of its grant or one (1) year from thedate of such termination.

RSU Awards

Nature of an RSU

An RSU is an Award that is a bonus for services rendered in the year of grant, that, upon settlement, entitles the recipient participant to receive a cash payment equal to the closing price of the Common Shares on the TSXV on the last trading date prior to the applicable vesting date or, at the sole discretion of the Committee, a Common Share, and subject to such restrictions and conditions on vesting as the Committee may determine at the time of grant, unless such RSU expires prior to being settled.

Vesting

The Committee shall have sole discretion to determine if any vesting conditions with respect to an RSU, including any performance criteria or other vesting conditions contained in the applicable restricted share unit agreement, have been met or waive the vesting conditions applicable to RSUs (or deem them to be satisfied), and shall communicate to a participant, as soon as reasonably practicable, the date on which all such applicable vesting conditions in respect of a grant of RSUs have been satisfied and the RSUs have vested.

Settlement

Subject to the vesting and other conditions and provisions in the Omnibus Plan and in the applicable restricted share unit agreement, each RSU awarded to a participant shall entitle the participant to receive, on settlement, a cash payment equal to the closing price of the Common Shares on the TSXV on the last trading date prior to the vesting date, or, at the discretion of the Committee, one Common Share or any combination of cash and Common

Shares as the Committee in its sole discretion may determine, in each case less any applicable withholding taxes. The Corporation (or the applicable designated affiliate) may, in its sole discretion, elect to settle all or any portion of the cash payment obligation by the delivery of Common Shares issued from treasury or acquired by a designated broker in the open market on behalf of the participant. Subject to the terms and conditions in the Omnibus Plan, vested RSUs shall be redeemed by the Corporation (or the designated affiliate) as described above on the 15th day following the vesting date. Notwithstanding any other provisions in the Omnibus Plan, no payment, whether in cash or in Common Shares, shall be made in respect of the settlement of any RSUs later than December 15th of the third calendar year following the end of the calendar year in respect of which such RSU is granted.

Dividend Equivalents

Dividend Equivalents may, as determined by the Committee in its sole discretion, be awarded as a bonus for services rendered in the year in respect of unvested RSUs in a participant's account on the same basis as cash dividends declared and paid on Common Shares as if the participant was a holder of record of Common Shares on the relevant record date. In the event that the participant's applicable RSUs do not vest, all Dividend Equivalents, if any, associated with such RSUs will be forfeited by the participant.

Effect of Death

If a participant dies, any unvested RSUs in the participant's account as at the date of such death shall become immediately forfeited and cancelled. For greater certainty, where a participant's employment or service relationship with the Corporation or a designated affiliate is terminated as a result of death following the satisfaction of all vesting conditions in respect of particular RSUs but before receipt of the corresponding distribution or payment in respect of such RSUs, the participant shall remain entitled to such distribution or payment. Notwithstanding the foregoing, if the Committee, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested RSUs, the date of such action is the applicable vesting date.

Effect of Termination

If a participant: (i) ceases to be a director or the Corporation or of a designated affiliate, as the case may be (and is not or does not continue to be an employee thereof), for any reason (other than death); or (ii) ceases to be employed by, or provide services to, the Corporation or the designated affiliates (and is not or does not continue to be a director or officer thereof), or any corporation engaged to provide services to the Corporation or the designated affiliates, for any reason (other than death) or shall receive notice from the Corporation or the designated affiliates of the termination of their employment contract; the participant's participation in the Omnibus Plan will be terminated immediately, all RSUs credited to such participant's account that have not vested will be forfeited and cancelled, and the participant's rights that relate to such participant's unvested RSUs shall be forfeited and cancelled on the termination date. Notwithstanding the foregoing, if the Committee, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested RSUs, the date of such action is the applicable vesting date.

Consolidation, Merger, etc.

If there is a consolidation, merger or statutory amalgamation or arrangement of the Corporation with or into another corporation, a separation of the business of the Corporation into two (2) or more entities or a sale, lease exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Corporation

to another entity, upon the exercise or settlement, if applicable, of an Award under the Omnibus Plan the holder thereof is entitled to receive the securities, property or cash which the holder would have received upon such consolidation, merger, amalgamation, arrangement, separation or transfer if the holder had been a holder of Common Shares immediately prior to the effective time of such event, unless the Committee otherwise determines appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economic rights of the participant in respect of such Award in connection with such event.

Securities Exchange Take-Over Bid

If a take-over bid (within the meaning of the *Securities Act* (Ontario)) is made as a result of which all of the outstanding Common Shares are acquired by the offeror through compulsory acquisition provisions of the incorporating statute of the Corporation or otherwise, and where consideration is paid in whole or in part in equity securities of the offeror, the Committee may send notice to all participants requiring them to surrender their Awards within ten (10) days of the mailing of such notice, and the optionees shall be deemed to have surrendered such Awards on the tenth (10th) day after the mailing of such notice without further formality, provided that, among other things, the Committee delivers with such notice an irrevocable and unconditional offer by the offeror to grant replacement options to the participants on the equity securities offered as consideration.

Acceleration on Take-Over Bid, Consolidation or Merger

In the event that: (a) the Corporation seeks or intends to seek approval from the Shareholders of the Corporation for a transaction which, if completed, would constitute an Acceleration Event (as hereinafter defined); or (b) a person makes a bona fide offer or proposal to the Corporation or the Shareholders of the Corporation which, if accepted or completed, would constitute an Acceleration Event, then the Corporation is required to send notice to all optionees of such transaction, offer or proposal as soon as practicable. Provided that the Committee has determined that no adjustment will be made under the provisions of the Omnibus Plan described above under the heading "Consolidation, Merger, etc.", (i) the Committee may by resolution, and notwithstanding any vesting schedule applicable to any Option, permit all Options outstanding which have restrictions on their exercise to become immediately exercisable during the period specified in the notice (but in no event later than the applicable expiry date of an Option), so that the optionee may participate in such transaction, offer or proposal, and (ii) the Committee may accelerate the expiry date of such Options and the time for the fulfillment of any conditions or restrictions on such exercise. An "Acceleration Event" means an acquisition by any offeror of beneficial ownership of more than fifty percent (50%) of the votes attached to the outstanding voting securities of the Corporation, any consolidation merger or statutory amalgamation or arrangement of the Corporation with or into another corporation and pursuant to which the Corporation will not be the surviving entity (other than a transaction under which the Shareholders of the Corporation immediately prior to completion of the transaction will have the same proportionate ownership of the surviving corporation), a separation of the business of the Corporation into two (2) or more entities, a sale, lease exchange or other transfer of all or substantially all of the assets of the Corporation to another entity or the approval by Shareholders of the Corporation of any plan of liquidation or dissolution of the Corporation.

Amendments, Modifications and Changes

The Committee has the right under the Omnibus Plan to make certain amendments to the Omnibus Plan, including, but not limited to, amendments of a "housekeeping" nature, to comply with applicable law or regulation, to the vesting provisions of the Omnibus Plan, to

the terms of any Award previously granted (with the consent of the optionee), and with respect to the effect of the termination of an optionee's position, employment or services under the Omnibus Plan, to the categories of persons who are participants in respect of the administration or implementation of the Omnibus Plan.

The Committee has the right, under the Omnibus Plan, with the approval of the Shareholders, to make certain amendments to the Omnibus Plan, including, but not limited to, any change to the number of Common Shares issuable from treasury under the Omnibus Plan, any amendment which reduces the exercise price of any Award, any amendment which extends the expiry date of an Award other than as permitted under the Omnibus Plan, any amendment which cancels any Award and replaces such Award with an Award which has a lower exercise price, any amendment which would permit Awards to be transferred or assigned by any participant other than as currently permitted under the Omnibus Plan, and any amendments to the amendment provisions of the Omnibus Plan.

Shareholder Approval of the Omnibus Plan

At the Meeting, the disinterested shareholders of the Corporation will be asked to consider, and if thought fit, to pass, with or without variation, an ordinary resolution in the form set out below (the "**Omnibus Plan Resolution**"), subject to such amendments, variations or additions as may be approved at the Meeting, ratifying, confirming and adopting the Omnibus Plan.

The Board recommends that Shareholders vote **FOR** the Omnibus Plan Resolution. To be effective, the Omnibus Plan Resolution requires the approval of a majority of the votes cast thereon by Shareholders of the Corporation present or represented by proxy at the Meeting, excluding the votes attaching to Common Shares beneficially owned by insiders of the Corporation to whom Awards may be granted under the Omnibus Plan and each of their respective associates. In determining whether such approval has been obtained, the votes attaching to the approximately 25,218,318 Common Shares collectively held, directly or indirectly, by the insiders of the Corporation to whom Awards may be granted under the Omnibus Plan, and each of their respective associates, will be excluded. **Unless the Shareholder directs that his or her Common Shares are to be voted against the Omnibus Plan Resolution, the persons named in the Form of Proxy intend to vote FOR the Omnibus Plan Resolution.**

The text of the Omnibus Plan Resolution to be submitted to Shareholders at the Meeting is set forth below:

"**BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT**:

1. the Omnibus Plan of the Corporation in the form attached as Appendix "A" to the management information circular, dated June 6, 2021, with such amendments thereto as may be made from time to time by the board of directors of the Corporation, without further approval of the shareholders of the Corporation, in order to conform with the policies or requirements of the TSX Venture Exchange or any other stock exchange on which the Corporation's common shares are listed at such applicable time, be and is hereby ratified, confirmed and approved; and

2. any director and/or officer of the Corporation be and such director or officer of the Corporation is hereby authorized and empowered, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered any and all such documents and instruments and to do or to cause to be done all such other acts and

things as, in the opinion of such director or officer, may be necessary or desirable in order to fulfil the intent of this resolution."

5. Approval of Delisting From the TSXV

In connection with a repositioning of the Corporation, the Board proposes that the Corporation delist its Common Shares (the "**Delisting**") from trading on the TSX Venture Exchange (the "**TSXV**") to pursue a listing on the Canadian Securities Exchange (the "**CSE**") or another stock exchange, as the Board may determine, for the Corporation's Common Shares (the "**Listing**"). At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass, with or without variation, an ordinary resolution in the form set out below (the "**Delisting Resolution**") authorizing the Board, in its sole discretion, to apply for a Delisting with the TSXV and apply for a Listing with the CSE or another stock exchange as the Board may approve, without further approval of the Shareholders.

If the Delisting Resolution is approved, the Corporation intends to apply to the TSXV for the Delisting and apply to the CSE or another stock exchange for the Listing. Subject to obtaining all such required approvals, all of the Corporation's Common Shares are expected to be delisted from the TSXV and Shareholders will no longer be able to purchase or sell any Common Shares through the TSXV. Following the Delisting, and subject to approval from the CSE or another stock exchange, the Corporation's Common Shares would be listed on the CSE or other stock exchange.

Notwithstanding approval of the Delisting Resolution by Shareholders, the Board may, in its sole discretion, revoke the Delisting Resolution in whole or in part, and abandon the Delisting Resolution at any time, without the approval or further approval or action by, or prior notice to the Corporation's Shareholders.

Resolution

At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass, with or without variation, the Delisting Resolution as an ordinary resolution, subject to such amendments, variations or additions as may be approved at the Meeting.

The Board recommends that Shareholders vote **FOR** the Delisting Resolution. To be effective, the Delisting Resolution requires the affirmative vote of (i) at least a majority of the votes cast on the Delisting Resolution at the Meeting, present in person, or represented by proxy, and entitled to vote at the Meeting; and (ii) "majority of the minority shareholder approval" obtained in accordance with the requirements of the TSXV, being at least a majority of the votes cast on the Delisting Resolution at the Meeting excluding votes attaching to Common Shares held by promoters, directors, officers and other insiders of the Company, whether in person or by proxy. There can be no assurance that the requisite shareholder approval of the Delisting Resolution will be obtained. **Unless the Shareholder directs that his or her Common Shares are to be voted against the Delisting Resolution, the persons named in the Form of Proxy intend to vote FOR the Delisting Resolution.**

The text of the Delisting Resolution to be submitted to Shareholders at the Meeting is set forth below:

"**BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT**:

1. the Corporation be and is hereby authorized to delist the Corporation's common shares from the TSX Venture Exchange;

2. the Corporation be and is hereby authorized to make applications for the listing of the Corporation's then issued and outstanding common shares on the Canadian Securities Exchange or another stock exchange and, subject to the approval of such listing, to have the Corporation's common shares listed for trading;

3. notwithstanding that this resolution has been duly passed by the shareholders of the Corporation, the board of directors of the Corporation be and are hereby authorized and empowered to revoke this resolution in whole or in part at any time prior to it being acted upon, without further approval of the shareholders of the Corporation; and

4. any director or officer of the Corporation be and such director or officer of the Corporation is hereby authorized and empowered, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered any and all such documents and instruments and to do or to cause to be done all such other acts and things as, in the opinion of such director or officer, may be necessary or desirable in order to fulfil the intent of this resolution."

6. Approval of a Name Change

In connection with a proposed repositioning of the Corporation, the Board anticipates that it may be in the best interest of the Corporation to change the name of the Corporation. To provide the Board with maximum flexibility in connection with the proposed repositioning of the Corporation, the Board is seeking approval from Shareholders to authorize the Board to amend the Corporation's articles of incorporation to change the name of the Corporation to such name as the Board may determine in its sole discretion (the "**Name Change**"). At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass, with or without variation, a special resolution in the form set out below (the "**Name Change Resolution**") authorizing the Board, in its sole discretion, to change the name of the Corporation to such name as the Board may determine, without further approval of the Shareholders.

Notwithstanding approval of the Name Change Resolution by Shareholders, the Board may, in its sole discretion, abandon the Name Change at any time, without the approval or further approval or action by, or prior notice to the Shareholders of the Corporation. If the Board does not implement the Name Change within twenty-four months of the approval of the Name Change Resolution, the authority granted by the Name Change Resolution will lapse and be of no further force or effect.

Resolution

At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass, with or without variation, the Name Change Resolution as a special resolution, subject to such amendments, variations or additions as may be approved at the Meeting.

The Board recommends that Shareholders vote **FOR** the Name Change Resolution. To be effective, the Name Change Resolution must be approved by not less than two-thirds of the votes cast by the Shareholders present in person, or represented by proxy, and entitled to vote at the Meeting. **Unless the Shareholder directs that his or her Common Shares are to be voted against the Name Change Resolution, the persons named in the Form of Proxy intend to vote FOR the Name Change Resolution.**

The text of the Name Change Resolution to be submitted to Shareholders at the Meeting is set forth below:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the Corporation's articles of incorporation be amended to change the name of the Corporation from "SPYDER CANNABIS INC." to such name as may be approved by the board of directors of the Corporation (including the changing of the Corporation's stock symbol to reflect its new name) in its sole discretion, without further approval of the shareholders of the Corporation;

2. the effective date of such name change shall be the date shown in the certificate of amendment or such other date indicated in the articles of amendment provided that, in any event, such date shall be prior to twenty-four months from the date hereof and if not implemented within such period, the authority granted by this resolution to effect a name change on the foregoing terms will lapse and be of no further force or effect;

3. notwithstanding that this resolution has been duly passed by the shareholders of the Corporation, the board of directors of the Corporation be and are hereby authorized and empowered to revoke this resolution at any time prior to receipt of a certificate of amendment of the articles of the Corporation giving effect to the name change, without further approval of the shareholders of the Corporation; and

4. any director or officer of the Corporation be and such director or officer of the Corporation is hereby authorized and empowered, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered any and all such documents and instruments and to do or to cause to be done all such other acts and things as, in the opinion of such director or officer, may be necessary or desirable in order to fulfil the intent of this resolution."

In the event that the Corporation proceeds with a Name Change, letters of transmittal will be made available to Shareholders for use in depositing their certificates representing their Common Shares to the Transfer Agent in exchange for new certificates representing the new name of the Corporation. Shareholders are not required to take any action at this time. Non-Registered Shareholders holding their Common Shares through an Intermediary should note that Intermediaries may have different procedures for processing a name change than those that will be put in place by the Corporation for Registered Shareholders. If you hold your Common Shares with an Intermediary and you have questions in this regard, you are encouraged to contact your intermediary. **Shareholders should not destroy any share certificates and should not submit any certificates until requested to do so, if required.**

7. Approval of a Consolidation

At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass, with or without variation a special resolution (the "**Consolidation Resolution**") authorizing the consolidation of the issued and outstanding Common Shares on the basis of one (1) post-consolidation Common Share for up to every five (5) pre-consolidation Common Shares (the "**Consolidation**"), with the actual consolidation ratio to be determined by the Board following the Meeting. The Corporation's name will not change in connection with the Consolidation, unless the Shareholders approve the Name Change Resolution and the Board determines to effect the Name Change either separately or together with the Consolidation.

Notwithstanding approval of the Consolidation Resolution by Shareholders, the Board may, in its sole discretion, revoke the Consolidation Resolution, and abandon the Consolidation at any

time, without the approval or further approval or action by, or prior notice to the Corporation's Shareholders.

Reasons for the Consolidation

The potential benefits of the Consolidation continue to include:

a) ***Attracting Greater Investor Interest***. The current share structure of the Corporation makes it more difficult to attract the additional equity financing required to maintain the Corporation with certain investors. A Consolidation may have the effect of raising, on a proportionate basis, the price of the Common Shares, which could appeal to certain investors that find shares valued above certain prices to be more attractive from an investment perspective.

b) ***Improving the Prospects of Raising Additional Capital***. The higher anticipated price of the post-consolidation Common Shares will allow the Corporation to raise additional capital through the sale of additional Common Shares at a higher price per Common Share than would be possible in the absence of the Consolidation.

c) ***Other Transactions***. The Board believes that Shareholder approval of the Consolidation Resolution is advisable so as to enable the Corporation to pursue future mergers, acquisitions and business opportunities. In the event that the Corporation enters into a share-based transaction, the Consolidation may lead to increased interest by a wider audience of potential investors, resulting in a more efficient market for the Common Shares.

Prior to making any amendment to the Corporation's articles of incorporation to effect the Consolidation of Common Shares, the Corporation shall first be required to obtain any and all applicable regulatory and exchange approvals. The Board believes Shareholder approval of a maximum potential consolidation ratio (rather than a single consolidation ratio) of five (5) pre-consolidation Common Shares for one (1) post-consolidation Common Share of the Corporation provides the Board with greater flexibility to achieve the desired results of the Consolidation.

If the Consolidation Resolution is approved, the Consolidation would be implemented, if at all, only upon a determination by the Board that the Consolidation is in the best interests of the Corporation at the appropriate time. In connection with any determination to implement a Consolidation, the Board will set the timing for such a Consolidation and select the specific ratio from within the range for a ratio set forth in the Consolidation Resolution. No further action on the part of Shareholders would be required in order for the Board to implement the Consolidation.

Certain Risks Associated with the Consolidation

Implementation of the Consolidation is not likely to have a material effect on the actual or intrinsic value of the business of the Corporation, the Common Shares, or on a Shareholder's proportional ownership in the Corporation. However, there can be no assurance that the total market capitalization of the Common Shares (the aggregate value of all the Corporation's Common Shares at the then market price) immediately after the Consolidation will be equal to or greater than the total market capitalization immediately before the Consolidation. In addition, there can be no assurance that the market price of the Common Shares following the Consolidation will be higher than the per share market price immediately before the Consolidation or equal or exceed the direct arithmetical result of the Consolidation. In addition, a decline in the market price of the Common Shares after the Consolidation may

result in a greater percentage decline than would occur in the absence of a Consolidation and the liquidity of the Common Shares could be adversely affected.

The Board does not expect the Consolidation to result in the interests of any or a material number of Shareholders to be eliminated as a result of the Consolidation. However, the Consolidation may result in some Shareholders owning "odd lots" of less than one hundred (100) Common Shares on a post-consolidation basis. Odd lots may be more difficult to sell, or require greater transaction costs per Common Share to sell, than Common Shares in "board lots" of even multiples of one hundred (100) Common Shares.

Principal Effects of the Consolidation

As of the date hereof, the Corporation had 74,048,157 Common Shares issued and outstanding. Following the completion of the proposed Consolidation, the number of Common Shares issued and outstanding will depend on the ratio selected by the Board. The following table sets out the approximate number of Common Shares that would be outstanding as a result of the Consolidation at different suggested ratios. As outlined in the Consolidation Resolution, the final ratio of post-consolidation Common Shares that are issued in exchange for pre-consolidation Common Shares will be determined by the Board.

Proposed Consolidation Ratio(1)	**Approximate Number of Outstanding Post-Consolidation Common Shares(2)**
2:1	37,024,079
3:1	24,682,719
4:1	18,512,039
5:1	14,809,631

Notes:

(1) The ratios above are for illustrative purposes only and are not indicative of the actual ratio that may be adopted by the Board to effect a Consolidation.

(2) Based on 74,048,157 Common Shares issued and outstanding as at the date hereof.

If approved and implemented, the Consolidation will occur simultaneously for all of the Common Shares at the same consolidation ratio. Except for any variances attributable to fractional shares, the change in the number of issued and outstanding Common Shares that will result from the Consolidation will cause no change in the capital attributable to the Common Shares and will not materially affect any Shareholder's percentage ownership in the Corporation, even though such ownership will be represented by a smaller number of Common Shares.

The Consolidation will not materially affect any Shareholder's proportionate voting rights. Each Common Share outstanding after the Consolidation will be entitled to one vote, and will be fully paid and non-assessable.

The implementation of the Consolidation would not affect the total Shareholders' equity of the Corporation or any components of Shareholders' equity as reflected on the Corporation's financial statements except: (i) to change the number of issued and outstanding Common Shares; and (ii) to change the stated capital of the Common Shares to reflect the Consolidation.

Each stock option, warrant or other security of the Corporation exercisable into pre-consolidation Common Shares (together, the "**Other Securities**") that has not been exchanged or cancelled prior to the effective date of the implementation of the Consolidation will be adjusted pursuant to the terms thereof on the same exchange ratio as described above,

and each holder of pre-consolidation Other Securities will become entitled to receive post-consolidation Common Shares of the Corporation pursuant to such adjusted terms.

No Fractional Shares to be Issued

No fractional Common Shares will be issued upon implementation of the Consolidation. In the event that the Consolidation would otherwise result in the issuance of a fractional share, such fraction will be rounded to the next lowest whole number of Common Shares.

Implementation

The implementation of the proposed Consolidation is conditional upon the Corporation obtaining the necessary regulatory consents. The Consolidation Resolution provides that the Board is authorized, in its sole discretion, to determine not to proceed with the proposed Consolidation without further approval of the Corporation's Shareholders. In particular, if the Consolidation Resolution is approved at Meeting, the Board may determine after the Meeting not to proceed with completion of the proposed Consolidation and filing of the articles of amendment of the Corporation. If the Board does not implement the Consolidation within twenty-four (24) months following the Meeting, the authority granted by the Consolidation Resolution to implement the Consolidation on the approved terms would lapse and be of no further force or effect.

Resolution

At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass, with or without variation, the Consolidation Resolution as a special resolution, subject to such amendments, variations or additions as may be approved at the Meeting.

The Board recommends that Shareholders vote **FOR** the Consolidation Resolution. To be effective, the Consolidation Resolution must be approved by not less than two-thirds of the votes cast by the Shareholders present in person, or represented by proxy, and entitled to vote at the Meeting. **Unless the Shareholder directs that his or her Common Shares are to be voted against the Consolidation Resolution, the persons named in the Form of Proxy intend to vote FOR the Consolidation Resolution.**

The text of the Consolidation Resolution to be submitted to Shareholders at the Meeting is set forth below:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the Corporation's articles of incorporation be amended to effect a consolidation of all of the issued and outstanding common shares of the Corporation without par value on the basis of a ratio of up to five (5) pre-consolidated common shares for one (1) post-consolidation common share of the Corporation without par value; provided, however, that holders of the Corporation's common shares shall not be entitled to receive any fractional common share of the Corporation following the consolidation and any fraction must be cancelled by the Corporation;

2. the board of directors of the Corporation, in their sole and complete discretion, are authorized and empowered to act upon this resolution to effect a consolidation and to determine the actual consolidation ratio; provided, however, that such ratio not to exceed five (5) pre-consolidation common shares for one (1) post-consolidation common share of the Corporation;

3. no fractional post-consolidation common shares of the Corporation will be issued and no cash will be paid in lieu of fractional post-consolidation common shares, such that any fractional post-consolidation common shares of the Corporation will be rounded to the next lowest whole number;

4. the effective date of such consolidation shall be the date shown in the certificate of amendment or such other date indicated in the articles of amendment provided that, in any event, such date shall be prior to twenty-four months from the date hereof and if not implemented within such period, the authority granted by this resolution to effect a consolidation on the foregoing terms will lapse and be of no further force or effect;

5. notwithstanding that this resolution has been duly passed by the shareholders of the Corporation, the board of directors of the Corporation be and are hereby authorized and empowered to revoke this resolution at any time prior to receipt of a certificate of amendment of the articles of the Corporation giving effect to the consolidation, without further approval of the shareholders of the Corporation; and

6. any director or officer of the Corporation be and such director or officer of the Corporation is hereby authorized and empowered, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered any and all such documents and instruments and to do or to cause to be done all such other acts and things as, in the opinion of such director or officer, may be necessary or desirable in order to fulfil the intent of this resolution."

In the event that the Corporation proceeds with the Consolidation, letters of transmittal will be made available to Shareholders for use in depositing their certificates representing their Common Shares to the Transfer Agent in exchange for new certificates representing the number of post-consolidation Common Shares. Shareholders are not required to take any action at this time. Non-Registered Shareholders holding their Common Shares through an Intermediary should note that Intermediaries may have different procedures for processing a consolidation than those that will be put in place by the Corporation for Registered Shareholders. If you hold your Common Shares with an Intermediary and you have questions in this regard, you are encouraged to contact your intermediary. **Shareholders should not destroy any share certificates and should not submit any certificates until requested to do so, if required.**

8. Approval of a Continuance

The Corporation is currently governed by the *Business Corporations Act* (Alberta) (the "**ABCA**"). The Board anticipates that it may be in the best interest of the Corporation to apply for the continuance of the Corporation (the "**Continuance**") from the ABCA to the jurisdiction of the *Business Corporations Act* (Ontario) (the "**OBCA**") pursuant to Section 189 of the ABCA and Section 180 of the OBCA.

At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass, with or without variation, a special resolution authorizing the Continuance in the form set out below (the "**Continuance Resolution**"), including the adoption, effective upon the issuance of the Certificate of Continuance, of a new general by-law of the Corporation, a copy of which is annexed to this Circular as Appendix "B".

Reasons for the Continuance

In light of the fact that the Corporation's operations are primarily conducted out of Ontario rather than Alberta, and given the majority of the Corporation's subsidiaries are governed by

the OBCA, management wishes to continue the Corporation out of the jurisdiction of Alberta under the ABCA and into the jurisdiction of Ontario under the OBCA resulting in the Corporation ceasing to be governed by the ABCA and instead being governed by and continuing its corporate existence under the OBCA.

Procedure to Effect Continuance

In order to effect the Continuance, the following steps must be taken:

a) at the Meeting, Shareholders must approve the Continuance Resolution authorizing the Corporation to, among other things, file an application for a certificate of continuance (the "**Certificate of Continuance**") with the Director requesting that the Corporation be continued as if it had been incorporated under the OBCA. The application for the Certificate of Continuance requires that the Corporation send to the following documents to the Director: (i) articles of continuance (the "**Articles of Continuance**"); (ii) a notice of the Directors of the Corporation; and (iii) a notice of registered office, all in the form that the Director fixes;

b) the Registrar must consent to the proposed Continuance (the "**Consent**"), upon being satisfied that the Continuance is effected in compliance with Section 189 of the ABCA;

c) the Corporation must file a notice of continuance with the Registrar satisfying the Registrar that the Corporation has continued under the OBCA. The Registrar will then issue the certificate of discontinuance (the "**Certificate of Discontinuance**");

d) on the date shown on the Certificate of Continuance: (i) the Corporation becomes a corporation to which the OBCA applies as if it had been incorporated under the OBCA; (ii) the Articles of Continuance are deemed to be the articles of incorporation of the continued Corporation; and (iii) the Certificate of Continuance is deemed to be the certificate of incorporation of the continued Corporation; and

e) on the date shown on the Certificate of Discontinuance, the Corporation becomes a corporation existing under the laws of Ontario as if it had been incorporated under the OBCA.

Effect of the Continuance

General

The Continuance does not create a new legal entity, nor will it prejudice or affect the continuity of the Corporation. The Continuance will not result in any change in the business of the Corporation. Under the OBCA, upon Continuance, the Corporation will become a corporation to which the OBCA applies as if it had been incorporated under the OBCA. The Corporation will continue to: (i) possess all property, rights, privileges and franchises of the Corporation and be subject to all the liabilities, including civil, criminal or quasi-criminal, and all contracts, disabilities and debts of the Corporation; (ii) be subject to the enforcement by or against the Corporation of a conviction, or ruling, order or judgment in favour of or against the Corporation; and (iii) be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against the Corporation. Furthermore, any Common Shares issued before the Continuance will be deemed to have been issued in compliance with the OBCA and with the Articles of Continuance. The Continuance will not deprive a holder of Common Shares of any right or privilege that such holder claims under or relieve such holder of any liability in respect of an issued Common Share.

Articles of Continuance

As a corporation existing under the ABCA, the incorporation documents of the Corporation consist of a "certificate of incorporation", "articles of incorporation" and the "by-laws". The incorporation documents of the Corporation set out, among other things, the name of the Corporation, the authorized share capital of the Corporation, the minimum and maximum number of directors and any restrictions on the business of the Corporation. The by-laws of the Corporation set out the rules for the conduct of the Corporation. Upon the Continuance becoming effective, the incorporation documents filed under the ABCA will be replaced by the Articles of Continuance and a new general by-law of the Corporation will be adopted by the Corporation.

Authorized Capital

The number of Common Shares that the Corporation is authorized to issue will remain unaltered at an unlimited number of Common Shares and an unlimited number of Preferred Shares, issuable in series. The rights, privileges, restrictions and conditions which presently attach to the Common Shares and Preferred Shares will be substantially the same as the rights, privileges, restrictions and conditions which will attach to such Common Shares and Preferred Shares, respectively, after the Continuance as set out in the Articles of Continuance.

Number of Directors

Under the OBCA, the articles of a corporation may provide for a minimum and maximum number of directors. The Shareholders may adopt an amendment to the articles of a corporation to increase or, subject to the provisions of the OBCA, decrease the minimum or maximum number of directors. The Articles of Continuance provide that the Corporation will have a minimum of three directors and a maximum of ten directors. Subject to certain restrictions, the OBCA permits the directors to appoint additional directors to fill vacancies. A director appointed or elected to fill a vacancy holds office for the unexpired term of the director's predecessor.

Certain Corporate Differences Between the ABCA and the OBCA

If the Continuance Resolution is approved by Shareholders at the Meeting and the Continuance is completed, the Corporation will be governed by the OBCA instead of the ABCA. While the rights of shareholders under the OBCA are broadly similar to those under the ABCA, there are a number of variations in the rights afforded to Shareholders under the two pieces of legislation.

The following is a summary of certain similarities and differences between the OBCA and the ABCA on matters pertaining to Shareholder rights. This summary is not exhaustive and is of a general nature only and is not intended to be, and should not be construed to be, legal advice to Shareholders. Accordingly, Shareholders should consult their own legal advisors with respect to the corporate law consequences of the Continuance.

Charter Documents

Under the ABCA, a corporation may resolve to alter its notice of articles or articles by a special resolution of its shareholders, unless the ABCA specifies a different type of resolution or unless the ABCA does not specify the type of resolution and the articles of the Corporation specify a different type of resolution.

Under the OBCA, a corporation may from time to time amend its articles by special resolution of its shareholders, except where, among other things, the directors of a corporation are authorized by the articles to divide any class of unissued shares into series and determine the designation, rights, privileges, restrictions and conditions thereof, in which case the directors of a corporation may authorize the amendment of the articles to provide for such designation, rights, privileges, restrictions and conditions. A special resolution must be passed by at least two-thirds of the votes cast thereon. The directors of a corporation may, subject to any restriction in the articles, by-laws or a unanimous shareholder agreement of a corporation, make amend or repeal any by-laws of the corporation, but any such action of the directors is subject to the later confirmation by resolution passed by a majority of the votes cast by the shareholders entitled to vote on the resolution.

Rights of Dissent

Under both the ABCA and the OBCA, shareholders have substantially the same rights of dissent if a corporation resolves to effect certain fundamental changes. Under the OBCA, shareholders have an additional dissent right if a corporation resolves to amend its articles to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of shares of the corporation, and shareholders of a class or series have additional dissent rights, subject to certain exemptions, if a corporation resolves to amend its articles in circumstances where the class or series is entitled to a separate vote.

Record Date for Notice of and Voting at Shareholders' Meetings

Under both the ABCA and the OBCA, the directors of the corporation may set a date as the record date for the purpose of, among other things, determining shareholders entitled to notice of and to vote at a meeting of shareholders. Under the ABCA, subject to certain exceptions, the record dates for notice of and voting at a meeting of shareholders must not be more than 50 days or less than 21 days prior to the date of the meeting. Under the OBCA, subject to certain exceptions, the record dates for notice of and voting at a meeting of shareholders must not be more than 60 days or less than 30 days prior to the date of the meeting.

Place of Shareholders' Meetings

Under the ABCA, a general meeting of a corporation must be held in Alberta, unless the location is provided for in the articles of the Corporation or, if the articles do not restrict the Corporation from approving a location outside of Alberta for the holding of the general meeting, the location for the meeting is: (a) approved by the resolution of the shareholders required by the articles for that purpose; (b) if no resolution is required for that purpose by the articles, approved by ordinary resolution of the shareholders; or (c) approved in writing by the Registrar before the meeting is held. Under the OBCA, subject to the articles and any unanimous shareholder agreement, a meeting of the shareholders of a corporation may be held at such place in or outside Ontario as the directors determine.

Quorum for Shareholders' Meetings

Under both the ABCA and the OBCA, unless the by-laws of the corporation otherwise provide, the holders of a majority of the shares entitled to vote at a meeting of shareholders, whether present in person or represented by proxy, constitute a quorum.

Share Capital

Under the ABCA and the OBCA, there are no provisions for the shares of a corporation to have par value and, accordingly, the proposed Articles of Continuance provide for only non-par value shares.

Residency of Directors

Under the ABCA, at least 25% of the directors of a corporation must be resident Canadians. Under the OBCA, at least 25% of the directors of a corporation must be resident Canadians, and where a corporation has less than four directors, at least one director must be a resident Canadian.

Number of Directors

Under both the ABCA and the OBCA, the number of directors is, in the case of a distributing corporation, the greater of (a) three, and (b) the number of directors elected or appointed in accordance with the ABCA or the OBCA, as the case may be, and the articles of the corporation. Under the ABCA, if the articles of a corporation so provide, the directors of a corporation may appoint one or more additional directors, if, after such appointment, the total number of directors would not then be greater than one and one-third times the number of directors elected at the annual meeting of shareholders. Under the OBCA, where a special resolution so empowers the directors to determine the number of directors within the minimum and maximum number of directors provided for in the articles, the directors may appoint one or more additional directors if, after such appointment, the total number of directors would not then be greater than one and one-third times the number of directors elected at the annual meeting of shareholders.

Cumulative Voting

Under the ABCA, shareholders do not have cumulative voting rights with respect to the election of directors. Under the OBCA, cumulative voting rights are permitted, but are not required. Under the OBCA, if the articles provide for cumulative voting rights in the election of directors, the articles must fix the number of directors instead of providing for a minimum and maximum number of directors. There is no provision for cumulative voting in the proposed Articles of Continuance. Accordingly, at future meetings of the Corporation, upon a vote with respect to the election of directors, shareholders may cast one vote for each Common Share held by that Shareholder.

Removal of Directors

Under the ABCA, directors of a corporation may generally be removed by an ordinary resolution of the shareholders. Under the OBCA, subject to provisions regarding cumulative voting, directors of a corporation may generally be removed by an ordinary resolution of the shareholders.

Rights of Dissent to the Continuance

Shareholders are entitled to dissent in respect of the Continuance in accordance with Section 191 of the ABCA**. Strict compliance with the provisions of Section 191 is required in order to exercise the right to dissent.** Provided the Continuance becomes effective, each dissenting Shareholder will be entitled to be paid the fair value of their Common Shares in respect of which such Shareholder dissents in accordance with Section 191 of the ABCA. Persons who are Non-Registered Shareholders who wish to dissent should be aware that only Registered Shareholders are entitled to dissent.

Accordingly, a Non-Registered Shareholder desiring to exercise its right to dissent must make arrangements for their Common Shares beneficially owned by such person to be registered in their name, or alternatively, make arrangements for the registered holder of its Common Shares to dissent on their behalf. **See Appendix "C" to this Circular for the full text of Section 191 of the ABCA.**

In order to be effective, a written notice of objection to the Continuance Resolution must be received by the Corporation prior to the commencement of the Meeting, or at the Meeting. The registered address of the Corporation for such purpose is c/o Garfinkle Biderman LLP, Suite 801, 1 Adelaide St. E., Toronto, Ontario, M5C 2V9, Attention: Grant Duthie. The foregoing summary does not purport to provide a comprehensive statement of the procedures to be followed by a dissenting Shareholder who seeks payment of the fair value of their Common Shares. **The complete dissent provisions of the ABCA are set forth in Appendix "C" to this Circular. The ABCA requires strict adherence to the procedures established therein and failure to do so may result in the loss of all dissenters' rights. Accordingly, each Shareholder who might desire to exercise the dissenters' rights should carefully consider and comply with the provisions of the ABCA and consult such Shareholder's legal advisor.**

The Board may elect not to proceed with the Continuance if any notices of dissent are received.

Resolution

At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass, with or without variation, the Continuance Resolution as a special resolution, subject to such amendments, variations or additions as may be approved at the Meeting.

The Board recommends that Shareholders vote **FOR** the Continuance Resolution. To be effective, the Continuance Resolution must be approved by not less than two-thirds of the votes cast by the Shareholders present in person, or represented by proxy, and entitled to vote at the Meeting. **Unless the Shareholder directs that his or her Common Shares are to be voted against the Continuance Resolution, the persons named in the Form of Proxy intend to vote FOR the Continuance Resolution.**

The text of the Continuance Resolution to be submitted to Shareholders at the Meeting is set forth below:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the Corporation be authorized to make application to the Registrar (as defined in the ABCA) for the issuance of a consent to file articles of continuance with the Director (as defined in the OBCA) to continue the Corporation as if it had been incorporated under the OBCA, and to make application to the Registrar of Corporations of Alberta for the issuance of a certificate of discontinuance (the "**Certificate of Discontinuance**");

2. the Corporation be authorized to make application to the Director for a certificate of continuance (the "**Certificate of Continuance**") and prepare for the Director, articles of continuance, a notice of directors and a notice of registered office, all in the form that the Director fixes, to continue the Corporation under the OBCA;

3. subject to completion of the continuance and the issue of the Certificate of Discontinuance and without affecting the validity of the Corporation and existence of the Corporation by or under its articles and of any act done thereunder, its articles are

hereby amended to make all changes necessary to conform to the requirements of the OBCA;

4. effective upon the issuance of the Certificate of Continuance, the new general by-laws, attached hereto as Appendix "B" to this Circular, are hereby adopted and approved as the only by-laws of the Corporation;

5. effective upon the issuance of the Certificate of Continuance, the board of directors of the Corporation is hereby authorized to determine, from time to time, the number of directors within the minimum and maximum number provided for in the articles of the Corporation;

6. notwithstanding that this resolution has been duly passed by the shareholders of the Corporation, the board of directors of the Corporation be and are hereby authorized and empowered to revoke this resolution, abandon any application made in connection with the continuance and determine not to proceed with the continuance, without further approval of the shareholders of the Corporation; and

7. any director or officer of the Corporation be and such director or officer of the Corporation is hereby authorized and empowered, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered any and all such documents and instruments and to do or to cause to be done all such other acts and things as, in the opinion of such director or officer, may be necessary or desirable in order to fulfil the intent of this resolution."

The requisite regulatory approvals for the Continuance, including the approvals of the TSXV (or such other stock exchange on which the Common Shares may be listed), may not be sought by the Corporation until after the Board decides to implement the Continuance. There can be no assurance that the applicable regulatory approvals for the Continuance will be obtained. The Continuance Resolution authorizes the Board not to proceed with the Continuance, without further approval of the Shareholders, before the issuance by the Director of the Certificate of Continuance.

If the Continuance is approved at the Meeting, the Board will determine, in its sole discretion, whether to seek the approval of the Registrar to continue out of Alberta and into Ontario and seek approval of the Director under the OBCA for the continuance of the Corporation under the OBCA. The Board has not determined when the Continuance may be implemented, if at all. Subject to appropriate Shareholder approval and the requisite filings, the Continuance will be effective on the date of the Certificate of Continuance, which will be issued by the Director under the OBCA upon receipt of the Articles of Continuance pursuant to subsection 180(4) of the OBCA.

The Continuance Resolution provides that, notwithstanding the approval of the Continuance Resolution, the Board is authorized, in their sole discretion, to abandon the application for a Certificate of Continuance, or determine not to proceed with the Continuance, without further approval of Shareholders.

9. Other Matters

Management of the Corporation knows of no matters to come before the Meeting other than those referred to in the Notice of Meeting and this Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the Form of

Proxy accompanying this Circular to vote the same in accordance with their best judgment of such matters.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officers

For the purposes of this Circular, "**Named Executive Officer**" or "**NEO**" of the Corporation means the following individuals: (i) a chief executive officer ("**CEO**"); (ii); a chief financial officer ("**CFO**"); (iii) each of the Corporation's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000 for that financial year; and (iv) each individual who would be a NEO under (iii) except that the individual was neither an executive officer of the Corporation nor acting in a similar capacity at the end of the most recently completed financial year.

For the year ended January 31, 2021, the Corporation's NEOs consisted of Daniel Pelchovitz, Director and former Chief Executive Officer; and Mark Pelchovitz, Director and former Chief Financial Officer.

Executive and Director Compensation

The Corporation has not entered into any employment, consulting or management agreements with any of the Corporation's NEOs or Directors other than as follows.

Cameron Wickham (Director, Chief Executive Officer, Corporate Secretary)

Mr. Wickham was appointed as a Director, Chief Executive Officer and Corporate Secretary of the Corporation on May 7, 2021.

Pursuant to an employment agreement entered into with Mr. Wickham, Mr. Wickham serves as Chief Executive Officer of the Corporation and is entitled to an annual base salary of $170,000 per annum. Furthermore, Mr. Wickham is eligible to earn a performance bonus at such times as approved by the Board.

Mr. Wickham's employment agreement may be terminated by the Corporation without notice or payment in lieu of notice for just cause. Mr. Wickham may terminate his employment for any reason by providing at least one months' notice in writing. If the Corporation elects to terminate the employment of Mr. Wickham without cause, and provided Mr. Wickham is in compliance with the relevant terms and conditions of his employment agreement, the Corporation shall be obligated to pay Mr. Wickham twelve months of his base salary plus any earned bonus and accrued and unpaid expenses and fees.

If (i) there has been a change of control of the Corporation, and (ii) the involuntary termination of the employment of Mr. Wickham has occurred within twelve months of the date of the change of control, the Corporation shall pay Mr. Wickham, in a lump sum, an amount equal to eighteen months of his base salary and benefits plus any earned bonus andaccrued and unpaid expenses and fees.

Furthermore, Mr. Wickham is indemnified by the Corporation to the fullest extent permitted by law and the employment agreement contains typical non-competition and confidentiality provisions that are typical for an executive officer.

Mr. Wickham is not compensated as a Director or as Corporate Secretary of the Corporation.

Ankit Gosain (Chief Financial Officer)

Mr. Gosain was appointed as Chief Financial Officer of the Corporation on May 7, 2021.

Pursuant to an employment agreement entered into with Mr. Gosain, Mr. Gosain serves as Chief Financial Officer of the Corporation and is entitled to an annual base salary of $130,000 per annum. Furthermore, Mr. Gosain is eligible to earn a performance bonus at such times as approved by the Board.

Mr. Gosain's employment agreement may be terminated by the Corporation without notice or payment in lieu of notice for just cause. Mr. Gosain may terminate his employment for any reason by providing at least one months' notice in writing. If the Corporation elects to terminate the employment of Mr. Gosain without cause, and provided Mr. Gosain is in compliance with the relevant terms and conditions of his employment agreement, the Corporation shall be obligated to pay Mr. Gosain twelve months of his base salary plus any earned bonus and accrued and unpaid expenses and fees.

If (i) there has been a change of control of the Corporation, and (ii) the involuntary termination of the employment of Mr. Gosain has occurred within twelve months of the date of the change of control, the Corporation shall pay Mr. Gosain, in a lump sum, an amount equal to eighteen months of his base salary and benefits plus any earned bonus and accrued and unpaid expenses and fees.

Furthermore, Mr. Gosain is indemnified by the Corporation to the fullest extent permitted by law and the employment agreement contains typical non-competition and confidentiality provisions that are typical for an executive officer.

Christina Pan (Chief Operating Officer)

Ms. Pan was appointed as Chief Operating Officer of the Corporation on May 21, 2021.

Pursuant to an employment agreement entered into with Ms. Pan, Ms. Pan serves as Chief Operating Officer of the Corporation and is entitled to an annual base salary of $170,000 per annum. Furthermore, Ms. Pan is eligible to earn a performance bonus at such times as approved by the Board.

Ms. Pan's employment agreement may be terminated by the Corporation without notice or payment in lieu of notice for just cause. Ms. Pan may terminate her employment for any reason by providing at least one months' notice in writing. If the Corporation elects to terminate the employment of Ms. Pan without cause, and provided Ms. Pan is in compliance with the relevant terms and conditions of her employment agreement, the Corporation shall be obligated to pay Ms. Pan twelve months of her base salary plus any earned bonus and accrued and unpaid expenses and fees.

If (i) there has been a change of control of the Corporation, and (ii) the involuntary termination of the employment of Ms. Pan has occurred within twelve months of the date of the change of control, the Corporation shall pay Ms. Pan, in a lump sum, an amount equal to eighteen months of her base salary and benefits plus any earned bonus and accrued and unpaid expenses and fees.

Furthermore, Ms. Pan is indemnified by the Corporation to the fullest extent permitted by law and the employment agreement contains typical non-competition and confidentiality provisions that are typical for an executive officer.

Daniel Pelchovitz (Director, CEO of the Corporation's Cannabis Division)

Mr. Pelchovitz was appointed as a Director and Chief Executive Officer of the Corporation on May 31, 2019. Mr. Pelchovitz resigned as Chief Executive Officer of the Corporation on May 7, 2021, however, continued to serve as Chief Executive Officer of the Corporation's Cannabis Division.

Pursuant to an employment agreement entered into with Mr. Pelchovitz, Mr. Pelchovitz serves as Chief Executive Officer of the Corporation's Cannabis Division and is entitled to an annual base salary of $120,000 per annum. Furthermore, Mr. Pelchovitz is eligible to earn a performance bonus at such times as approved by the Board.

Mr. Pelchovitz's employment agreement may be terminated by the Corporation without notice or payment in lieu of notice for just cause. Mr. Pelchovitz may terminate his employment for any reason by providing at least one months' notice in writing. If the Corporation elects to terminate the employment of Mr. Pelchovitz without cause, and provided Mr. Pelchovitz is in compliance with the relevant terms and conditions of his employment agreement, the Corporation shall be obligated to pay Mr. Pelchovitz twelve months of his base salary plus any earned bonus and accrued and unpaid expenses and fees.

If (i) there has been a change of control of the Corporation, and (ii) the involuntary termination of the employment of Mr. Pelchovitz has occurred within twelve months of the date of the change of control, the Corporation shall pay Mr. Pelchovitz, in a lump sum, an amount equal to eighteen months of his base salary and benefits plus any earned bonus and accrued and unpaid expenses and fees.

Furthermore, Mr. Pelchovitz is indemnified by the Corporation to the fullest extent permitted by law and the employment agreement contains typical non-competition and confidentiality provisions that are typical for an executive officer.

Mr. Pelchovitz is not compensated as a Director of the Corporation.

The Corporation does not pay any fees or salaries to its officers or directors, except as disclosed in this Circular.

All directors, officers, employees and consultants may participate in the Corporation's stock option plan.

Director and Named Executive Officer Compensation

The following table sets forth the compensation paid by the Corporation to each NEO and director for the two most recently completed financial years of the Corporation, excluding options and compensation securities (see "*Statement of Executive Compensation – Stock Options and Other Compensation Securities*" below).

Name and position	Year	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of perquisites ($)	Value of all other compensation ($)	Total compensation ($)
Cameron Wickham[(1)] Director, Executive Vice Chair, CEO, Corporate Secretary	2021 2020	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Ankit Gosain[(2)] CFO	2021 2020	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Christina Pan[(3)] COO	2021 2020	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Mark Pelchovitz[(4)] Director, Executive Chair, Former CFO, Former Corporate Secretary	2021 2020	$40,000 $60,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	$40,000 $60,000
Daniel Pelchovitz[(5)] Director, Former CEO	2021 2020	$57,140 $62,400	Nil Nil	Nil Nil	Nil Nil	Nil Nil	$57,140 $62,400
Steven Glaser[(6)] Director	2021 2020	$8,500 Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	$8,500 Nil
Benjamin Leung[(7)] Former Director	2021 2020	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Michael Lerner[(8)] Former Director	2021 2020	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Brandon Kou[(9)] Former Director	2021 2020	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Notes:

(1) Mr. Wickham was appointed as a Director, Chief Executive Officer and Corporate Secretary of the Corporation on May 7, 2021.

(2) Mr. Gosain was appointed as Chief Financial Officer of the Corporation on May 7, 2021.

(3) Ms. Pan was appointed as Chief Operating Officer of the Corporation on May 21, 2021.

(4) Mr. Pelchovitz was appointed as a Director, Chief Financial Officer and Corporate Secretary of the Corporation on May 31, 2019. Mr. Pelchovitz resigned as Chief Financial Officer and Corporate Secretary of the Corporation on May 7, 2021. Mr. Pelchovitz did not receive any compensation for his services as a Director of the Company.

(5) Mr. Pelchovitz was appointed as a Director and Chief Executive Officer of the Corporation on May 31, 2019. Mr. Pelchovitz resigned as Chief Executive Officer of the Corporation on May 7, 2021, however, continued to serve as the Chief Executive Officer of the Corporation's Cannabis Division Mr. Pelchovitz did not receive any compensation for his services as a Director of the Company.

(6) Mr. Glaser was appointed as a Director of the Corporation on May 31, 2019.

(7) Mr. Leung was appointed as a Director of the Corporation on February 3, 2020. Mr. Leung resigned as a Director of the Corporation on November 4, 2021.

(8) Mr. Lerner was appointed as a Director of the Corporation on May 31, 2019. Mr. Lerner resigned as a Director of the Corporation on February 2, 2020.

(9) Mr. Kou was appointed as a Director of the Corporation on February 20, 2014. Mr. Kou resigned as a Director of the Corporation on October 8, 2019.

The following table sets forth the compensation paid by the Corporation to each NEO and director for the period between (i) January 1, 2019 and May 31, 2019, being the date of completion of the Corporation's reverse take-over transaction and (ii) the years ended December 31, 2018 and 2017, excluding options and compensation securities (see "*Statement of Executive Compensation – Stock Options and Other Compensation Securities*" below). Except for Brandon Kou who continued to serve as a Director of the Corporation, each NEO and director listed below ceased their involvement with the Corporation on May 31, 2019, being the date of the completion of the Corporation's reverse take-over transaction.

Name and position	Year	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of perquisites ($)	Value of all other compensation ($)	Total compensation ($)
Edward Lerfino Former Director, Former CEO, Former CFO	2019 2018 2017	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
Darren Stark Former Director	2019 2018 2017	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
Arlene Dickinson Former Director	2019 2018 2017	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
Brandon Kou Former Director	2019 2018 2017	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
Kosta Kostic Former Director	2019 2018 2017	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil

Notes:

(1) Prior to completion of the Corporation's reverse take-over transaction on May 31, 2019, the Corporation was a capital pool company as defined in the policies of the TSX Venture Exchange. As such, the Corporation's Directors and Officers were not compensated with respect to such appointments.

Stock Options and Other Compensation Securities

No options or other compensation securities were granted to any NEO and director during the year ended January 31, 2021.

Exercise of Compensation Securities

During the most recently completed financial year, no NEO or director of the Corporation exercised any compensation securities.

Long Term Incentive Plan and Stock Appreciation Rights

Other than the stock-based compensation plan (as described below), the Corporation does not have any other long-term incentive or other plan pursuant to which cash or non-cash compensation has been or will be paid or distributed to any director or executive officer.

At the Meeting, Shareholders will be asked to consider and, if though fit, to pass the Omnibus Plan Resolution to adopt the Omnibus Plan (see "*Particulars of Matters to be Acted Upon at the Meeting – 4. Approval of Omnibus Plan*" above). **See Appendix "A" to this Circular for the full text of the Omnibus Plan.**

Stock-based Compensation Plan

The Corporation has an incentive stock option plan (the "**Corporation Option Plan**") in accordance with the policies of the TSXV, pursuant to which a maximum of 3,993,837 Corporation Options may be granted, and will be granted at the discretion of the Board to eligible optionees which includes directors, officers, employees, or consultants of the Company (the "**Corporation Optionees**") under the Corporation Option Plan.

Corporation Options granted pursuant to the Corporation Option Plan shall be exercisable for a period of up to ten (10) years, and the number of Company Shares reserved for issuance to any one person shall not exceed 5% of the issued and outstanding Company Shares. Additionally, the number of Company Shares reserved for issuance to consultants or employees conducting investor relations activities will not exceed 2% of the issued and outstanding Company Shares in a 12 month period. The Board will determine the exercise price of the Corporation Options in accordance with applicable TSXV policies, and will also determine the number of Company Shares to be granted to a Corporation Optionee.

If a Corporation Optionee was granted Corporation Options but subsequently ceases to be an eligible optionee, such Corporation Optionee's Corporation Options must be exercised within 90 days from the date of termination of employment or cessation of position with the Company, other than by reason of death. Additionally, if prior to the exercise of a granted Corporation Option, the Corporation Optionee ceases to be a director, officer, employee or consultant of the Company, or its subsidiary, such Corporation Optionee shall be limited to the number of Company Shares purchasable by him/her immediately prior to the time of his/her cessation of office or employment and he/she will have no right to purchase any other Company Shares pursuant to the Corporation Option Plan.

As of the date hereof, there are options to acquire 3,675,000 Common Shares of the Corporation issued and outstanding under the Corporation Option Plan.

Pension Plan Benefits

The Corporation does not have and does not intend to implement a pension plan for its directors or executive officers.

Termination of Employment, Change in Responsibilities and Employment Contracts

The Corporation has not entered into and does not intend to enter into any employment contracts or arrangements with its directors or executive officers, except as disclosed in this Circular.

Compensation Committee

The Corporation does not have a formal compensation committee. Accordingly, responsibility for matters relating to the overall compensation philosophy and guidelines for the directors and officers of the Corporation lies with the Board as a whole. The Board seeks to ensure that, at all times, its compensation arrangements adequately reflect the responsibilities and risks involved in being an effective director or officer of the Corporation.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth details, as at January 31, 2021, of the number of securities to be issued upon exercise of outstanding options and the remaining securities available for issuance, under equity compensation plans of the Corporation.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (#)	Weighted-average Exercise Price of Outstanding Options, Warrants and Rights ($)	Number of Securities remaining available for Future Issuance under Equity Compensation Plans (#)
Equity compensation plans approved by securityholders	3,851,400	$0.07	142,437
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	**3,851,400**	**$0.07**	**142,437**

AUDIT COMMITTEE

The overall purpose of the audit committee (the "**Audit Committee**") of the Corporation is to assist the Board in its oversight of the integrity of the Corporation's financial statements and other relevant public disclosure, the Corporation's compliance with legal and regulatory requirements relating to financial reporting, the external auditors' qualifications and independence and the performance of the internal audit function and the external auditors.

Audit Committee Charter

The Board has adopted a written charter for the Audit Committee which sets out the Audit Committee's responsibility in reviewing the financial statements of the Corporation and public disclosure documents containing financial information and reporting on such review to the Board, review of the Corporation's public disclosure documents that contain financial information, oversight of the work and review of the independence of the external auditors and reviewing, evaluating and approving the internal control procedures that are implemented and maintained by management. A copy of the charter of the Audit Committee is set forth in Appendix "D" to this Circular (the "**Audit Committee Charter**").

Composition of the Audit Committee

The Audit Committee is comprised of three members, being: Steven Glaser (Chairman of the Audit Committee), Mark Pelchovitz and Cameron Wickham. Steven Glaser is "independent" within the meaning of NI 52-110 - *Audit Committees* ("**NI 52-110**"). All of the members of the Audit Committee are financially literate as defined by NI 52-110. The Board expects that, following the Meeting, the Audit Committee will consist of Steven Glaser, Mark Pelchovitz and Marc Askenasi.

The Audit Committee assists the Board in fulfilling its responsibilities for oversight of financial and accounting matters. The Audit Committee, among other responsibilities, reviews the financial reports and other financial information provided by the Corporation to regulatory authorities and its Shareholders and reviews the Corporation's system of internal controls regarding finance and accounting including auditing, accounting and financial reporting processes.

In addition, the Audit Committee is responsible for directing the auditors' examination of specific areas, for the selection of the Corporation's independent auditors and for the approval of all non-audit services for which its auditors may be engaged.

Relevant Education and Experience

Steven Glaser: Mr. Glaser is an experienced business executive and advisor who has experience in reviewing and evaluating financial statements of a similar nature and breadth as those of the Corporation, in his service as a director, officer and/or advisor to a number of public and private companies.

Mark Pelchovitz: Mr. Pelchovitz is a Chartered Professional Accountant and a partner at Truster Zweig LLP where his practice focuses primarily on accounting, auditing, and tax planning. Mr. Pelchovitz has experience in reviewing and evaluating financial statements of a similar nature and breadth as those of the Corporation in his service as a Chartered Professional Accountant.

Cameron Wickham: Mr. Wickham is an experienced business executive and advisor who has experience in reviewing and evaluating financial statements of a similar nature and breadth as those of the Corporation, in his service as a director, officer and/or advisor to a number of public and private companies.

Marc Askenasi: Mr. Askenasi is an experienced business executive and advisor who has experience in reviewing and evaluating financial statements of a similar nature and breadth as those of the Corporation, in his service as a director, officer and/or advisor to a number of public and private companies.

Reliance on Certain Exemptions

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on the exemptions contained in sections 2.4 or an exemption, in whole or in part, granted under Part 8 of NI 52-110. The Corporation is relying upon the exemption in Section 6.1 of NI 52-110.

Audit Committee Oversight

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

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. The Audit Committee will review the engagement of the Corporation's auditors to provide non-audit services, as and when required.

External Auditor Fees

The following table summarizes the fees billed to the Corporation for services provided by its external auditors, during the fiscal years ended January 31, 2021 and 2020:

Fiscal Year	Audit Fees[(1)]	Audit Related Fees[(2)]	Tax Fees[(3)]	Other Fees[(4)]	Total Fees
2021	$35,000	Nil	Nil	Nil	$35,000

Fiscal Year	Audit Fees[(1)]	Audit Related Fees[(2)]	Tax Fees[(3)]	Other Fees[(4)]	Total Fees
2020	$35,000	Nil	Nil	Nil	$35,000

Notes:

(1) Aggregate fees billed for the Corporation's annual financial statements and services normally provided by the external auditor in connection with the Corporation's statutory and regulatory filings.

(2) Aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported as "Audit fees", including fees with respect to review of the Corporation's prospectus.

(3) Aggregate fees billed in each of the last two fiscal years for professional services rendered by the issuer's external auditor for tax compliance, tax advice, tax planning and assistance with tax for specific transactions.

(4) All other fees.

Exemption

Since the Corporation is a "venture issuer" pursuant to NI 52-110, it is exempt from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE

In accordance with National Instrument 58-101 — *Disclosure of Corporate Governance Practices*, the following describes the corporate governance practices of the Corporation.

Board of Directors

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

The Board is currently comprised of four directors, being: Mark Pelchovitz (Executive Chair), Cameron Wickham (Executive Vice Chair), Steven Glaser and Daniel Pelchovitz. Steven Glaser is an "independent" director within the meaning of NI 52-110. Mark Pelchovitz, Cameron Wickham and Daniel Pelchovitz are not considered to be "independent" for the purposes of NI 52-110 as they are currently executive directors or officers of the Corporation or its subsidiaries. The independent directors maintain their independence by having no direct or indirect material participation with management of the Corporation. In the view of the Board, no independent directors' other directorships or principal occupations would reasonably be expected to interfere with the exercise of a member's independent judgment.

The Board has taken reasonable steps to ensure that adequate structures and processes are in place to permit the Board to function independently of management. The Board is of the opinion that the size of the Board is adequate and facilitates the efficiency of its deliberations, while ensuring a diversity of opinion and experience. It believes that each and every director is eager to fulfil his or her obligations and assume his or her responsibilities in theCorporation's best interests, with due regard to the best interests of the Corporation's shareholders. To enhance its ability to act independently of management, the independent members of the Board may meet without management and the non-independent directors as they deem appropriate after board meetings. In the event of a conflict of interest at a meetingof the Board, the conflicted director will, in accordance with corporate law and his or her fiduciary obligations as a director of the Corporation, disclose the nature and extent of his orher interest to the meeting and abstain from voting on the matter at issue. In addition, the members of the Board who are not members of management are encouraged to obtain advicefrom external advisors and legal counsel as they may deem necessary in order to reach a conclusion with respect to issues brought before the Board. The Board provides leadership for

its independent directors through formal Board meetings, by encouraging independent directors to bring forth agenda items, and by providing independent directors with access to senior management, outside advisors, and unfettered access to information regarding our activities. The relatively small size of the Board facilitates this process.

The Board has determined that a board of five members will be effective in the governance and supervision of the management of the Corporation's business and affairs at this time. At the Meeting, the Shareholders of the Corporation will be asked to pass an ordinary resolution to fix the number of directors to be elected at the Meeting for the ensuing year to be fixed at five.

Directorships

None of the current directors of the Corporation presently serve on the board of directors of any other reporting issuers (or the equivalent) in a Canadian jurisdiction or a foreign jurisdiction, other than as set out below:

Name of Director	Name of Other Issuer
Cameron Wickham	Prime City One Capital Corp.
Steven Glaser	Pool Safe Inc.

Orientation and Continuing Education

The Board has not developed a formal orientation and training program for new members of the Board. New directors are briefed on strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies. New members of the Board are provided with full access to or copies of relevant financial, corporate and other information in connection with its business operations. Board members have full access to the Corporation's records at all times. Board members are encouraged to communicate with the Corporation's management and auditors to keep themselves familiar and current with industry trends and developments and to attend related industry seminars. If the growth of the Corporation's operations warrants it, it is likely that a formal orientation process will be implemented.

The Corporation expects its directors to pursue such continuing education opportunities as may be required to ensure that they maintain the skill and knowledge necessary to fulfill their duties as members of the Board.

Ethical Business Conduct

The Board expects management to operate the business of the Corporation in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Corporation's business plan and to meet performance goals and objectives. To date, the Board has not adopted a formal written code of business conduct and ethics. However, the current limited size of the Corporation's operations and the small number of officers and employees allow the independent members of the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. Should the Corporation's operations grow in size and scope, the Board anticipates that it would then formulate and implement a formal code of business conduct and ethics.

Nomination of Directors

The Board does not have a nominating committee and the functions associated with such committee are currently performed by the Board as a whole. New candidates for Board

membership are identified by current Board members or may be identified by Shareholders. Prior to recommending new nominees to the Board, a background search of a potential candidate is conducted to determine regulatory acceptability and interviews are carried out as to suitability.

The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Corporation's size, its stage of development and the number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board evaluates its own effectiveness on an ad hoc basis. The current size of the Board is such that the entire Board takes responsibility for selecting new directors and assessing current directors.

Director Term Limits

The Corporation does not have a policy that limits the term of the directors on its Board and has not provided other mechanisms of board renewal. At this time, the Board does not believe that it is in the best interest of the Corporation to establish term limits on a director's mandate or a mandatory retirement age. The Board is of the opinion that term limits may disadvantage the Corporation through the loss of beneficial contributions of directors who have developed increasing knowledge of the Corporation, its operations, and the industry over a period of time.

Diversity Policy

The Corporation's senior management and the members of its Board have diverse backgrounds and expertise and were selected on the belief that the Corporation and its stakeholders would benefit from such a broad range of talent and experiences. The Board considers merit as the key requirement for board and executive appointments, and as such, it has not adopted any target number or percentage, or a range of target numbers or percentages, respecting the representation of women, Indigenous peoples, persons with disabilities, or members of visible minorities (collectively, "members of designated groups") on the Board or in senior management roles.

The Corporation has not adopted a written diversity policy and seeks to attract and maintain diversity at the executive and board of directors' levels informally through the recruitment efforts of management in discussion with directors prior to proposing nominees to the Board as a whole for consideration. Although the level of representation of members of designated groups is one of many factors taken into consideration in making Board and executive officer appointments, emphasis is placed on hiring or advancing the most qualified individuals. As at the date of this Circular, one member of designated groups currently hold positions on the Board or in senior management.

Compensation

The Board is responsible for ensuring that the Corporation has in place an appropriate plan for executive compensation with respect to the compensation of the Corporation's NEOs, directors and senior management. The compensation for the Corporation's NEOs, in particular, its Chief Executive Officer and Chief Financial Officer, and for directors of the Corporation was, in each case, determined and reviewed, from time to time, by the Board as it deems appropriate. Going forward, this practice is expected to be continued by the Board. To determine compensation payable, the Board reviews compensation paid to NEOs and directors, in companies of similar size and stage of development and determines an appropriate compensation reflecting the need to provide incentive and compensation for the

time and effort expended by the NEOs and directors while taking into account the financial and other resources of the Corporation.

The compensation of NEOs and senior management of the Corporation typically includes three major elements: (a) base salaries; (b) equity-based compensation; and (c) performance bonuses.

Base Salaries

Base salaries are intended to provide an appropriate level of fixed compensation that will assist in employee retention and recruitment. Base salaries will be determined on an individual basis, taking into consideration the past, current and potential contribution to the Corporation's success, the position and responsibilities of such NEO and competitive industry pay practices for other high growth, premium brand companies of similar size and revenue growth potential.

Equity-Based Compensation

Shareholders approved the Plan which enables the Corporation and its affiliated companies to: (i) promote and retain employees, officers, consultants, advisors and directors capable of assuring the future success of the Corporation, (ii) to offer such persons incentives to put forth maximum efforts, and (iii) to compensate such persons through various stock and cash-based arrangements and provide them with opportunities for stock ownership, thereby aligning the interests of such persons and Shareholders.

At the Meeting, Shareholders will be asked to consider and, if though fit, to pass the Omnibus Plan Resolution to adopt the Omnibus Plan (see "*Particulars of Matters to be Acted Upon at the Meeting – 4. Approval of Omnibus Plan*" above).

Performance Bonuses

Annual bonuses will be awarded based on qualitative and quantitative performance standards and will reward performance of each NEO individually. The determination of an NEO's performance may vary from year to year depending on economic conditions and conditions in the Corporation's industry and may be based on measures such as stock price performance, the meeting of financial targets against budget (such as adjusted funds from operations), the meeting of acquisition objectives and balance sheet performance.

Other Board Committees

Other than the Audit Committee, the Board has no other committees. The directors are regularly informed of or are actively involved in the operations of the Corporation. The scope and size of the Corporation's operations and development does not currently warrant an increase in the size of the Board or the formation of additional committees, however, the Board periodically examines its size and constitution and may from time to time establish ad hoc committees to deal with specific situations.

Assessments

Individual director and board effectiveness assessments are done on an informal basis and are determined by examining a number of factors including, but not limited to, attendance at and participation in meetings, meeting preparedness, ability to communicate ideas clearly and overall contribution to effective Board performance.

OTHER INFORMATION

Aggregate Indebtedness

No current or former executive officer, director or employee of the Corporation is as of the date hereof indebted to the Corporation or another entity, where in the latter case, the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

No individual who is or at any time during the most recently completed financial year was, a director or executive officer of the Corporation, each Nominee and each associate of any such director, executive officer or Nominee currently has or at any time since the beginning of the most recently completed financial year has been indebted to the Corporation or whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

Management Contracts

The Corporation's management functions are performed by its NEOs and the Corporation has no management agreements or arrangements in place under which such management functions are performed by persons other than its senior officers and directors. See "*Statement of Executive Compensation – Executive and Director Compensation*".

Interest of Informed Persons in Material Transactions

No informed person (within the meaning of applicable securities laws) of the Corporation, or any of their respective associates or affiliates, has had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation.

Interest of Certain Persons or Companies in Matters to be Acted Upon

Management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Corporation since the commencement of the Corporation's last completed financial year, each proposed nominee for election as a director of the Corporation or of any associate or affiliate of any of such persons, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

Directors and Officers Insurance

The Corporation does not maintain directors and officers' liability insurance for the Corporation and its subsidiaries.

ADDITIONAL INFORMATION

Shareholders may obtain additional information in connection with the Corporation on SEDAR at www.sedar.com. Alternatively, Shareholders may contact the Corporation (i) by mail at

7600 Weston Road, Unit 51, Woodbridge, ON, L4L 8B7 or (ii) by e-mail at corporate@spydercannabis.com.

Financial information regarding the Corporation is provided in the Corporation's audited consolidated financial statements for the years ended January 31, 2021 and 2020 and the accompanying management's discussion and analysis.

CERTIFICATION

The undersigned hereby certifies that the contents and the mailing of this Circular to Shareholders have been approved by the Corporation's Board of Directors.

DATED at Toronto, Ontario, this 6th day of June 2021.

BY ORDER OF THE BOARD OF DIRECTORS OF SPYDER CANNABIS INC.

"Cameron Wickham" (signed)

Cameron Wickham
Exec. Vice Chair & CEO

APPENDIX "A"

OMNIBUS PLAN

(see attached)

SPYDER CANNABIS INC.

AMENDED AND RESTATED
OMNIBUS INCENTIVE PLAN

ARTICLE ONE

DEFINITIONS AND INTERPRETATION

Section 1.01 **Definitions** For purposes of this Omnibus Incentive Plan, unless such capitalized word or term is otherwise defined herein or the context in which such capitalized word or term is used herein otherwise requires, the following words and terms with the initial letter or letters thereof capitalized shall have the following meanings.

(a) "**Acceleration Event**" has the meaning given to such term in Section 3.10 hereof;

(b) "**Account**" means a notional account maintained for each Participant on the books of the Company which will be credited with RSUs in accordance with the terms of this Plan;

(c) "**Award**" means any of an Option or RSU granted pursuant to, or otherwise governed by, the Plan;

(d) "**Award Agreement**" means an agreement evidencing the grant to a Participant of an Award, including an Option Agreement or a RSU Agreement;

(e) "**Blackout Period**" means a period of time during which:

(i) the trading guidelines of the Company, as amended or replaced from time to time, restrict one or more Participants from trading in securities of the Company; or

(ii) the Company has determined that one or more Participants may not trade any securities of the Company;

(f) "**Blackout Period Expiry Date**" means the date on which a Blackout Period expires;

(g) "**Business Day**" means a day on which the Stock Exchange is open for trading;

(h) "**Committee**" means the Directors or, if the Directors so determine in accordance with Section 2.04 hereof, the committee of the Directors authorized to administer this Plan;

(i) "**Common Shares**" means the common shares of the Company, as adjusted in accordance with the provisions of Article Six hereof from time to time;

(j) "**Company**" means Spyder Cannabis Inc., a corporation existing under the *Business Corporations Act* (Alberta), and any successor corporation thereof;

(k) "**Designated Affiliates**" means the affiliates of the Company designated by the Committee for purposes of this Plan from time to time;

(l) "**Designated Broker**" means a broker who is independent of, and deals at arm's length with, the Company and its Designated Affiliates and is designated by the Company;

(m) "**Directors**" means the directors of the Company from time to time;

(n) "**Dividend Equivalent**" means additional RSUs credited to a Participant's Account as a dividend equivalent pursuant to Section 4.07;

(o) "**Eligible Directors**" means, other than, in the case of a grant of RSUs, a person retained to provide Investor Relations Activities, the Directors or the directors of any Designated Affiliate from time to time;

(p) "**Eligible Employees**" means, other than, in the case of a grant of RSUs, a person retained to provide Investor Relations Activities, any employees and officers, whether Directors or not, of the Company or any Designated Affiliate, provided that such employees and officers are individuals who are considered employees under the ITA;

(q) "**Employment Contract**" means any contract between the Company or any Designated Affiliate and any Participant relating to, or entered into in connection with, the employment or departure of the Eligible Employee, the appointment, election or departure of the Eligible Director or the engagement of the Other Participant or any other agreement to which the Company or a Designated Affiliate is a party with respect to the rights of such Participant in respect of a change in control of the Company or the termination of employment, appointment, election or engagement of such Participant;

(r) "**Exercise Price**" has the meaning given to such term in Section 3.04 hereof;

(s) "**Insider**" has the meaning given to such term in the policies of the TSX Venture Exchange;

(t) "**Investor Relations Activities**" has the meaning given to such term in the policies of the TSX Venture Exchange;

(u) "**ITA**" means the *Income Tax Act* (Canada), together with the regulations thereto, each as amended from time to time;

(v) "**Market Value of a Common Share**" means, with respect to any particular date as of which the Market Value of a Common Share is required to be determined, (a) if the Common Shares are then listed on the Stock Exchange, the closing price of the Shares on the Stock Exchange on the last Trading Day prior to such particular date; or (b) if the Common Shares are not then listed on any stock exchange, the value as is determined solely by the Committee, acting reasonably and in good faith, and such determination shall be conclusive and binding on all persons;

(w) "**Option**" means an option to purchase Common Shares granted pursuant to, or governed by, this Plan;

(x) "**Optionee**" means a Participant to whom an Option has been granted pursuant to this Plan;

(y) "**Option Period**" means the period of time during which the particular Option may be exercised, including as extended in accordance with Section 3.05 hereof;

(z) "**Other Participant**" means, other than an Eligible Director or an Eligible Employee or, in the case of a grant of RSUs, a person retained to provide Investor Relations Activities, any person engaged to provide ongoing management, advisory, consulting, technical or other services (other than services provided in relation to a distribution of securities of the Company) for the Company or a Designated Affiliate, or any employee of such person, under a written contract between the Company and such person, and who spends or will spend a significant amount of time and attention on the affairs and business of the Company or a Designated Affiliate and has a relationship with the Company or a Designated Affiliate that enables such person to be knowledgeable about the business and affairs of the Company or Designated Affiliate, as the case may be;

(aa) "**Participant**" means each Eligible Director, Eligible Employee and Other Participant that is granted one or more Awards under this Plan;

(bb) "**Plan**" means this amended and restated omnibus incentive plan as amended from time to time;

(cc) "**Prior Option Plan**" has the meaning given to such term in Section 2.07(e) hereof;

(dd) "**Redemption Date**" has the meaning ascribed thereto in Section 4.05(a) hereof;

(ee) "**Reserved Amount**" has the meaning ascribed thereto in 2.07(a) hereof;

(ff) "**Restriction Period**" means, with respect to a particular grant of RSUs, the period between the date of grant of such RSUs and the latest Vesting Date in respect of any portion of such RSUs;

(gg) "**RSU**" means a restricted share unit, which is a right awarded to a Participant to receive cash, Common Shares or any combination of cash and Common Shares, as determined bythe Company in its sole discretion, pursuant to, and governed by, this Plan;

(hh) "**RSU Agreement**" means a written agreement between the Company and a Participant evidencing the grant of RSUs and the terms and conditions thereof;

(ii) "**RSU Outside Expiry Date**" has the meaning ascribed thereto in Section 4.05(d) hereof;

(jj) "**Stock Exchange**" means the TSX Venture Exchange or, if the Common Shares are not then listed on the TSX Venture Exchange, such other principal market on which the Common Shares are then traded as designated by the Committee from time to time;

(kk) "**Termination**" has the meaning given to such term in Section 3.12 hereof;

(ll) "**Trading Day**" means any day on which the Stock Exchange is open for trading;

(mm) "**U.S. Securities Act**" has the meaning given to such term in Section 5.02 hereof; and

(nn) "**Vesting Date**" has the meaning ascribed thereto in Section 4.04 hereof.

Section 1.02 **Headings** The headings of all articles, sections, paragraphs and subparagraphs in this Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of this Plan.

Section 1.03 **Context, Construction.** Whenever the singular or masculine are used in this Plan the same shall be construed as being the plural or feminine or neuter or vice versa where the context so requires. The word "person" shall be given the widest meaning possible and shall include, without limitation, an individual, a corporation, a partnership, a limited partnership or any other unincorporated entity.

Section 1.04 **References to this Plan**. The words "hereto", "herein", "hereby", "hereunder", "hereof" and similar expressions mean or refer to this Plan as a whole and not to any particular article, section, paragraph, subparagraph or other part hereof.

Section 1.05 **Canadian Funds**. Unless otherwise specifically provided, all references to dollar amounts in this Plan are references to lawful money of Canada.

ARTICLE TWO

PURPOSE AND ADMINISTRATION OF THIS PLAN

Section 2.01 **Purpose of this Plan**. This Plan provides for the potential acquisition of Common Shares by Participants for the purpose of advancing the interests of the Company through the motivation, attraction and retention of key employees, directors and consultants of the Company and the Designated Affiliates and to secure for the Company and the shareholders of the Company the benefits inherent in the ownershipof Common Shares by key employees, directors and consultants of the Company and the Designated Affiliates, it being generally recognized that share incentive plans can aid in attracting, retaining and encouraging employees, directors and consultants due to the opportunity offered to them to acquire a proprietary interest in the Company.

Section 2.02 **Participants**. This Plan is hereby established for Eligible Directors, Eligible Employees and Other Participants.

Section 2.03 **Administration of this Plan**. This Plan shall be administered by the Committee and the Committee shall have full authority to administer this Plan, including the authority to interpret and construe any provision of this Plan and to adopt, amend and rescind such rules and regulations for administeringthis Plan as the Committee may deem necessary or desirable in order to comply with the requirements of this Plan, subject in all cases to compliance with regulatory requirements. All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and conclusive and shallbe binding on the Participants and the Company. No member of the Committee shall be personally liable forany action taken or determination or interpretation made in good faith in connection with this Plan and allmembers of the Committee shall, in addition to their rights as Directors, be fully protected, indemnifiedand held harmless by the Company with respect to any such action taken or determination or interpretation made. The appropriate officers of the Company are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary or desirable for the implementation of this Plan and of the rules and regulationsestablished for administering this Plan. All costs incurred in connection with this Plan shall be for the accountof the Company and its Designated Affiliates. This Plan shall be administered in accordance with therules and policies of the TSX Venture Exchange by the Committee so long as the Common Shares are listed on the TSX Venture Exchange.

Section 2.04 **Delegation to Committee**. All of the powers exercisable hereunder by the Directors may, to the extent permitted by applicable law and as determined by resolution of the Directors, be exercised by a committee of the Directors comprised of not less than three Directors.

Section 2.05 **Record Keeping**. The Company shall maintain a register in which shall be recorded:

(a) the name and address of each Participant;

(b) the number of Common Shares subject to Awards granted to each Participant; and

(c) the aggregate number of Common Shares subject to Awards.

Section 2.06 **Determination of Participants**. The Committee shall from time to time determine the Participants who may participate in this Plan. The Committee shall from time to time determine the Participants to whom Awards shall be granted, the number of Common Shares to be made subject to, and the expiry date of, each Award granted to each Participant and the other terms, including any vesting provisions, of each Award granted to each Participant, all such determinations to be made in accordance with the terms and conditions of this Plan, and the Committee may take into consideration the present and potential contributions of, and the services rendered by, the particular Participant to the success of the Company and any other factors which the Committee deems appropriate and relevant. All Eligible Employees and Other Participants shall be bona fide Eligible Employees or Other Participants, as the case may be.

Section 2.07 **Maximum Number of Shares**.

(a) The maximum number of Common Shares reserved for issue pursuant to this Plan shall be determined from time to time by the Committee but, in any case, shall not exceed, in the aggregate, 10% of the number of Common Shares then outstanding; provided that (i) the maximum number of Common Shares reserved for issuance, in the aggregate, pursuant to the exercise of Options granted under this Plan shall be equal to 10% of the number of Common Shares then outstanding, less the Reserved Amount, and (ii) the maximum number of Common Shares reserved for issuance, in the aggregate, pursuant to the settlement of RSUs granted under this Plan shall not exceed 7,400,000 Common Shares (the "**Reserved Amount**").

(b) The maximum number of Common Shares reserved for issue pursuant to Awards granted under this Plan to Participants who are Insiders of the Company in any 12 month period shall not exceed 10% of the number of Common Shares then outstanding, unless disinterested shareholder approval is received therefor in accordance with the policies of the Stock Exchange.

(c) The maximum number of Common Shares reserved for issue under Awards granted to any one Participant in any 12 month period shall not exceed 5% of the number of Common Shares then outstanding, unless disinterested shareholder approval is received therefor in accordance with the policies of the Stock Exchange.

(d) The maximum number of Common Shares reserved for issue under Awards granted to any one Other Participant in any 12 month period shall not exceed 2% of the number of Common Shares then outstanding.

(e) The maximum number of Common Shares reserved for issue under Options granted to all Eligible Employees and to all Other Participants conducting Investor Relations Activities in any 12 month period shall not exceed, in the aggregate, 2% of the number of Common Shares then outstanding. Options granted to Eligible Employees or Other Participants

performing Investor Relations Activities shall vest in stages over a 12 month period, with no more than ¼ of the Options vesting in any three month period. The Directors shall, through the establishment of appropriate procedures, monitor the trading in the securities of the Company by all Participants performing Investor Relations Activities. No acceleration of the vesting provisions of Options granted to persons retained to provide Investor Relations Activities is allowed without the prior acceptance of the Stock Exchange.

For purposes of this Section 2.07, "the number of Common Shares then outstanding" shall mean the number of Common Shares outstanding on a non-diluted basis calculated at the date of the proposed grant of the applicable Award. All Common Shares reserved for issue upon the exercise of options outstanding under the previous stock option plan approved by the shareholders of the Company on June 2, 2016 (the "**Prior Option Plan**"), shall be counted toward the maximum number of Common Shares permitted to be reserved for issue pursuant to any of the provisions of this Section 2.07.

ARTICLE THREE

OPTION AWARDS

Section 3.01 **Nature of Options**. An Option is an option granted by the Company to a Participant entitling such Participant to acquire a designated number of Common Shares from treasury at the Exercise Price, but subject to the provisions hereof. For greater certainty, the Company is obligated to issue and deliver the designated number of Common Shares on the exercise of an Option and shall have no independent discretion to settle an Option in cash or other property other than Common Shares issued from treasury. For the avoidance of doubt, no Dividend Equivalents shall be granted in connection with an Option.

Section 3.02 **Option Awards**. Subject to the provisions set forth in this Plan and any shareholder or regulatory approval which may be required, the Committee shall, from time to time by resolution, in its sole discretion, (a) designate the Eligible Director, Eligible Employee or Other Participant who may receive Options under the Plan, (b) fix the number of Options, if any, to be granted to each Eligible Director, Eligible Employee or Other Participant and the date or dates on which such Options shall be granted, (c) subject to Section 3.04, determine the price per Common Share to be payable upon the exercise of each such Option,
(d) determine the relevant vesting provisions (including performance criteria, if applicable) and (e) determine the term of the Options, the whole subject to the terms and conditions prescribed in this Plan or in any stock option agreement, and any applicable rules of the Stock Exchange.

Section 3.03 **Option Notice or Agreement**. Each Option granted to a Participant may be evidenced by a stock option notice or stock option agreement setting out terms and conditions consistent with the provisions of this Plan, which terms and conditions need not be the same in each case and which terms and conditions may be changed from time to time.

Section 3.04 **Exercise Price**. The price per share (the "**Exercise Price**") at which any Common Share which is the subject of an Option may be purchased shall be determined by the Committee at the time the Option is granted, provided that the Exercise Price shall be not less than the closing price of the Common Shares on the Stock Exchange on the last trading day immediately preceding the date of the grant of such Option less the maximum discount, if any, permitted by the Stock Exchange or, if the Common Shares are not then listed on any stock exchange, the Exercise Price shall not be less than the fair market value of the Common Shares as may be determined by the Directors on the day immediately preceding the date of the grant of such Option. Disinterested shareholder approval shall be required for any reduction in the Exercise

Price of any Option if the Optionee is an Insider of the Company at the time of the proposed amendment to the Exercise Price.

Section 3.05 **Term of Option**. The Option Period for each Option shall be such period of time as shall be determined by the Committee, subject to amendment by an Employment Contract, provided that in no event shall an Option Period exceed ten years. Notwithstanding the definition of Option Period contained herein or the foregoing, the expiration date of an Option will be the date fixed by the Directors with respectto such Option unless such expiration date falls within a Blackout Period or within ten days after a BlackoutPeriod Expiry Date, in which case the expiration date of the Option will be the date which is ten Business Days after the Blackout Period Expiry Date. Disinterested shareholder approval shall be required for the extension of any Option Period if the Optionee is an Insider of the Company at the time of the proposed amendment to the Option Period.

Section 3.06 **Lapsed Options**. If Options granted under this Plan (or stock options granted under the Prior Option Plan) are surrendered, terminate or expire without being exercised in whole or in part, new Options may be granted covering the Common Shares not purchased under such lapsed Options (or such lapsed stock options).

Section 3.07 **Limit on Options to be Exercised**. Except as otherwise specifically provided herein or in any Employment Contract, Options may be exercised by the Optionee in whole at any time, or in part from time to time (in each case to the nearest full Common Share), during the Option Period only in accordance with the vesting schedule, if any, determined by the Committee, in its sole and absolute discretion,subject to the applicable requirements of the Stock Exchange, at the time of the grant of the Option, which vesting schedule may include performance vesting or acceleration of vesting in certain circumstances and which may be amended or changed by the Committee from time to time with respect to a particular Option.If the Committee does not determine a vesting schedule at the time of the grant of any particular Option, suchOption shall be exercisable in whole at any time, or in part from time to time, during the Option Period, subjectto the applicable requirements of the Stock Exchange. In the event that the Common Shares are listed on the TSX Venture Exchange, Options with an Exercise Price based on the Discounted Market Price (as suchterm is defined in the policies of the TSX Venture Exchange), and the Common Shares issuable upon the exercise thereof, shall be subject to the restricted period and legending requirements imposed by the policiesof the TSX Venture Exchange.

Section 3.08 **Eligible Participants on Exercise**. An Option may be exercised by the Optionee in wholeat any time, or in part from time to time, during the Option Period, provided however that, except as otherwise specifically provided in Section 3.11 or Section 3.12 hereof or in any Employment Contract, no Option may be exercised unless the Optionee at the time of exercise thereof is:

(a) in the case of an Eligible Employee, an officer of the Company or a Designated Affiliate or in the employment of the Company or a Designated Affiliate and has been continuously an officer or so employed since the date of the grant of such Option, provided however that a leave of absence with the approval of the Company or such Designated Affiliate shall not be considered an interruption of employment for purposes of this Plan;

(b) in the case of an Eligible Director who is not also an Eligible Employee, a director of the Company or a Designated Affiliate and has been such a director continuously since the date of the grant of such Option; and

(c) in the case of an Other Participant, engaged, directly or indirectly, in providing ongoing management, advisory, consulting, technical or other services for the Company or a Designated Affiliate and has been so engaged since the date of the grant of such Option.

Section 3.09 **Payment of Exercise Price**. The issue of Common Shares on the exercise of any Option shall be contingent upon receipt by the Company of payment of the aggregate purchase price for the Common Shares in respect of which the Option has been exercised by cash or certified cheque delivered to theregistered office of the Company together with a completed notice of exercise, together with any tax amountsrequired under Section 5.01. No Optionee or legal representative, legatee or distributee of any Optionee will be, or will be deemed to be, a holder of any Common Shares with respect to which such Optioneewas granted an Option, unless and until certificates for such Common Shares are issued to such Optionee, or them, under the terms of this Plan. Subject to Section 6.11 hereof, upon an Optionee exercising an Optionand paying the Company the aggregate purchase price for the Common Shares in respect of which the Option has been exercised, the Company shall as soon as practicable thereafter issue and deliver a certificaterepresenting the Common Shares so purchased.

Section 3.10 **Acceleration on Take-over Bid, Consolidation, Merger, etc.** In the event that:

(a) the Company seeks or intends to seek approval from the shareholders of the Company for a transaction which, if completed, would constitute an Acceleration Event (as defined below); or

(b) a person makes a bona fide offer or proposal to the Company or the shareholders of the Company which, if accepted or completed, would constitute an Acceleration Event,

the Company shall send notice to all Optionees of such transaction, offer or proposal as soon as practicable and, provided that the Committee has determined that no adjustment will be made pursuant to Section 6.06 hereof, (i) the Committee may, by resolution and notwithstanding any vesting schedule applicable to any Option or Section 3.07 hereof, permit all Options outstanding which have restrictions on their exercise to become immediately exercisable during the period specified in the notice (but in no event later than the applicable expiry date of an Option) and prior to such transaction, offer or proposal, so that the Optionee may participate in such transaction, offer or proposal, and (ii) the Committee may accelerate the expiry date of such Options and the time for the fulfillment of any conditions or restrictions on such exercise.

In this 3.10 an "**Acceleration Event**" means:

(a) the acquisition by any person of beneficial ownership of more than 50% of the votes attached to the outstanding voting securities of the Company, by means of a take-over bid or otherwise;

(b) any consolidation, merger, statutory amalgamation or arrangement involving the Company and pursuant to which the Company will not be the continuing or surviving corporation or pursuant to which the Common Shares will be converted into cash or securities or property of another entity, other than a transaction involving the Company and in which the shareholders of the Company immediately prior to the completion of the transaction will have the same proportionate ownership of the surviving corporation immediately after the completion of the transaction;

(c) a separation of the business of the Company into two or more entities;

(d) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company to another entity; or

(e) the approval by the shareholders of the Company of any plan of liquidation or dissolution of the Company.

Section 3.11 **Effect of Death**. If a Participant or, in the case of an Other Participant which is not an individual, the primary individual providing services to the Company or Designated Affiliate on behalf of the Other Participant, shall die, any outstanding Option held by such Participant or Other Participant at the date of such death shall become immediately exercisable notwithstanding Section 3.07 hereof, and shall be exercisable in whole or in part only by the person or persons to whom the rights of the Optionee under the Option shall pass by the will of the Optionee or the laws of descent and distribution for a period of 12 months after the date of death of the Optionee or prior to the expiration of the Option Period in respect of the Option, whichever is earlier, and then only to the extent that such Optionee was entitled to exercise the Option at the date of the death of such Optionee in accordance with Sections 3.07, 3.08 and 3.12 hereof.

Section 3.12 **Effect of Termination of Engagement**. If a Participant shall:

(a) cease to be a Director or of a Designated Affiliate, as the case may be (and is not or does not continue to be an employee thereof), for any reason (other than death); or

(b) cease to be employed by, or provide services to, the Company or the Designated Affiliates (and is not or does not continue to be a director or officer thereof), or any corporation engaged to provide services to the Company or the Designated Affiliates, for any reason (other than death) or shall receive notice from the Company or any Designated Affiliate of the termination of their Employment Contract;

(the earliest to occur of any of the foregoing events being referred to herein as a "**Termination**"), except as otherwise provided in any Employment Contract, such Participant may, but only within the 90 days next succeeding such Termination (or, subject to the limitations set forth below, such other period of time as may be determined by the Board of Directors of the Company), exercise the Options to the extent that such Participant was entitled to exercise such Options at the date of such Termination. Notwithstanding the foregoing or any Employment Contract, in no event shall such right extend beyond the Option Period or one year from the date of Termination.

ARTICLE FOUR

RESTRICTED SHARE UNIT AWARDS

Section 4.01 **Nature of RSUs.** An RSU is an Award that is a bonus for services rendered in the year of grant, that, upon settlement, entitles the recipient Participant to receive a cash payment equal to the Market Value of a Common Share or, at the sole discretion of the Committee, a Common Share, and subject to such restrictions and conditions on vesting as the Committee may determine at the time of grant, unless such RSU expires prior to being settled. Restrictions and conditions on vesting may, without limitation, be based on the passage of time during continued employment or other service relationship, the achievement of specified performance criteria or both.

Section 4.02 **RSU Awards**

(a) Subject to the provisions herein and any shareholder or regulatory approval which may be required, the Committee shall, from time to time by resolution, in its sole discretion, (a) designate the Eligible Director, Eligible Employee or Other Participant who may receive RSUs under the Plan, provided such person was not retained to provide Investor Relations Activities, (b) fix the number of RSUs, if any, to be granted to each Eligible Director, Eligible Employee or Other Participant and the date or dates on which such RSUs shall be granted, (c) determine the relevant conditions, vesting provisions and the Restriction Period of such RSUs, and (d) determine any other terms and conditions applicable to the granted

RSUs, which need not be identical and which, without limitation, may include non-competition provisions, subject to the terms and conditions prescribed in this Plan, in any RSU Agreement, and any applicable rules of the Stock Exchange.

(b) Subject to the vesting and other conditions and provisions in this Plan, including Section 2.07, all RSUs granted herein shall vest in accordance with the terms of the RSUAgreement entered into in respect of such RSUs.

(c) Subject to the vesting and other conditions and provisions in this Plan and in the applicable RSU Agreement, each RSU awarded to a Participant shall entitle the Participant to receive, on settlement, a cash payment equal to the Market Value of a Common Share, or, at the discretion of the Committee, one Common Share or any combination of cash and Common Shares as the Committee in its sole discretion may determine, in each case less any applicable withholding taxes. For greater certainty, no Participant shall have any right to demand to be paid in, or receive, Common Shares in respect of any RSU, and, notwithstanding any discretion exercised by the Committee to settle any RSU, or a portion thereof, in the form of Common Shares, the Committee reserves the right to change such form of payment at any time until payment is actually made.

Section 4.03 **RSU Agreements**

(a) The grant of a RSU by the Committee shall be evidenced by a RSU Agreement in such form not inconsistent with the Plan as the Committee may from time to time determine. Such RSU Agreement shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including without limitation any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Committee from time to time) which are not inconsistent with this Plan and which the Committee deems appropriate for inclusion in a RSU Agreement. The provisions of the various RSU Agreements issued under this Plan need not be identical.

(b) The RSU Agreement shall contain such terms that the Company considers necessary in order that the RSUs granted to Participants, shall not constitute a "salary deferral arrangement" as defined in subsection 248(1) of the ITA, by reason of the exemption in paragraph (k) thereof or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or provide services in or the rules of any regulatory body having jurisdiction over the Company.

Section 4.04 **Vesting of RSUs**. The Committee shall have sole discretion to (a) determine if any vesting conditions with respect to a RSU, including any performance criteria or other vesting conditions contained in the applicable RSU Agreement, have been met, (b) waive the vesting conditions applicable to RSUs (or deem them to be satisfied), and (c) extend the Restriction Period with respect to any grant of RSUs, provided that any such extension shall not result in the Restriction Period for such RSUs extending beyond the RSU Outside Expiry Date. The Company shall communicate to a Participant, as soon as reasonably practicable, the date on which all such applicable vesting conditions in respect of a grant of RSUs to the Participant have been satisfied, waived or deemed satisfied and such RSUs have vested (the "**Vesting Date**").

Section 4.05 **Redemption / Settlement of RSUs**

(a) Subject to the provisions of this Section 4.05 and Section 4.06, a Participant's vested RSUs shall be redeemed in consideration for a cash payment on the date (the "**Redemption**

Date") that is the earliest of (a) the 15th day following the applicable Vesting Date for such vested RSUs (or, if such day is not a Business Day, on the immediately following Business Day), and (b) the RSU Outside Expiry Date.

(b) Subject to the provisions of this Section 4.05 and Section 4.06, during the period between the Vesting Date and the Redemption Date in respect of a Participant's vested RSUs, the Company (or any Designated Affiliate that is party to an Employment Contract with the Participant whose vested RSUs are to be redeemed) shall, at its sole discretion, be entitled to elect to settle all or any portion of the cash payment obligation otherwise arising in respect of the Participant's vested RSUs either (a) by the issuance of Common Shares to the Participant (or the legal representative of the Participant, if applicable) on the Redemption Date, or (b) by paying all or a portion of such cash payment obligation to the Designated Broker, who shall use the funds received to purchase Common Shares in the open market, which Common Shares shall be registered in the name of the Designated Broker in a separate account for the Participant's benefit.

(c) Settlement of a Participant's vested RSUs shall take place on the Redemption Date as follows:

(i) where the Company (or applicable Designated Affiliate) has elected to settle all or a portion of the Participant's vested RSUs in Common Shares issued from treasury:

(A) in the case of Common Shares issued in certificated form, by delivery to the Participant (or to the legal representative of the Participant, if applicable) of a certificate in the name of the Participant (or the legal representative of the Participant, if applicable) representing the aggregate number of Common Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions in accordance with Section 5.01; or

(B) in the case of Common Shares issued in uncertificated form, by the issuance to the Participant (or to the legal representative of the Participant, if applicable) of the aggregate number of Common Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 5.01, which Common Shares shall be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Common Shares;

(ii) where the Company or a Designated Affiliate has elected to settle all or a portion of the Participant's vested RSUs in Common Shares purchased in the open market, by delivery by the Company or a Designated Affiliate of which the Participant is a director, executive officer, employee or consultant to the Designated Broker of readily available funds in an amount equal to the Market Value of a Common Share as of the Redemption Date multiplied by the number of vested RSUs to be settled in Common Shares purchased in the open market, less the amount of any applicable withholding tax and other applicable source deductions under Section 5.01, along with directions instructing the Designated Broker to use such funds topurchase Common Shares in the open market for the benefit of the Participant andto be evidenced by a confirmation from the Designated Broker of such purchase;

(iii) any cash payment to which the Participant is entitled (excluding, for the avoidance of doubt, any amount payable in respect of the Participant's RSUs that the Company or a Designated Affiliate has elected to settle in Common Shares) shall, subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 5.01, be paid to the Participant (or to the legal representative of the Participant, if applicable) by the Company or a Designated Affiliate of which the Participant is a director, executive officer, employee or consultant, in cash, by cheque or by such other payment method as the Company and Participant may agree; and

(iv) where the Company or a Designated Affiliate has elected to settle a portion, but not all, of the Participant's vested RSUs in Common Shares, the Participant shall be deemed to have instructed the Company or Designated Affiliate, as applicable, to withhold from the cash portion of the payment to which the Participant is otherwise entitled such amount as may be required in accordance with Section 5.01 and to remit such withheld amount to the applicable taxation authorities on account of any withholding tax obligations, and the Company or Designated Affiliate, as applicable, shall deliver any remaining cash payable, after making any such remittance, to the Participant (or to the legal representative of the Participant, if applicable) as soon as reasonably practicable. In the event that the cash portion payable to settle a Participant's RSUs in the foregoing circumstances is not sufficient to satisfy the withholding obligations of the Company or a Designated Affiliate pursuant to Section 5.01, the Company or Designated Affiliate, as applicable, shall be entitled to satisfy any remaining withholding obligation by any other mechanism as may be required or determined by the Company or Designated Affiliate as appropriate.

(d) Notwithstanding any other provision in this Article Four, no payment, whether in cash or in Common Shares, shall be made in respect of the settlement of any RSUs later than December 15th of the third (3rd) calendar year following the end of the calendar year in respect of which such RSU is granted (the "**RSU Outside Expiry Date**").

Section 4.06 **Determination of Amounts**

(a) The cash payment obligation arising in respect of the redemption and settlement of a vested RSU pursuant to Section 4.05 shall be equal to the Market Value of a Common Share as of the applicable Redemption Date. For the avoidance of doubt, the aggregate cash amountto be paid to a Participant (or the legal representative of the Participant, if applicable) in respect of a particular redemption of the Participant's vested RSUs shall, subject to any adjustments in accordance with Section 6.07 and any withholding required pursuant to Section 5.01, be equal to the Market Value of a Common Share as of the Redemption Date for such vested RSUs multiplied by the number of vested RSUs in the Participant's Account at the commencement of the Redemption Date (after deducting any such vested RSUs in the Participant's Account in respect of which the Company (or applicable Designated Affiliate) makes an election under Section 4.05(b) to settle such vested RSUs in Common Shares).

(b) If the Company (or applicable Designated Affiliate) elects in accordance with Section 4.05(b) to settle all or a portion of the cash payment obligation arising in respect of the redemption of a Participant's vested RSUs by the issuance of Common Shares, the Company shall, subject to any adjustments in accordance with Section 6.07 and any

withholding required pursuant to Section 5.01, issue to the Participant (or the legal representative of the Participant, if applicable), for each vested RSU which the Company (or applicable Designated Affiliate) elects to settle in Common Shares, one Common Share. Where, as a result of any adjustment in accordance with Section 6.07 and/or any withholding required pursuant to Section 5.01, the aggregate number of Common Shares to be received by a Participant upon an election by the Company (or applicable Designated Affiliate) to settle all or a portion of the Participant's vested RSUs in Common Shares includes a fractional Common Share, the aggregate number of Common Shares to be received by the Participant shall be rounded down to the nearest whole number of Common Shares.

Section 4.07 **Award of Dividend Equivalents**

(a) Dividend Equivalents may, as determined by the Committee in its sole discretion, be awarded as a bonus for services rendered in the year awarded in respect of unvested RSUs in a Participant's Account on the same basis as cash dividends declared and paid on Common Shares as if the Participant was a shareholder of record of Common Shares on the relevant record date. Dividend Equivalents, if any, will be credited to the Participant's Account in additional RSUs, the number of which shall be equal to a fraction where the numerator is the product of (a) the number of RSUs in such Participant's Account on the date that dividends are paid multiplied by (b) the dividend paid per Common Share and the denominator of which is the Market Value of a Common Share calculated as of the date that dividends are paid. Any additional RSUs credited to a Participant's Account as a Dividend Equivalent shall be subject to the same terms and conditions (including vesting, Restriction Periods and expiry) as the RSUs in respect of which such additional RSUs are credited.

(b) In the event that the Participant's applicable RSUs do not vest, all Dividend Equivalents, if any, associated with such RSUs will be forfeited by the Participant.

Section 4.08 **Effect of Death**. If a Participant or, in the case of an Other Participant which is not an individual, the primary individual providing services to the Company or Designated Affiliate on behalf of the Other Participant, shall die, any unvested RSUs in the Participant's Account as at the date of such death relating to a Restriction Period in progress shall become immediately forfeited and cancelled. For greater certainty, where a Participant's employment or service relationship with the Company or a Designated Affiliate is terminated as a result of death following the satisfaction of all vesting conditions in respect of particular RSUs but before receipt of the corresponding distribution or payment in respect of such RSUs, the Participant shall remain entitled to such distribution or payment. Notwithstanding the foregoing, ifthe Committee, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested RSUs, the date of such action is the Vesting Date.

Section 4.09 **Effect of Termination of Engagement**. If a Participant shall:

(a) cease to be a Director or of a Designated Affiliate, as the case may be (and is not or does not continue to be an employee thereof), for any reason (other than death); or

(b) cease to be employed by, or provide services to, the Company or the Designated Affiliates (and is not or does not continue to be a director or officer thereof), or any corporation engaged to provide services to the Company or the Designated Affiliates, for any reason

(other than death) or shall receive notice from the Company or any Designated Affiliate of the termination of their Employment Contract;

(the earliest to occur of any of the foregoing events being referred to herein as a "**Termination**"), the Participant's participation in the Plan shall be terminated immediately, all RSUs credited to such Participant's Account that have not vested shall be forfeited and cancelled, and the Participant's rights that relate to such Participant's unvested RSUs shall be forfeited and cancelled on the Termination Date. Notwithstanding the foregoing, if the Committee, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested RSUs, the date of such action is the Vesting Date.

ARTICLE FIVE

WITHHOLDING TAXES AND SECURITIES LAWS OF THE UNITED STATES OF AMERICA

Section 5.01 **Withholding Taxes**. The Company or any Designated Affiliate may take such steps as are considered necessary or appropriate for the withholding of any taxes which the Company or any Designated Affiliate is required by any law or regulation of any governmental authority whatsoever to withhold in connection with any Award or Common Share including, without limiting the generality of the foregoing, the withholding of all or any portion of any payment or the withholding of the issue of CommonShares to be issued upon the exercise or settlement, as applicable, of any Award, until such time as the Participant has paid the Company or any Designated Affiliate for any amount which the Company or the Designated Affiliate is required to withhold with respect to such taxes.

Section 5.02 **Securities Laws of the United States of America**. Neither the Awards which may be granted pursuant to this Plan nor the Common Shares which may be issued pursuant to the exercise or settlement, as applicable, of any Awards have been registered under the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), or under any securities law of any state of the United States of America. Accordingly, any Participant who is issued Common Shares or granted an Award in a transaction which is subject to the U.S. Securities Act or the securities laws of any state of the United States of Americamay be required to represent, warrant, acknowledge and agree that:

(a) the Participant is acquiring the Award and/or any Common Shares as principal and for the account of the Participant;

(b) in granting the Award and/or issuing the Common Shares to the Participant, the Company is relying on the representations and warranties of the Participant to support the conclusion of the Company that the granting of the Award and/or the issue of Common Shares do not require registration under the U.S. Securities Act or to be qualified under the securities laws of any state of the United States of America;

(c) each certificate representing Common Shares so issued may be required to have the following legend:

> "THE SECURITIES REPRESENTED HEREBY [for Awards add: AND ANY SECURITIES ISSUABLE UPON EXERCISE HEREOF] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR UNDER ANY STATE SECURITIES LAWS, AND THE SECURITIES REPRESENTED HEREBY MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO

THE COMPANY, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (C) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 OR 144A UNDER THE U.S. SECURITIES ACT, IF APPLICABLE, AND IN COMPLIANCE WITH APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY (WHICH WILL BE DELIVERED PROMPTLY AND WILL NOT BE UNREASONABLY WITHHELD, BUT WHICH MAY BE CONDITIONAL ON DELIVERY OF A LEGAL OPINION IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY), PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

THE PRESENCE OF THIS LEGEND MAY IMPAIR THE ABILITY OF THE HOLDER HEREOF TO EFFECT "GOOD DELIVERY" OF THE SECURITIES REPRESENTED HEREBY ON A CANADIAN STOCK EXCHANGE. A CERTIFICATE WITHOUT A LEGEND MAY BE OBTAINED FROM THE REGISTRAR AND TRANSFER AGENT OF THE COMPANY IN CONNECTION WITH A SALE OF THE SECURITIES REPRESENTED HEREBY AT A TIME WHEN THE COMPANY IS A "FOREIGN ISSUER" AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT, UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE REGISTRAR AND TRANSFER AGENT AND THE COMPANY, TO THE EFFECT THAT SUCH SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT.";

provided that if such Common Shares are being sold outside the United States of America in compliance with the requirements of Rule 904 of Regulation S under the U.S. Securities Act and provided that the Company is a "foreign issuer" within the meaning of Regulation S under the U.S. Securities Act at the time of such sale, such legend may be removed by providing a written declaration signed by the holder to the registrar and transfer agent for the Common Shares to the following effect:

"The undersigned (A) represents and warrants that the sale of the securities of Spyder Cannabis Inc. (the "**Company**") to which this declaration relates is being made in compliance with Rule 904 of Regulation S under the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), and (B) certifies that (1) the undersigned is not an affiliate of the Company as that term is defined in the U.S. Securities Act, (2) the offer of such securities was not made to a person in the United States and either (A) at the time the buy order was originated,the buyer was outside of the United States, or the undersigned and any person acting on its behalf reasonably believe that the buyer was outside the United Statesor (B) the transaction was executed on or through the facilities of a Designated Offshore Securities Market and neither the undersigned nor any person actingon behalf thereof knows or has any reason to believe that the transaction has been prearranged with a buyer in the United States, (3) neither the seller nor anyaffiliate of the seller nor any person acting on any of their behalf has engaged or willengage in any directed selling efforts in the United States in connection with the offer; and

sale of such securities, (4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act), (5) the seller does not intend to replace the securities sold in reliance on Rule 904 of the U.S. Securities Act with fungible unrestricted securities and (6) the contemplated sale is not a transaction, or part of a series of transactions which, although in technical compliance with Regulation S under the U.S. Securities Act, is part of a plan or scheme to evade the registration provisions of the U.S. Securities Act. Terms used herein have the meanings given to them by Regulation S under the U.S. Securities Act.";

(d) other than as contemplated by Section 5.02(c) hereof, prior to making any disposition of any Common Shares acquired pursuant to this Plan which might be subject to the requirements of the U.S. Securities Act, the Participant shall give written notice to the Company describing the manner of the proposed disposition and containing such other information as is necessary to enable counsel for the Company to determine whether registration under the U.S. Securities Act or qualification under any securities laws of any state of the United States of America is required in connection with the proposed disposition and whether the proposed disposition is otherwise in compliance with such legislation and the regulations thereto;

(e) other than as contemplated by Section 5.02(c) hereof, the Participant will not attempt to effect any disposition of the Common Shares owned by the Participant and acquired pursuant to this Plan or of any interest therein which might be subject to the requirements of the U.S. Securities Act in the absence of an effective registration statement relating thereto under the U.S. Securities Act or an opinion of counsel satisfactory in form and substance to counsel for the Company that such disposition would not constitute a violation of the U.S. Securities Act and then will only dispose of such Common Shares in the manner so proposed;

(f) the Company may place a notation on the records of the Company to the effect that none of the Common Shares acquired by the Participant pursuant to this Plan shall be transferred unless the provisions of the Plan have been complied with; and

(g) the effect of these restrictions on the disposition of the Common Shares acquired by the Participant pursuant to this Plan is such that the Participant may not be able to sell or otherwise dispose of such Common Shares for a considerable length of time in a transaction which is subject to the provisions of the U.S. Securities Act other than as contemplated by Section 5.02(c) hereof.

ARTICLE SIX

GENERAL

Section 6.01 **Effective Time of this Plan**. This Plan shall become effective upon a date to be determined by the Directors; provided, however, that the RSU components of the Plan shall be subject to disinterested shareholder approval.

Section 6.02 **Amendment of Plan**. The Committee shall have the right:

(a) without the approval of the shareholders of the Company, subject to Section 6.02(b) of the Plan, to make any amendments to the Plan, including but not limited to the following amendments:

(i) any amendment of a "housekeeping" nature, including, without limitation, amending the wording of any provision of the Plan for the purpose of clarifying the meaning of existing provisions or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correcting grammatical or typographical errors and amending the definitions contained within the Plan;

(ii) any amendment to comply with the rules, policies, instruments and notices of any regulatory authority to which the Company is subject, including the Stock Exchange, or to otherwise comply with any applicable law or regulation;

(iii) other than changes to the expiration date and the exercise price of any Award as described in Section 6.02(b)(iii) and Section 6.02(b)(iv) of this Plan, any amendment, with the consent of the Participant, to the terms of any Award previously granted to such Participant under the Plan;

(iv) any amendment to the provisions concerning the effect of the termination of an Participant's position, employment or services on such Participant's status under the Plan;

(v) any amendment to the categories of persons who are Participants; and

(vi) any amendment respecting the administration or implementation of the Plan;

(b) with the approval of the shareholders of the Company by ordinary resolution, including if required by the applicable Stock Exchange, disinterested shareholder approval, to make any amendment to the Plan not contemplated by Section 6.02(a) of the Plan, including, but not limited to:

(i) any change to the number of Common Shares issuable from treasury under the Plan, including an increase to the fixed maximum percentage or number of Common Shares or a change from a fixed maximum percentage of Common Shares to a fixed maximum number of Common Shares or vice versa, other than an adjustment pursuant to Section 6.07 of the Plan;

(ii) any amendment which reduces the exercise price of any Award, other than an adjustment pursuant to Section 6.07 of the Plan; provided, however, that, for greater certainty, disinterested shareholder approval will be required for any amendment which reduces the exercise price of any Option if the Participant is an Insider of the Corporation at the time of the proposed amendment;

(iii) any amendment which extends the expiry date of an Award, or the Restriction Period of any RSU beyond the original expiry date or Restriction Period, except in the event of an extension due to a Blackout Period;

(iv) any amendment which cancels any Award and replaces such Award with an Award which has a lower exercise price or other entitlement, other than an adjustment pursuant to Section 6.07 of the Plan,

(v) any amendment which would permit Awards to be transferred or assigned by any Participant other than as allowed by Section 6.03 of the Plan, and

(vi) any amendments to this Section 6.02 of the Plan.

Notwithstanding the foregoing, any amendment to the Plan shall be subject to the receipt of all required regulatory approvals including, without limitation, the approval of the Stock Exchange.

Section 6.03 **Non-Assignable**. No rights under this Plan and no Award awarded pursuant to this Plan are assignable or transferable by any Participant other than pursuant to a will or by the laws of descent and distribution.

Section 6.04 **Rights as a Shareholder**. No Participant shall have any rights as a shareholder of the Company with respect to any Common Shares which are the subject of an Award. Except as otherwise provided in this Plan, no Participant shall be entitled to receive any dividends, distributions or other rights declared for shareholders of the Company for which the record date is prior to the date of issue of certificates representing Common Shares acquired upon the exercise or settlement, as applicable, of any Awards.

Section 6.05 **No Contract of Employment**. Nothing contained in this Plan shall confer or be deemed to confer upon any Participant the right to continue in the employment of, or to provide services to, the Company or any Designated Affiliate nor interfere or be deemed to interfere in any way with any right of the Company or any Designated Affiliate to discharge any Participant at any time for any reason whatsoever,with or without cause. Participation in any of this Plan by a Participant shall be voluntary.

Section 6.06 **Consolidation, Merger, etc**. If there is a consolidation, merger or statutory amalgamation or arrangement of the Company with or into another corporation, a separation of the business ofthe Company into two or more entities or a sale, lease exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company to another entity, uponthe exercise or settlement, as applicable, of an Award under this Plan the holder thereof shall be entitledto receive the securities, property or cash which the holder would have received upon such consolidation, merger, amalgamation, arrangement, separation or transfer if the holder had been the holder of Common Shares immediately prior to the effective time of such event, unless the Committee otherwise determines appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economicrights of the Participant in respect of such Award in connection with such event.

Section 6.07 **Adjustment in Number of Common Shares Subject to the Plan**. In the event there is any change in the Common Shares, whether by reason of a stock dividend, consolidation, subdivision, reclassification or otherwise, an appropriate adjustment shall be made by the Committee in:

(a) the number of Common Shares available under this Plan;

(b) the number of Common Shares subject to any Award;

(c) the exercise price of the Common Shares subject to Awards; and

(d) the number of Common Shares or cash payment to which the Participant is entitled upon exercise or settlement of such Award.

If the foregoing adjustment shall result in a fractional Common Share, the fraction shall be disregarded. All such adjustments shall be conclusive, final and binding for all purposes of this Plan.

Section 6.08 **Securities Exchange Take-over Bid**. In the event that the Company becomes the subject of a take-over bid (within the meaning of the *Securities Act* (Ontario)) as a result of which all of the outstanding Common Shares are acquired by the offeror through compulsory acquisition provisions of the incorporating statute or otherwise, and where consideration is paid in whole or in part in equity securities of the offeror, the Committee may send notice to all Participants requiring them to surrender their Awards within 10 days of the mailing of such notice, and the Optionees shall be deemed to have surrendered such Awards on the tenth day after the mailing of such notice without further formality, provided that:

(a) the Committee delivers with such notice an irrevocable and unconditional offer by the offeror to grant replacement awards to the Participants on the equity securities offered as consideration;

(b) the Committee has determined, in good faith, that such replacement awards have substantially the same economic value as the Awards being surrendered; and

(c) the surrender of Awards and the granting of replacement awards can be effected on a tax free rollover basis or otherwise without adverse tax consequences under the ITA.

Section 6.09 **No Representation or Warranty**. The Company makes no representation or warranty as to the future market value of any Common Shares issued in accordance with the provisions of this Plan.

Section 6.10 **Compliance with Applicable Law**. If any provision of this Plan or any Award contravenes any law or any order, policy, by-law or regulation of any regulatory body having jurisdiction over the securities of the Company, then such provision shall be deemed to be amended to the extent necessary to bring such provision into compliance therewith.

Section 6.11 **Necessary Approvals**. The obligation of the Company to issue and deliver any Common Shares in accordance with this Plan shall be subject to any necessary approval of any stock exchange or regulatory authority having jurisdiction over the securities of the Company. If any CommonShares cannot be issued to any Participant upon the exercise or settlement, as applicable, of an Award forwhatever reason, the obligation of the Company to issue such Common Shares shall terminate and any exercise price paid to the Company in respect of the exercise or settlement, as applicable, of such Awardshall be returned to the Participant.

Section 6.12 **Conflict**. To the extent there is any inconsistency or ambiguity between this Plan and any Employment Contract, the terms of such Employment Contract shall govern to the extent of such inconsistency or ambiguity, subject only to compliance with applicable law and Stock Exchange policy.

Section 6.13 **Interpretation**. This Plan shall be governed by, and be construed in accordance with, the laws of the Province of Ontario.

APPENDIX "B"

POST-CONTINUANCE BY-LAWS OF THE CORPORATION

(see attached)

BY-LAW NO. 1

Business Corporations Act **(Ontario)**

A by-law relating generally to the regulation of the business and affairs of

SPYDER CANNABIS INC.

(the "**Corporation**")

TABLE OF CONTENTS

SECTION 1
GENERAL

1.1 Interpretation

Unless otherwise defined, expressions used in this by-law shall have the same meanings as corresponding expressions in the *Business Corporations Act* (Ontario) (the "**Act**").

1.2 Corporate Seal

The directors may, but need not, adopt a corporate seal, and may change a corporate seal that is adopted.

1.3 Financial Year

The financial year of the Corporation shall end on such date in each year as shall be determined from time to time by resolution of directors.

1.4 Effective Date

This by-law shall come into force when made by the directors in accordance with the Act.

1.5 Repeal

All previous by-laws of the Corporation are repealed as of the coming into force of this by-law. Such repeal shall not affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under, or the validity of any contract or agreement made pursuant to, or the validity of any articles or predecessor charter documents of the Corporation obtained pursuant to, any such by-laws prior to its repeal. All officers and persons acting under any by-law so repealed shall continue to act as if appointed under the provisions of this by-law and all resolutions of the shareholders or the board or a committee of the board with continuing effect passed under any repealed by-law shall continue in full force and effect except to the extent inconsistent with this by-law and until amended or repealed.

1.6 Banking Arrangements

The banking business of the Corporation, or any part thereof, including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the board. Such banking business or any part thereof shall be transacted under such agreements, instructions, and delegations of powers as the board may from time to time by resolution prescribe or authorize.

SECTION 2
DIRECTORS

2.1 Number

The number of directors shall be not fewer than the minimum and not more than the maximum number of directors provided for in the articles. The board shall be comprised of the fixed number of directors as determined from time to time by special resolution of the shareholders or, if the special resolution empowers the board to determine the number, the resolution of the board (except that the number of directors determined by the board shall not exceed one and one-third times the number of directors required to have been elected at the last annual meeting of shareholders).

2.2 Quorum

A quorum for the transaction of business at any meeting of directors shall be a majority of the number of directors or such greater number of directors as the directors may from time to time determine, subject to the provisions of the Act.

2.3 Election and Term

The election of directors shall take place at each annual meeting of shareholders. A director not elected for an expressly stated term shall cease to hold office at the close of the first annual meeting following election or appointment. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

2.4 Removal

Except as prohibited by the Act or the articles, the shareholders entitled to vote in an election of directors may remove any director from office at any time, with or without cause, by ordinary resolution.

2.5 Calling of Meetings

Meetings of the directors shall be held at such time and place as the chairperson of the board, the president and chief executive officer or any two directors may determine by giving notice in accordance with Section 2.4.

2.6 Notice of Meetings

Unless notice is waived in accordance with the Act, notice of the time and place of each meeting of directors must be given in the manner to each director by telephone, e-mail, or prepaid mail not less than 48 hours' before the time of the meeting, including, for greater certainty, the day on which the notice is given, provided that the first meeting immediately following a meeting of shareholders at which directors are elected may be held without notice if a quorum is present.

2.7 Meeting by Telephone or Electronic Facility

A meeting of directors or of a committee of directors may be held by means of a telephonic, electronic, or other communication facility that permits all persons participating in the meeting to communicate adequately with each other, and a director participating in a meeting by such means is deemed to (a) consent to such meeting format and (b) be present at that meeting.

2.8 Chairperson

The chairperson of any meeting of directors shall be the chairperson, or in his or her absence, the president and chief executive officer if a director, or in his or her absence or if the president and chief executive officer is not a director, a director chosen by the directors at the meeting.

2.9 Voting at Meetings

At meetings of directors, each director shall have one vote and questions shall be decided by a majority of votes; and in the case of an equality of votes, the chairperson of the meeting will not be entitled a second or casting vote.

2.10 Committees

Unless otherwise determined by the directors, subject to the Act, each committee of directors shall have the power to fix its quorum and to regulate its procedures.

SECTION 3
OFFICERS

3.1 General

The directors may from time to time appoint a chairperson of the board, a president and chief executive officer, a chief financial officer, one or more vice-presidents, a secretary, a treasurer, and such other officers as the directors may determine from time to time.

3.2 Chairperson of the Board

The chairperson of the board, if any, shall be appointed from among the directors, shall, when present, be chair of the meetings of directors and shareholders and shall have such other powers and duties as the directors may determine from time to time.

3.3 President and Chief Executive Officer

Unless the directors otherwise determine, the president shall be appointed by the directors and shall be the chief executive officer of the Corporation and shall have general management of its business and affairs.

3.4 Secretary

The secretary shall give required notices to shareholders, directors, auditors and members of committees, act as secretary of meetings of directors and shareholders when present, keep and enter minutes of such meetings, maintain the corporate records of the Corporation, have custody of the corporate seal, if any, and shall have such other powers and duties as the directors or the president and chief executive officer may determine from time to time.

3.5 Other Officers

Any other officer shall have such powers and duties as the directors, or the president and chief executive officer may determine from time to time.

3.6 Variation of Powers and Duties

The directors may, from time to time, vary, add to, or limit the powers and duties of any officer.

3.7 Term of Office

Each officer shall hold office until his or her successor is appointed, provided that the directors may at any time remove any officer from office, but such removal shall not affect the rights of such officer under any contract of employment with the Corporation.

SECTION 4
PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

4.1 Limitation of Liability

No director or officer of the Corporation shall be liable for the acts, omissions, failures, neglects or defaults of any other director, officer, employee or agent of the Corporation, or for any costs, charges or expenses of the Corporation resulting from any insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation shall be invested, or for any loss or damage arising from bankruptcy or insolvency, or in respect of any tortious acts of or relating to the Corporation or any other director, officer, employee or agent of the Corporation, or for any loss occasioned by an error of judgment or oversight on the part of any other director, officer, employee or agent of the Corporation, or for any other costs, charges or expenses of the Corporation occurring in connection with the execution of the duties of the director or officer, unless such costs, charges or expenses are incurred as a result of such person's own wilful neglect, default or negligence. Nothing in this by-law, however, shall relieve any director or officer from the duty to act in accordance with the Act or from liability for any breach of the Act.

4.2 Indemnification of directors and officers

The Corporation shall indemnify any director or officer of the Corporation, any former director or officer of the Corporation or any individual who acts or acted at the Corporation's request as a

director or officer, or in a similar capacity, of another entity, and his or her heirs and legal representatives to the full extent permitted by applicable law.

4.3 Right of indemnity not exclusive

The provisions for indemnification contained in the bylaws of the Corporation will not be deemed exclusive of any other rights to which any person seeking indemnification may be entitled under any agreement, vote of shareholders or directors or otherwise, both as to action in his or her official capacity and as to action in another capacity, and will continue as to a person who has ceased to be a director, officer, employee or agent and will inure to the benefit of that person's heirs and legal representatives.

4.4 Insurance

The Corporation shall purchase and maintain insurance for the benefit of any person referred to in the preceding section to the extent permitted by the Act.

SECTION 5
SHAREHOLDERS

5.1 Quorum

A quorum for the transaction of business at any meeting of shareholders shall be at least one (1) person present in person, being a shareholder entitled to vote thereat or a duly appointed proxy or representative for an absent shareholder so entitled and representing in the aggregate not less than five percent (5%) of the outstanding shares of the Corporation carrying voting rights at the meeting. If a quorum is present at the opening of any meeting of shareholders, the shareholders) present or represented may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present at the opening of any meeting of shareholders, the shareholders) present or represented may adjourn the meeting to a fixed time and place but may not transact any other business other than as provided in these By-laws or in the Act until a quorum is present.

If a quorum is not present at the time appointed for the meeting or within a reasonable time after that which the shareholders may determine, the shareholders present or represented may adjourn the meeting to a fixed time and place but may not transact any other business.

5.2 Chairperson

The chairperson of any meeting of shareholders shall be the chairperson of the board, or in his or her absence, the president and chief executive officer, or in his or her absence, any person chosen by those present and entitled to vote a at the meeting.

5.3 Adjournment

The chairperson at a meeting of shareholders may, with the consent of the meeting, adjourn the meeting from time to time and place to place. Notice of such adjourned meeting will be provided in accordance with the Act.

5.4 Postponement

A meeting of shareholders may be postponed or cancelled by the board at any time prior to the date of the meeting.

5.5 Votes to Govern

At any meeting of shareholders every question shall, unless otherwise required by the articles, the by-laws or by law, be determined by a majority of the votes cast on the question. In case of an equality of votes either upon a show of hands or upon a poll, the chairperson of the meeting shall not be entitled to a second or casting vote in addition to the vote or votes to which the chairpersonis entitled as a shareholder or proxy nominee.

5.6 Meeting by Telephonic or Electronic Facility

The directors or shareholders who call a meeting of shareholders may determine that the meeting be held, in accordance with the regulations, if any, entirely by telephonic, electronic, or other communication facility that permits all persons participating in the meeting to communicate adequately and makes provision for electronic voting at such meeting in accordance with theAct. A shareholder who, through those means, votes at a meeting or establishes acommunicationslink to a meeting shall be deemed to be present at that meeting.

5.7 Proxies

The board may specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting by not more than 48 hours exclusive of non-business days, before which time proxies to be used at such meeting must be deposited. The board may, prior to or following the deadline, waive or extend the proxy cut-off, with or without notice.

5.8 Scrutineers

The chairperson at any meeting of shareholders may appoint one or more persons (who need not be shareholders) to act as scrutineer or scrutineers at the meeting.

5.9 Certificates for Shares

The shares of stock of the Corporation shall be represented by certificates, or shall be uncertificated shares that may be evidenced by a book-entry system (including a non-certificated inventory system) maintained by the registrar of such stock, or a combination of both. To the extent that shares are represented by certificates, such certificates shall be in such form as shall be approved by the directors. The certificates representing shares of stock of each class shall be signed by, or in the name of, the Corporation by the chairperson of the board, the president and chief executive officer, the chief financial officer, or any director. Any or all such signatures may be facsimiles. Although any director, officer, transfer agent or registrar whose manual or facsimile signature is affixed to such a certificate ceases to be such director, officer, transfer agent or registrar before such certificate has been issued, it may nevertheless be issued by the Corporation with the same effect as if such director, officer, transfer agent or registrar were still such at the date of its issue.

The stock ledger and blank share certificates shall be kept by the secretary or by a transfer agent or by a registrar or by any other officer or agent designated by the directors.

5.10 Replacement of Share Certificates

Where the owner of a share certificate claims that the share certificate has been lost, apparently destroyed or wrongfully taken, the Corporation shall issue or cause to be issued a new certificate in place of the original certificate if the owner (i) so requests before the Corporation has notice that the share certificate has been acquired by a bona fide purchaser; (ii) files with the Corporationan indemnity bond (unless not required to do so by the Corporation) sufficient in the Corporation's opinion to protect the Corporation and any transfer agent, registrar or other agent of the Corporation from any loss that it or any of them may suffer by complying with the request to issuea new share certificate; and (iii) satisfies any other reasonable requirements imposed from time totime by the Corporation.

SECTION 6
ADVANCE NOTICE PROVISIONS

6.1 Nomination of Directors

Subject only to the Act and Section 6.6, and for so long as the Corporation is a distributing corporation, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:

(a) by or at the direction of the board, including pursuant to a notice of meeting;

(b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act; or

(c) by any person (a "**Nominating Shareholder**"):

(i) who, at the close of business in Toronto, Ontario on the date of the giving of the notice provided for below in this Section 6 and at the close of business in Toronto, Ontario on the record date for notice of such meeting of shareholders, is entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and

(ii) who complies with the notice procedures set forth below in this Section 6.

6.2 Timely Notice

In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given timely notice thereof (in accordance with Section 6.3) in proper written form to the board (in accordance with Section 6.4).

6.3 Manner of Timely Notice

To be timely, a Nominating Shareholder's notice to the board must be made:

(a) in the case of an annual meeting of shareholders (which includes an annual and special meeting), not less than 30 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that (i) the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the meeting was made, notice by the Nominating Shareholder may be made not later than the close of business in Toronto, Ontario on the tenth (10^{th}) day following the Notice Date; and

(b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes as well), not later than the close of business in Toronto, Ontario onthe fifteenth (15^{th}) day following the day on which the first public announcement of the date of the special meeting of shareholders was made;

provided that, in either instance, if the Corporation uses "notice-and-access" (as defined in National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer*) to send proxy-related materials to shareholders in connection with a meeting of the shareholders described in (a)6.3(a) or 6.3(b) above, and the Notice Date in respect of the meeting is not less than 50 days prior to the date of the applicable meeting, the notice must be received not later than close of business on the 40^{th} day prior to the date of the applicable meeting.

6.4 Proper Form of Timely Notice

To be in proper written form, a Nominating Shareholder's notice to the board must set forth the following information:

(a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (each, a "**Proposed Nominee**"):

(i) the name, age, business address and residential address of the person;

(ii) the principal occupation or employment of the person for the past five years;

(iii) the status of such person as a "resident Canadian" (as such term is defined in the Act);

(iv) the class or series and number of shares in the capital of the Corporation which are controlled, or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date

shall then have been made publicly available and shall have occurred) and as of the date of such notice;

(v) any derivatives or other economic or voting interests in the Corporation and any hedges implemented with respect to the Nominating Shareholders' interests in the Corporation;

(vi) any proxy, contract, arrangement, understanding or relationship pursuant to which the Nominating Shareholder has a right to vote any shares of the Corporation; and

(vii) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; and

(b) as to the Nominating Shareholder proposing a nomination and giving the notice:

(i) the name, age, business address and residential address of the person;

(ii) the class or series and number of shares in the capital of the Corporation which are controlled, or which are owned beneficially or of record by the Nominating Shareholder as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;

(iii) any derivatives or other economic or voting interests in the Corporation and any hedges implemented with respect to the Nominating Shareholders' interests in the Corporation;

(iv) any proxy, contract, arrangement, understanding or relationship pursuant to which the Nominating Shareholder has a right to vote any shares of the Corporation;

(v) whether the Nominating Shareholder intends to deliver a proxy circular and form of proxy to any shareholders of the Corporation in connection with the election of directors; and

(vi) any other information relating to the Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws.

The Corporation may require that any Proposed Nominee furnish such other information as may be required to be contained in a dissident proxy circular or by applicable law or regulation to determine the independence of the Proposed Nominee or the eligibility of such Proposed Nominee

to serve as a director of the Corporation or a member of any committee of the board. Such information, if received, will generally be summarized in the Corporation's information circular.

All information to be provided in a timely notice pursuant to Section 6.4 shall be provided as of the record date for determining shareholders entitled to vote at the meeting (if such date shall then have been publicly announced) and as of the date of such notice. The Nominating Shareholder shall update such information forthwith if there are any material changes in the information previously disclosed.

6.5 Determination of Eligibility

Subject to Section 6.6, no person shall be eligible for election as a director of the Corporation unless such person has been nominated in accordance with the provisions of this Section 6; provided, however, that nothing in this Section 6 shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which such shareholder would have been entitled to submit a proposal pursuant to the Act. The chairperson of the applicable meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

6.6 Waiver

Notwithstanding the foregoing, the board may, in its sole discretion, waive all or any of the requirements in this Section 6.

6.7 Terms

For the purposes of this Section 6:

"**Applicable Securities Laws**" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations, and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada;

"**Public announcement**" means disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and

"**Representatives**" of a person means the affiliates and associates of such person, all persons acting jointly or in concert with any of the foregoing, and the affiliates and associates of any of such persons acting jointly or in concert, and "**Representative**" means any one of them.

SECTION 7
DIVIDENDS AND RIGHTS

7.1 Declaration of Dividends

Subject to the Act, the directors may from time to time declare dividends payable to the shareholders according to their respective rights and interests in the Corporation.

7.2 Wire Transfers or Cheques

A dividend payable in money shall be paid, at the Corporation's option, by (a) wire transfer, or (b) cheque to the order of each registered holder of shares of the class or series in respect of which it has been declared, and (i) sent, if by wire transfer, to such registered holder as per the wire instructions provided by such holder in the Corporation's securities register, or (ii) mailed by prepaid ordinary mail, if by cheque, to such registered holder at the address of such holder in the Corporation's securities register, unless such holder otherwise directs. In the case of joint holders, the wire transfer or cheque shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and transferred to them as per the wire instructions, or mailed to them at their address, in the Corporation's securities register. The issuance of the wire transfer or the mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy, and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

7.3 Non-Receipt of Wire Transfers or Cheques

In the event of non-receipt of any dividend wire transfer or cheque by the person to whom it is sent as aforesaid, the Corporation shall issue to such person a wire transfer or a cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the directors may from time to time prescribe, whether generally or in any particular case.

7.4 Unclaimed Dividends

To the extent permitted by applicable law, any dividends unclaimed after a period of six years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

SECTION 8
EXECUTION OF INSTRUMENTS

8.1 Execution of Instruments

Contracts, deeds, mortgages, hypothecs, charges, conveyances, transfers, assignments or other documents or instruments in writing requiring the signature of the Corporation may be signed by any one director or officer of the Corporation, and all contracts, documents or instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The directors are authorized from time to time by resolution to appoint any one or more

officers or other persons on behalf of the Corporation either to sign contracts, documents, or instruments in writing generally or to sign specific contracts, documents, or instruments in writing.

8.2 Electronic Signatures

Any requirement under the Act or this by-law for a signature, or for a document to be executed, is satisfied by a signature or execution in electronic form if such is permitted by law and all requirements prescribed by law are met.

SECTION 9
NOTICE

9.1 General

A notice mailed to a shareholder, director, auditor, or member of a committee shall be deemed to have been received if given if (i) delivered personally to the person to whom it is to be given; (ii) delivered to such person's recorded address; (iii) if sent by prepaid mail to such person at the person's recorded address; or (iv) otherwise communicated to such person by electronic means as permitted by the Act. The foregoing may not be construed so as to limit the manner or effect of giving notice by any other means of communication otherwise permitted by law. A notice so delivered will be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been sent when deposited in a post office or public letter box and shall be deemed to have been received on the fifth day after so depositing; and a notice so sent by any electronic means will be deemed to have been given at the time specified under the Act. The secretary may change or cause to be changed the recorded address, including any address to which electronic communications of any kind may be sent, of any shareholder, director, officer, or auditor in accordance with any information believed by the secretary to be reliable. The recorded address of a director shall be the latest address as shown in the records of the Corporation or in the most recent notice filed under the *Corporations Information Act* (Ontario), whichever is the more current.

9.2 Joint Holders

If two or more persons are registered as joint holders of any security, any notice may be addressed to all such joint holders but notice addressed to one of them constitutes sufficient notice to all of them.

9.3 Electronic Delivery

The Corporation may satisfy the requirement to send any notice or document referred to in Section 8.1 by creating and providing an electronic document in compliance with the Act and the regulations thereunder.

9.4 Computation of Time

Except as otherwise provided, in computing the date when notice must be given under any

provision of the articles or the by-laws requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

9.5 Omissions and Errors

Accidental omission to give any notice to any shareholder, director, auditor or member of a committee or non-receipt of any notice or any error in a notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice.

SECTION 10
FORUM SELECTION

10.1 Forum of Adjudication of Certain Disputes

Unless the Corporation consents in writing to the selection of an alternative forum, the Superior Court of Justice of the Province of Ontario, Canada and the appellate Courts therefrom (or, failing such court, any other "court" (as defined in the Act) having jurisdiction and the appellate Courts therefrom), shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation; (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any director, officer, or other employee of the Corporation to the Corporation; (iii) any action or proceeding asserting a claim arising pursuant to any provision of the Act or the articles or the by-laws of the Corporation (as either may be amended from time to time); or (iv) any action or proceeding asserting a claim otherwise related to the "affairs" (as defined in the Act) of the Corporation, but excluding claims related to the Corporation's business or the business of the Corporation's "affiliates" (as defined in the Act). If any action or proceeding the subject matter of which is within the scope of the preceding sentence is filed in a Court other than a Court located within the Province of Ontario (a "**Foreign Action**") in the name of any security holder, such security holder shall be deemed to have consented to (a) the personal jurisdiction of the provincial and federal Courts located within the Province of Ontario in connection with any action or proceeding brought in any such Court to enforce the preceding sentence and (b) having service of process made upon such security holder in any such action or proceeding by service upon such security holder's counsel in the Foreign Action as agent for such security holder.

[remainder of page is intentionally left blank]

DATED the___day of _____, 202●.

SPYDER CANNABIS INC.

Per: _____
Name:
Title:

APPENDIX "C"

SECTION 191 OF THE ABCA

(see attached)

SECTION 191 OF THE *BUSINESS CORPORATIONS ACT* (ALBERTA)

Shareholder's Right to Dissent

191(1) Subject to sections 192 and 242, a holder of shares of any class of a corporation may dissent if the corporation resolves to:

(a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class,

(b) amend its articles under section 173 to add, change or remove any restrictions on the business or businesses that the corporation may carry on,

(b1) amend its articles under section 173 to add or remove an express statement establishing the unlimited liability of shareholders as set out in section 15.2(1),

(c) amalgamate with another corporation, otherwise than under section 184 or 187,

(d) be continued under the laws of another jurisdiction under section 189, or

(e) sell, lease or exchange all or substantially all its property under section 190.

(2) A holder of shares of any class or series of shares entitled to vote under section 176, other than section 176(1)(a), may dissent if the corporation resolves to amend its articles in a manner described in that section.

(3) In addition to any other right the shareholder may have, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the last business day before the day on which the resolution from which the shareholder dissentswas adopted.

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the shareholder or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2)

(a) at or before any meeting of shareholders at which the resolution is to be voted on, or

(b) if the corporation did not send notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent, within a reasonable time after the shareholder learns that the resolution was adopted and of the shareholder's right to dissent.

(6) An application may be made to the Court after the adoption of a resolution referred to in subsection (1) or (2),

(a) by the corporation, or

(b) by a shareholder if the shareholder has sent an objection to the corporation under subsection (5),

to fix the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section, or to fix the time at which a shareholder of an unlimited liability corporation who dissents under this section ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(7) If an application is made under subsection (6), the corporation shall, unless the Court otherwise orders, send to each dissenting shareholder a written offer to pay the shareholder an amount considered by the directors to be the fair value of the shares.

(8) Unless the Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder

(a) at least 10 days before the date on which the application is returnable, if the corporation is the applicant, or

(b) within 10 days after the corporation is served with a copy of the application, if a shareholder is the applicant.

(9) Every offer made under subsection (7) shall

(a) be made on the same terms, and

(b) contain or be accompanied with a statement showing how the fair value was determined.

(10) A dissenting shareholder may make an agreement with the corporation for the purchase of the shareholder's shares by the corporation, in the amount of the corporation's offer under subsection (7) or otherwise, at any time before the Court pronounces an order fixing the fair value of the shares.

(11) A dissenting shareholder

(a) is not required to give security for costs in respect of an application under subsection (6), and

(b) except in special circumstances must not be required to pay the costs of the application or appraisal.

(12) In connection with an application under subsection (6), the Court may give directions for

(a) joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Court, are in need of representation,

(b) the trial of issues and interlocutory matters, including pleadings and questioning under Part 5 of the Alberta Rules of Court,

(c) the payment to the shareholder of all or part of the sum offered by the corporation for the shares,

(d) the deposit of the share certificates with the Court or with the corporation or its transfer agent,

(e) the appointment and payment of independent appraisers, and the procedures to be followed by them,

(f) the service of documents, and

(g) the burden of proof on the parties.

(13) On an application under subsection (6), the Court shall make an order

(a) fixing the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application,

(b) giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders,

(c) fixing the time within which the corporation must pay that amount to a shareholder, and

(d) fixing the time at which a dissenting shareholder of an unlimited liability corporation ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(14) On

(a) the action approved by the resolution from which the shareholder dissents becoming effective,

(b) the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for the shareholder's shares, whether by the acceptance of the corporation's offer under subsection (7) or otherwise, or

(c) the pronouncement of an order under subsection (13),

whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shareholder's shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.

(15) Subsection (14)(a) does not apply to a shareholder referred to in subsection (5)(b).

(16) Until one of the events mentioned in subsection (14) occurs,

(a) the shareholder may withdraw the shareholder's dissent, or

(b) the corporation may rescind the resolution,

and in either event proceedings under this section shall be discontinued.

(17) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights, as a shareholder by reason of subsection (14) until the date of payment.

(18) If subsection (20) applies, the corporation shall, within 10 days after

(a) the pronouncement of an order under subsection (13), or

(b) the making of an agreement between the shareholder and the corporation as to the payment to be made for the shareholder's shares,

notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

(19) Notwithstanding that a judgment has been given in favour of a dissenting shareholder under subsection (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw the shareholder's notice of objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to the shareholder's full rights as a shareholder, failing which the shareholder retains a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

(20) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due, or

(b) the realizable value of the corporation's assets would by reason of the payment be less than the aggregate of its liabilities.

APPENDIX "D"

AUDIT COMMITTEE CHARTER

(see attached)

SPYDER CANNABIS INC.

(the "Corporation")

AUDIT COMMITTEE MANDATE

OVERALL ROLE AND RESPONSIBILITY

The Audit Committee shall:

1.1 Assist the Board of Directors in its oversight role with respect to:

(a) the quality and integrity of financial information;

(b) the independent auditor's performance, qualifications and independence;

(c) the performance of the Corporation's internal audit function, if applicable; and

(d) the Corporation's compliance with legal and regulatory requirements; and

1.2 Prepare such reports of the Audit Committee required to be included in the information/proxy circular of the Corporation in accordance with applicable laws or the rules of applicable securities regulatory authorities.

MEMBERSHIP AND MEETINGS

The Audit Committee shall consist of three (3) or more Directors appointed by the Board of Directors, none of whom shall be officers or employees of the Corporation or any of the Corporation's affiliates. Each of the members of the Audit Committee shall satisfy the applicable independence and experience requirements of the laws governing the Corporation, and applicable securities regulatory authorities.

The Board of Directors shall designate one (1) member of the Audit Committee as the Committee Chair. Each member of the Audit Committee shall be financially literate as such qualification is interpreted by the Board of Directors in its business judgment. The Board of Directors shall determine whether and how many members of the Audit Committee qualify as a financial expert as defined by applicable law.

STRUCTURE AND OPERATIONS

The affirmative vote of a majority of the members of the Audit Committee participating in any meeting of the Audit Committee is necessary for the adoption of any resolution.

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Committee shall report to the Board of Directors on its activities after each of its meetings at which time minutes of the prior Committee meeting shall be tabled for the Board.

The Audit Committee shall review and assess the adequacy of this Charter periodically and, where necessary, will recommend changes to the Board of Directors for its approval.

The Audit Committee is expected to establish and maintain free and open communication with management and the independent auditor and shall periodically meet separately with each of them.

SPECIFIC DUTIES

Oversight of the Independent Auditor

- Make recommendations to the board for the appointment and replacement of the independent auditor.
- Responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.
- Authority to pre-approve all audit services and permitted non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.
- Evaluate the qualifications, performance and independence of the independent auditor, including: (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
- Obtain from the independent auditor and review the independent auditor's report regarding the management internal control report of the Corporation to be included in the Corporation's annual information/proxy circular, as required by applicable law.
- Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law (currently at least every five years).

Financial Reporting

- Review and discuss with management and the independent auditor:
    - prior to the annual audit the scope, planning and staffing of the annual audit,
    - the annual audited financial statements,
    - the Corporation's annual and quarterly disclosures made in management's discussion and analysis,
    - approve any reports for inclusion in the Corporation's Annual Report, if any, as required by applicable legislation,
    - the Corporation's quarterly financial statements, including the results of the independent auditor's review of the quarterly financial statements and any matters required to be communicated by the independent auditor under applicable review standards,
    - significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements,
    - any significant changes in the Corporation's selection or application of accounting principles,
    - any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies, and

- other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.

- Discuss with the independent auditor matters relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information and any significant disagreements with management.

AUDIT COMMITTEE'S ROLE

The Audit Committee has the oversight role set out in this Charter. Management, the Board of Directors, the independent auditor and the internal auditor all play important roles in respect of compliance and the preparation and presentation of financial information. Management is responsible for compliance and the preparation of financial statements and periodic reports. Management is responsible for ensuring the Corporation's financial statements and disclosures are complete, accurate, in accordance with generally accepted accounting principles and applicable laws. The Board of Directors in its oversight role is responsible for ensuring that management fulfills its responsibilities. The independent auditor, following the completion of its annual audit, opines on the presentation, in all material respects, of the financial position and results of operations of the Corporation in accordance with Canadian generally accepted accounting principles.

FUNDING FOR THE INDEPENDENT AUDITOR AND RETENTION OF OTHER INDEPENDENT ADVISORS

The Corporation shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Audit Committee. The Audit Committee shall also have the authority to retain such other independent advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefor shall also be funded by the Corporation.

APPROVAL OF AUDIT AND REMITTED NON-AUDIT SERVICES PROVIDED BY EXTERNAL AUDITORS

Over the course of any year there will be two levels of approvals that will be provided. The first is the existing annual Audit Committee approval of the audit engagement and identifiable permitted non-audit services for the coming year. The second is in-year Audit Committee pre-approvals of proposed audit and permitted non-audit services as they arise.

Any proposed audit and permitted non-audit services to be provided by the External Auditor to the Corporation or its subsidiaries must receive prior approval from the Audit Committee, in accordance with this protocol. The CFO shall act as the primary contact to receive and assess any proposed engagements from the External Auditor.

Following receipt and initial review for eligibility by the primary contacts, a proposal would then be forwarded to the Audit Committee for review and confirmation that a proposed engagement is permitted.

In the majority of such instances, proposals may be received and considered by the Chair of the Audit Committee (or such other member of the Audit Committee who may be delegated authority to approve audit and permitted non-audit services), for approval of the proposal on behalf of the Audit Committee. The Audit Committee Chair will then inform the Audit Committee of any approvals granted at the next scheduled meeting.

EXHIBIT "A"

AUDIT COMMITTEE WHISTLER BLOWER POLICY

SPYDER CANNABIS INC.

(the "Corporation")

AUDIT COMMITTEE "WHISTLE-BLOWER" PROCEDURES POLICY

National Instrument 52-110 Requirement

Pursuant to National Instrument 52-110, the Corporation's Audit Committee is required to establish procedures for:

(a) the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and

(b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

This procedures policy is designed to achieve this purpose.

The Corporation's Procedure

Employees having concerns regarding questionable accounting or auditing matters are encouraged to submit such concerns (the "Accounting Related Complaint") to the Chair of the Corporation's Audit Committee.

Any employee who wishes to make an Accounting Related Complaint may do so anonymously or in confidence by directing such Accounting Related Complaint in writing directly to the Chair of the Audit Committee. Delivery may be made directly to the Chairman or to the Chairman care of the Corporation and marked personal and confidential.

Upon receiving an Accounting Related Complaint, the Chair of the Audit Committee will, depending upon the apparent urgency of the matter, call a meeting of the Audit Committee or add the Accounting Related Complaint to the agenda for consideration at the next regularly scheduled meeting of the Audit Committee.

The Audit Committee shall review and discuss, on a preliminary basis, the nature of the Accounting Related Complaint and the accounting, internal accounting controls or auditing matters that are called intoquestion. In conducting this review, the Audit Committee will hold an *in camera* session, and then may request the attendance, at its discretion, of the Chief Executive Officer, the Chief Financial Officer, the Corporation's auditor and/or the person making the Accounting Related Complaint (if known and if such person is amenable) and/or such other persons as it deems necessary. The purpose of the meeting and the nature of the Accounting Related Complaint shall have been communicated to all such attendees bynotice prior to the meeting.

If the Audit Committee is satisfied upon a preliminary review that the Accounting Related Complaint has merit, the Audit Committee shall authorize the Chair of the Audit Committee to retain and consult with an appropriately qualified: (1) law firm; and (2) a registered public accounting firm, within the meaning of applicable securities legislation, other than the independent auditor, in order to review the Accounting Related Complaint:

Following the conclusion of its inquiries, the Audit Committee shall meet to determine the merit of the Accounting Related Complaint. Minutes of such meeting shall be kept in the normal course in order to ensure a record of the nature and treatment of the Accounting Related Complaint.

Upon reaching such determination, the Audit Committee will communicate its findings and recommendations to the Board. The Board shall consider and implement such recommendations, as it deems advisable, to rectify any deficiencies identified in the Accounting Related Complaint and shall communicate same to management.

The Audit Committee shall ensure that confidentiality will be maintained throughout the investigatory process to the extent practicable and appropriate under the circumstances; and the person who makes the Accounting Related Complaint (if known) shall receive a written summary of the final determination.

The Audit Committee shall retain all documentation regarding the Accounting Related Complaint, its preliminary review, any investigation, determination and implementation of recommendations for a period of no less than ten (10) years.

Administration

The Corporation, through the Chief Executive Officer shall be responsible for the dissemination of this policy to all employees.

No Retaliation

The Corporation will not allow or pursue retaliation of any kind in respect of an Accounting Related Complaint, or for assistance or information provided to applicable authorities in connection with an investigation of breaches of applicable securities law, where such are made or provided in good faith. In addition, no employee may be adversely affected because the employee refused to carry out a directive which, in fact, constitutes corporate fraud, is a violation of this procedure, a violation of the law or presents a substantial and specific danger to the public's health and safety. Any retaliatory action should immediately be reported to the Chairman or any other member of the Corporation's Board of Directors.