

## STATEMENT OF EXECUTIVE COMPENSATION

### SIRE BIOSCIENCE INC. (formerly Blox Labs Inc.) (the “Company”)

(for financial years ended March 31, 2019 and 2018)

The following information is provided as required under Form 51-102F6V for Venture Issuers (the “Form”), as such term is defined in National Instrument 51-102.

For the purposes of this Statement of Executive Compensation form:

“Company” means Sire Bioscience Inc. (formerly Blox Labs Inc.);

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

“NEO” or “named executive officer” means each of the following individuals:

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, for that financial year;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

## DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

### Director and NEO Compensation, Excluding Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and directors of the Company for the two completed financial years ended March 31, 2019 and 2018. Options and compensation securities are disclosed under the heading “Stock Options and Other Compensation Securities” in this Form.

During financial year ended March 31, 2019, based on the definition above, the NEOs of the Company were: Jeffrey Zanini, CEO, Sean McGrath, CFO and Corporate Secretary.

During financial year ended March 31, 2018, based on the definition above, the NEOs of the Company were: Jeffrey Zanini, CEO, Harald Seemann, former CEO and Corporate Secretary, Jens Brandt, former CFO.

### Summary Compensation Table

During the years-ended March 31, 2019 and 2018, the Company had the following NEOs, whose names and positions held within the Company are set out in the summary compensation table below.

The compensation for the NEOs for the Company's three most recently completed financial years is as set out below:

Table of compensation excluding compensation securities								
Name and position	Year <sup>(1)</sup>	Salary, consulting fee, retainer or commission (\$)	Option-based Awards (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Jeffrey Zanini <sup>(2)</sup> CEO and Director	2019	157,314	123,084	Nil	Nil	Nil	Nil	280,398
	2018	9,000	Nil	Nil	Nil	Nil	Nil	9,000
Sean McGrath <sup>(3)</sup> CFO and Corporate Secretary	2019	91,744	111,716	Nil	Nil	Nil	Nil	203,460
	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Harald Seemann <sup>(4)</sup> Former CEO and Corporate Secretary	2019	16,000	Nil	Nil	Nil	Nil	Nil	16,000
	2018	48,000	Nil	Nil	Nil	Nil	Nil	48,000
Jens Brandt <sup>(5)</sup> Former CFO	2019	12,000	Nil	Nil	Nil	Nil	Nil	12,000
	2018	24,000	Nil	Nil	Nil	Nil	Nil	24,000
Thomas Clarke <sup>(6)</sup> Director	2019	Nil	43,430	Nil	Nil	Nil	Nil	43,430
	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Jerry Habuda <sup>(7)</sup> Director	2019	5,000	43,430	Nil	Nil	Nil	Nil	48,430
	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Peter Karroll <sup>(8)</sup> Director	2019	10,000	43,430	Nil	Nil	Nil	Nil	53,430
	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Financial years ended March 31.

(2) Jeffrey Zanini has served as CEO of the Company since March 29, 2018.

(3) Sean McGrath has served as CFO and Corporate Secretary of the Company since May 8, 2018.

(4) Harald Seemann served as CEO and Corporate Secretary of the Company from June 2, 2014 to March 29, 2018.

(5) Jens Brandt served as CFO of the Company from October 27, 2014 to May 7, 2018.

(6) Thomas Clarke was appointed a director of the Company on April 9, 2018.

(7) Jerry Habuda was appointed a director of the Company on March 29, 2018.

(8) Peter Karroll was appointed a director of the Company on May 28, 2018.

The Company's authorized share structure is an unlimited number of Common Shares.

## Stock Options and Other Incentive Plans

### Option-Based Awards

On May 12, 2014, the Company implemented a 10% rolling share option plan (the "**Option Plan**") in order to provide the Company with the flexibility necessary to attract and maintain the services of senior executives and other employees in competition with other businesses in the industry, and in anticipation of the Company being listed on the Canadian Securities Exchange ("**CSE**"). The Option Plan was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Compensation and Corporate Governance Committee proposes share option grants to the board of directors of the Company (the "**Board**") based on such criteria as performance, previous grants, and hiring incentives. All grants require approval of the Board. The Option Plan provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

A number of Common Shares equal to ten (10%) percent of the issued and outstanding Common Shares in the capital stock of the Company from time to time are reserved for the issuance of stock options pursuant to the Option Plan.

The Option Plan provides that the number of Common Shares issuable under the Option Plan, together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of the Company's issued and outstanding Common Shares.

### ***Material Terms to the Option Plan***

The following is a summary of the material terms of the Option Plan:

- (a) Persons who are Service Providers to the Company or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of options under the Option Plan;
- (b) options granted under the Option Plan are non-assignable and non-transferable and are issuable for a period of up to ten (10) years;
- (c) for options granted to Service Providers, the Company must ensure that the proposed Optionee is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (d) an Option granted to will expire 30 after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
- (e) if an Optionee dies, any vested option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such option;
- (f) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same;
- (g) the exercise price of each option will be set by the Board at the time such Option is allocated under the Option Plan, and cannot be less than the Discounted Market Price (as defined in the Option Plan);
- (h) vesting of options shall be at the discretion of the Board and, with respect to any particular Options granted under the Option Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where application, vesting of Options will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Company or any of its affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its affiliates during the vesting period; or (ii) the Service Provider remaining as a Director of the Company or any of its affiliates during the vesting period;
- (i) the Option Plan contains a black-out provision restricting all or any of the Company's directors, officers, employees, insiders or persons in a special relationship to refrain from trading in the Company's securities until the restriction has been lifted by the Company;
- (j) the Board reserves the right in its absolute discretion to amend, modify or terminate the Option Plan with respect to all common shares in respect of options which have not yet been granted under the Option Plan. Any amendment to any provision of the Option Plan will be subject to any necessary Regulatory approvals unless the effect of such amendment is intended to reduce (but not to increase) the benefits of the Option Plan to Service Providers.

The Board has determined that, in order to reasonably protect the rights of participants, as a matter of administration, it is necessary to clarify when amendments to the Option Plan may be made by the Board without further shareholder approval. Accordingly, the Option Plan also provides that the Board may, without shareholder approval:

- (i) amend the Option Plan to correct typographical, grammatical or clerical errors;
- (ii) change the vesting provisions of an option granted under the Option Plan, subject to prior written approval of the CSE, if applicable;
- (iii) change the termination provision of an option granted under the Option Plan if it does not entail an extension beyond the original expiry date of such option;

- (iv) make such amendments to the Option Plan as are necessary or desirable to reflect changes to securities laws applicable to the Company;
- (v) make such amendments as may otherwise be permitted by the CSE Policies, if applicable;
- (vi) if the Company becomes listed or quoted on a stock exchange or stock market, make senior to the CSE, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and
- (vii) amend the Option Plan to reduce, and do not increase, the benefits that may be granted to Service Providers.

### Stock Options and other Compensation Securities

The following table sets forth incentive stock options (option-based awards) pursuant to the Company's Option Plan that were outstanding to NEOs and directors of the Company as at March 31, 2019.

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant (dd/mm/yy)	Issue, conversion or exercise price (\$) <sup>(1)</sup>	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date (dd/mm/yy)
Jeffrey Zanini CEO and director	Options	1,395,000	05/25/18	0.04	0.04	0.05	05/25/23
		1,240,000	10/17/18	0.06	0.055		10/17/23
Jerry Habuda director	Options	750,000	05/25/18	0.04	0.04	0.05	05/25/23
		250,000	10/17/18	0.06	0.055		10/17/23
Thomas Clarke director	Options	750,000	05/25/18	0.04	0.04	0.05	05/25/23
		250,000	10/17/18	0.06	0.055		10/17/23
Peter Karroll director	Options	750,000	05/25/18	0.04	0.04	0.05	05/25/23
		250,000	10/17/18	0.06	0.055		10/17/23
Sean McGrath CFO and Corporate Secretary	Options	1,095,000	05/25/18	0.04	0.04	0.05	05/25/23
		1,250,000	10/17/18	0.06	0.055		10/17/23

During the Company's financial year ended March 31, 2019, there were two option grants awarded by the Company to its NEOs as follows:

- May 25, 2018 - incentive options to acquire an aggregate of 2,490,000 Shares at an exercise price of \$0.04 per Share were granted to Mr. McGrath and Mr. Zanini. This option grant is exercisable until May 25, 2023.
- October 17, 2018 – incentive options to acquire 2,500,000 Shares at an exercise price of \$0.06 per Share were granted to Mr. McGrath and Mr. Zanini. This option grant is exercisable until October 17, 2023.

There were no options grant awarded during the financial year ended March 31, 2018.

### Exercise of Compensation Securities by NEOs and Directors

#### Financial Year Ended March 31, 2019

There were 10,000 stock options exercised at \$0.06 per share by NEOs or directors of the Company during the financial year ended March 31, 2019.

## Financial Year Ended March 31, 2018

There were no compensation securities exercised by NEOs or directors of the Company during the financial year ended March 31, 2018.

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

Effective July 4, 2019, Mr. Zanini entered into a consulting agreement with the Company pursuant to which he will provide CEO services to the Company in consideration for a monthly fee of \$6,000. Mr. Zanini is also entitled to a one-time fee of \$70,000 due immediately upon completion of a merger transaction with Best Cannabis Products Inc. The agreement has a term of six months and is automatically renewed for an additional 90 days unless either party provides at least 60 days written notice to terminate.

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

#### Elements of the Compensation Program

Executive compensation is set to attract and retain the best available talent while efficiently utilizing available resources. The Company compensates executive management with a package typically including a base salary (“**Base Salary**”), an incentive compensation plan (“**Incentive Compensation**”) and equity compensation (the “**Equity Compensation**”) designed to be competitive with comparable employers. In considering executive management’s compensation, the Board takes into consideration the financial condition of the Company. The Base Salary is set in comparison to the comparable positions in the market and in the industry, the Incentive Compensation is used as a short-term incentive to achieve Company objectives, and the Equity Compensation is designed to allow the participants to enjoy the benefits of any increase in company valuation and share price, should such an increase occur. Executive compensation is designed to reward activities and achievements that are aligned with the long-term interests of the Company’s shareholders.

The Base Salary, Incentive Compensation and Equity Compensation for the Company’s NEOs, including the CEO and the CFO is determined by the Board. The Board sets the compensation of the NEOs using generally available market data and their combined industry experience.

#### Philosophy and Objectives

The Company is a small cap development company with limited resources. The compensation program for the senior management of the Company is designed within this context with a view that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining qualified executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Company’s shareholders.

In compensating its senior management, the Company has employed a combination of base salary and equity participation through its Option Plan.

#### Base Salary or Consulting Fees

In the Board’s view, paying base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates is a first step to attracting and retaining qualified and effective executives.

Base salary ranges for the executive officers were initially determined upon a review of companies within the cannabis/hemp industry, which were of the same size as the Company, at the same stage of development as the Company and considered comparable to the Company.

In determining the base salary of an executive officer, the Board considers the following factors:

- (a) the particular responsibilities related to the position;

- (b) salaries paid by other companies in the cannabis/hemp industry which were similar in size as the Company;
- (c) the experience level of the executive officer;
- (d) the amount of time and commitment which the executive officer devotes to the Company; and
- (e) the executive officer's overall performance and performance in relation to the achievement of corporate milestones and objectives.

#### Financial Year ended March 31, 2019

During the financial year ended March 31, 2019, the Company owed a total of \$Nil (2018: \$18,429) to Harald Seemann, the former CEO of the Company, for consulting fees and reimbursable.

#### Financial Year ended March 31, 2018

During the financial year ended March 31, 2018, the Company owed a total of \$18,429 (2017: \$Nil) to Harald Seemann, the former CEO of the Company, for consulting fees and reimbursable.

#### Bonus Incentive Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Board considers executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon compensation levels based on recommendations of the CEO. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Company's operations.

#### Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's existing share option plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board based on recommendations put forward by the CEO. Due to the Company's limited financial resources, the Company emphasizes the provisions of option grants to maintain executive motivation.

#### Compensation Review Process

##### Risks Associated with the Company's Compensation Program

The Company's directors have not considered the implications of any risks to the Company associated with decisions regarding the Company's compensation program. The Company intends to formalize its compensation policies and practices and will take into consideration the implications of the risks associated with the Company's compensation program and how it might mitigate those risks.

The Company did not retain a compensation consultant during financial years ending March 31, 2019 and 2018.

##### Benefits and Perquisites

The Company does not, as of the date of this Form, offer any benefits or perquisites to its NEOs other than potential grants of incentive stock options as otherwise disclosed and discussed herein.

##### Hedging by Directors or NEOs

The Company has not, to date, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers or directors. The Company is not, however, aware of any directors or officers having entered into this type of transaction

As of the date of this Form, entitlement to grants of incentive stock options under the Company's Option Plan is the only equity security element awarded by the Company to its executive officers and directors.

### **Pension Disclosure**

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

### **ADDITIONAL INFORMATION**

Additional information concerning the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.sirebioscience.com](http://www.sirebioscience.com).

Financial information relating to the Company is provided in the Company's audited financial statements and the management discussion and analysis ("MD&A") for the years ended March 31, 2019 and 2018. Shareholders may download the financial statements and MD&A from SEDAR ([www.sedar.com](http://www.sedar.com)) or contact the Company directly to request copies of the financial statements and MD&A by: mail to 804-750 West Pender Street, Vancouver, BC, V6C 2T7; or fax to 604-685-6905. Additional financial information concerning the Company may be obtained by any shareholder free of charge by contacting the Company at 604-682-2928.