

UPCO INTERNATIONAL INC.

**NOTICE OF MEETING
AND
MANAGEMENT INFORMATION CIRCULAR**

**FOR THE
ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**TO BE HELD AT 10:00 A.M.
ON DECEMBER 20, 2019
200 – 17618 58 AVENUE
SURREY, BC V3S 1L3**

UPCO INTERNATIONAL INC.

200 – 17618 58 Avenue
Surrey, BC V3S 1L3

Telephone 778.218.9638

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of the shareholders of Upco International Inc. (hereinafter called the “**Company**”) will be held at 200 – 17618 58 Avenue, Surrey, British Columbia on Friday, December 20, 2019 at the hour of 10:00 o'clock in the forenoon (Pacific Time) for the following purposes:

1. To receive and consider the report of the directors, the audited financial statements of the Company for the year ended December 31, 2018 and the report of the auditor thereon.
2. To appoint Davidson & Company LLP, Chartered Professional Accountants, as auditor for the Company for the ensuing year at a remuneration to be fixed by the directors.
3. To set the number of directors at three (3).
4. To elect three (3) directors to serve until the next annual general meeting of shareholders or until their successors are elected or appointed.
5. To consider and, if thought fit, approve the Company’s 15% rolling stock option plan dated November 19, 2019.
6. To transact such further or other business including, without limitation, such amendments or variations as may properly come before the Meeting or any adjournment thereof.

The board of directors of the Company has fixed the close of business on Friday, November 15, 2019 as the record date for the purpose of determining shareholders entitled to receive notice of the Meeting. Shareholders who are unable to attend the Meeting in person are requested to read, complete, sign and mail the enclosed form of proxy in accordance with the instructions set out in the proxy form and in the information circular accompanying this notice. Please advise the Company of any change in your mailing address. If you are a non-registered shareholder and receive these materials through your broker or another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or intermediary.

DATED at Vancouver, British Columbia, the 20th day of November, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

“Andrea Pagani”

Andrea Pagani, CEO & President

UPCO INTERNATIONAL INC.

200 – 17618 58 Avenue
Surrey, BC V3S 1L3

Telephone 778.218.9638

INFORMATION CIRCULAR

(Containing information as at November 15, 2019 unless indicated otherwise)

PERSONS MAKING THE SOLICITATION

This information circular is furnished in connection with the solicitation of proxies by the management of Upco International Inc. (the “**Company**”) for use at the annual general meeting of shareholders to be held on Friday, December 20, 2019 (the “**Meeting**”) and any adjournment thereof at the time and place and for the purposes set forth in the accompanying notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by directors, officers and employees of the Company at nominal cost. All costs of solicitation by Management will be borne by the Company.

APPOINTMENT AND REVOCATION OF PROXIES

THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY ARE DIRECTORS OF THE COMPANY. **A SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM AT THE MEETING MAY DO SO, EITHER BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE DESIRED PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER PROPER FORM OF PROXY AND IN EITHER CASE DELIVERING THE COMPLETED PROXY TO THE OFFICE OF COMPUTERSHARE INVESTOR SERVICES INC., 8TH FLOOR, 100 UNIVERSITY AVENUE, TORONTO, ONTARIO, M5J 2Y1, OR BY FAX WITHIN NORTH AMERICA TO 1.866.249.7775 AND OUTSIDE NORTH AMERICA TO 514.982.7555, OR BY TELEPHONE TO 1.866.732.VOTE (8683) OR INTERNET AT WWW.INVESTORVOTE.COM NOT LESS THAN FORTY-EIGHT (48) HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME OF THE MEETING OR ANY ADJOURNMENT THEREOF.**

The instrument of proxy must be signed by the shareholder or by his or her attorney in writing, or, if the shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

A shareholder who has given a proxy may revoke it by an instrument in writing delivered to the said office of Computershare Investor Services Inc. at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, or to the chairman of the Meeting on the day of the Meeting or any adjournment of it, or in any manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

ADVICE TO BENEFICIAL SHAREHOLDERS

If common shares are registered under the name of a shareholder’s broker or an agent of that broker (rather than in the name of the beneficial shareholder), then such shares can only be voted (for or against resolutions) upon the instructions of the beneficial shareholder. Beneficial shareholders should ensure that instructions respecting the voting of their common shares are communicated to management by

completing and signing a voting information form and returning it to management. The voting instruction form supplied to beneficial shareholders is identical to the form of proxy provided to registered shareholders.

Beneficial shareholders who complete and return a voting instruction form must indicate thereon the person (usually a brokerage house) who holds their shares as a registered shareholder. However, its purpose is limited to instructing management how to vote as proxy holder of the registered holder. Management will execute the voting instructions as instructed by the beneficial shareholder to the extent that the management of the reporting issuer holds the corresponding proxy.

If a beneficial shareholder wants to attend the Meeting and vote in person, then the beneficial shareholder should write the beneficial shareholder's name in the place provided for that purpose in the voting instruction form. A beneficial shareholder can also write the name of someone else who he/she/it wishes to attend the meeting and vote on his/her/its behalf. Unless prohibited by law, the person whose name is written in the space provided will have full authority to attend and present matters to the Meeting and vote on all matters that are presented at the Meeting, even if those matters are not set out in the voting instruction form or in this information circular.

The Company is not relying on the "notice-and-access" provisions set out in NI 54-101 to distribute copies of the proxy-related materials in connection with the Meeting. The Company is not sending proxy-related materials directly to non-objecting beneficial owners ("NOBOs").

Management of the Company does not intend to pay for intermediaries to deliver to objecting beneficial owners ("OBOs") under NI 54-101 the meeting materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*. OBOs will not receive the meeting materials and Form 54-101F7 unless the intermediary holding shares on behalf of the OBO assumes the cost of delivery.

All references to shareholders in this information circular and the accompanying form of proxy and notice of Meeting are to shareholders of record unless specifically stated otherwise.

VOTING OF PROXIES

The securities represented by the proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for, and if the shareholder specifies a choice with respect to any matter to be acted upon, the securities shall be voted accordingly. The form of proxy confers authority upon the named proxyholder with respect to matters identified in the accompanying notice of Meeting.

On any poll, the persons named in the enclosed instrument of proxy will vote the shares in respect of which they are appointed. Where directions are given by the shareholder in respect of voting for or against any resolution, the proxyholder will do so in accordance with such direction.

IF A CHOICE WITH RESPECT TO SUCH MATTERS IS NOT SPECIFIED, IT IS INTENDED THAT THE PERSON DESIGNATED BY MANAGEMENT IN THE FORM OF PROXY WILL VOTE THE SECURITIES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE NOMINEES OF MANAGEMENT FOR DIRECTORS AND AUDITOR. AN ALTERNATE PROXYHOLDER HAS DISCRETION TO VOTE THE SHARES AS HE OR SHE CHOOSES.

The enclosed form of proxy when properly completed and delivered and not revoked confers discretionary authority upon the named proxyholder with respect to amendments to or variations in

matters identified in the accompanying notice of Meeting and other matters which may properly come before the Meeting.

In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an “**Ordinary Resolution**”) unless the motion requires a special resolution, in which case a majority of not less than 66 2/3% of the votes cast will be required. In the event a motion proposed at the Meeting requires disinterested shareholder approval, common shares held by shareholders of the Company who are also “insiders”, as such term is defined under applicable securities laws, will be excluded from the count of votes cast on such motion.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as disclosed in this information circular, no person who is or has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, or any associate or affiliate of such person, or any person on behalf of whom this solicitation is made, has any material interest, direct or indirect, in any matter to be acted upon at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company has an authorized capital consisting of an unlimited number of common shares without par value. Friday, November 15, 2019 was fixed in advance by the directors as the record date (the “**Record Date**”) for the purposes of determining those shareholders entitled to receive notice of, and to vote at, the Meeting. Only those shareholders who were shareholders of record by the Record Date and who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described herein will be entitled to vote or to have their shares voted at the Meeting. As of the date hereof and as at the Record Date, the Company had 71,873,156 common shares issued and outstanding, each such share carrying the right to one (1) vote at the Meeting.

The articles of the Company provide that the quorum for the transaction of business at any meeting of shareholders is one person who is a shareholder, or who is otherwise permitted to vote shares of the Company at a meeting of shareholders pursuant to the Company's articles, present in person or by proxy. Any persons entitled or required under the *Business Corporations Act* (British Columbia) or the Company's articles to be present at the Meeting are entitled to attend at any general meeting but no such person will be counted in the quorum or be entitled to vote at the Meeting unless he is a shareholder or proxyholder entitled to vote at the Meeting. Unless otherwise indicated, each resolution that will be placed before the Meeting will be an ordinary resolution requiring for its approval a simple majority of the votes cast in respect of the resolution.

To the knowledge of the directors and executive officers of the Company, as at the Record Date, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying more than 10% of the voting rights attached to the voting securities of the Company except as follows:

| Name of Shareholder | Number of Common Shares Held⁽¹⁾ | Percentage of Issued and Outstanding Common Shares |
|----------------------------|---------------------------------------------------|-----------------------------------------------------------|
| Coserfi s.r.l. | 17,140,840 | 23.85% |
| Aduna Holding GmbH | 16,500,000 | 22.96% |

⁽¹⁾ Based on information from SEDI.

FIXING THE NUMBER OF DIRECTORS AND ELECTION OF DIRECTORS

The Company is requesting shareholder approval to fix the number for which positions exist on the Company's board at three (3) and, if approved, three (3) directors will be elected at the Meeting. Although management is nominating five (5) individuals to stand for election, three (3) directors will be elected at the Meeting. The names of further nominees for directors may come from the floor at the Meeting.

The directors of the Company are elected annually and hold office until the next annual general meeting of shareholders or until their successors are appointed. Unless authority to do so is withheld, the persons designated in the accompanying form of proxy intend to vote for the nominees of management listed below. Management does not contemplate that any of the nominees will be unable or unwilling to serve as a director but if, for any reason, any of them shall be unable or unwilling to serve, it is intended that the proxies given pursuant to this solicitation will be voted for a substitute nominee or nominees selected by management, unless authority to vote the proxies in the election of directors is withheld.

INFORMATION CONCERNING NOMINEES SUBMITTED BY MANAGEMENT

The persons named in the following table are management's nominees to the board of directors. Each director elected will hold office until the next annual general meeting unless their office is earlier vacated in accordance with the articles of the Company and the *Business Corporations Act* (British Columbia) or unless he or she becomes disqualified to act as a director.

| Name, Province and Country of Residence of each Nominee and Present Position with the Company ⁽¹⁾ | Principal Occupation, Business or Employment within the Five Preceding Years ⁽¹⁾ | Period Served as a Director | Number of Voting Securities ⁽²⁾ |
|---------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|---------------------------------------------------|
| Andrea Pagani Milan, Italy CEO, President and Director | CEO and President of Upco International Inc. since October 18, 2017; founder of Upco Systems Inc. and its CEO since 2014. | October 18, 2017 to date | 10,230,000 ⁽³⁾ |
| Sergio Mistrali Parma, Italy Director | Founder and managing director of private real estate company in Italy, now part of the franchise Coldwell Banker for luxury real estate in Parma, Italy. | July 3, 2019 to date | 17,140,840 ⁽⁴⁾ |
| Juan Ramos Taboada Buenos Aires, Argentina Nominee Director | Vice President, Latin America and Caribbean of KPN iBasis, a telecommunications company. | Nominee | Nil |
| Gerben Borsje Gelderland, The Netherlands Nominee Director | International entrepreneur; founder and CEO of optical media manufacturer MMORE. | Nominee | Nil |
| Vincenzo Orlando Parma, Italy Nominee Director | CEO of ILLA SpA, a manufacturer of cookware, since 2013. | Nominee | Nil |

(1) The information as to the province and country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.

(2) The information as to shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been obtained from SEDI or furnished by the respective directors individually.

(3) Andrea Pagani owns 62% of Aduna Holding GmbH which owns 16,500,000 shares of the Company.

(4) Sergio Mistrali owns 94% of Coserfi s.r.l. which owns 17,140,840 shares of the Company.

The Company does not at present have an executive committee, compensation committee or any other committees, other than an audit committee (the “Audit Committee”) as required by the *Business Corporations Act* (British Columbia).

Andrea Pagani, Franco Zanichelli and Sergio Mistrali are the three current directors elected by the board of directors of the Company to the Audit Committee.

Corporate or Management Cease Trade Orders

Except for as disclosed herein, none of the Company’s proposed directors are, or have been within the last 10 years, a director, chief executive officer or chief financial officer any issuer that, while that person was acting in that capacity, or after that person was acting in that capacity 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, was the subject of a cease trade or similar order or an order that denied the issuer access to any statutory exemptions for a period of more than 30 consecutive days.

Corporate Bankruptcies

None of the Company’s proposed directors are, or have been within the last 10 years, a director or executive officer of any issuer that, while that person was acting 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 the assets of that issuer.

Penalties or Sanctions

None of the Company’s proposed directors are, or have been within the last 10 years, the subject of 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 been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Personal Bankruptcies

None of the Company’s proposed directors has, within the last 10 years, become bankrupt or 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 his or her assets.

AUDIT COMMITTEE

Under National Instrument 52-110 – Audit Committees (“**NI 52-110**”), companies are required to provide disclosure with respect to their audit committee including the composition of the audit committee, the text of the audit committee’s charter, and the fees paid to the external auditor. Accordingly, the Company provides the following disclosure with respect to its Audit Committee:

The Audit Committee’s Charter

The directors of the Company have adopted a Charter for the Audit Committee, which sets out the Audit Committee’s mandate, organization, powers and responsibilities. The following is the text of the Audit Committee’s Charter:

Mandate

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

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

Composition

The Committee shall be comprised of a minimum of three directors as determined by the Board of Directors. If the Company ceases to be a "venture issuer" (as that term is defined in National Instrument 51-102), then all of the members of the Committee shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

If the Company ceases to be a "venture issuer" (as that term is defined in National Instrument 51-102), then all members of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Audit Committee Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Committee shall meet a least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- review and update this Audit Committee Charter annually; and

- review the Company's financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- review annually, the performance of the external auditors who shall be ultimately accountable to the Company's Board of Directors and the Committee as representatives of the shareholders of the Company;
- obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1;
- review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
- take, or recommend that the Company's full Board of Directors take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- recommend to the Company's Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;
- recommend to the Company's Board of Directors the compensation to be paid to the external auditors;
- at each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;
- review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements; and
- review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The preapproval requirement is waived with respect to the provision of non-audit services if:
 - the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided,
 - such services were not recognized by the Company at the time of the engagement to be non-audit services, and
 - such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

- in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;

- consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;
- review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments;
- following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- review certification process;
- establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

- review any related-party transactions;
- engage independent counsel and other advisors as it determines necessary to carry out its duties; and
- to set and pay compensation for any independent counsel and other advisors employed by the Committee.

Composition of the Audit Committee

The following are the current members of the Audit Committee:

| | | |
|-------------------|--------------------------------|-------------------------------------|
| Andrea Pagani | Not independent ⁽¹⁾ | Financially literate ⁽²⁾ |
| Franco Zanichelli | Independent ⁽¹⁾ | Financially literate ⁽²⁾ |
| Sergio Mistrali | Not independent ⁽¹⁾ | Financially literate ⁽²⁾ |

⁽¹⁾ A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company which could, in the view of the board of directors, reasonably interfere with the exercise of a member's independent judgment. Executive officers, employees, family members of executive officers, and individuals who accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Company (other than as remuneration for acting as a board member) are considered to have a material relationship with the Company. An individual is considered to have a material relationship with the Company if the individual is, or has been within the last three years, an employee or executive officer of the Company or if an immediate family member of the individual is, or has been within the last three years, an executive officer of the Company.

⁽²⁾ An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Relevant Education and Experience

The education and experience of each audit committee member that is relevant to the performance of his responsibilities as an audit committee member is as follows:

Andrea Pagani

Andrea Pagani is the founder of Upco Systems Inc. and has been its CEO since 2014. From September 2011 until March 2014 Mr. Pagani was a solution enterprise architect for Verizon Business. Verizon is a global company which delivers communications and technology solutions to its customers. Mr. Pagani has also held positions with IBM, Telecom Italia and France Telecom. Mr. Pagani holds a Bachelor of Computer Science in Nanotechnology from the Politecnico of Milano. Mr. Pagani is financially literate.

Franco Zanichelli

Franco Zanichelli is a director of Upco International Inc. and currently works as a foreign finance consultant for several companies and groups in Italy and abroad. Mr. Zanichelli also held several positions as financial director and client relations working with major European and international banks. Mr. Zanichelli worked as a financial manager for CFT S.p.A., a food technology and food processing equipment company, for over nine years from 2002 to 2011. Since 2011 Mr. Zanichelli has provided financial business consulting services as an independent consultant, assisting businesses to Tropical Food Machinery, another food technology and food processing equipment company. Mr. Zanichelli holds a Bachelor's degree from Parma, Italy. Mr. Zanichelli is financially literate.

Sergio Mistrali

Sergio Mistrali has extensive experience working with companies in sales and marketing and developing new markets and products. He has worked extensively in the industrial and technology sectors, real estate development, telecommunications and food industry. Mr. Mistrali has worked with Italian multinational companies listed on the stock exchange. He was involved with the development of new market channels and loyalty programs. Mr. Mistrali holds a Bachelor of Accounting Degree from the University of Parma, Italy. Mr. Mistrali is financially literate.

Audit Committee Oversight

At no time since the commencement of the Company'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 of Directors.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of National Instrument 52-110 (*De Minimis* Non-audit Services), or an exemption from National Instrument 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110.

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board of Directors to review the performance of the Company's external auditors and approve in advance the provision of services other than auditing and to consider the independence of the external auditors, including reviewing the range of services provided in the context of

all consulting services bought by the Company. The Audit Committee is authorized to approve any non-audit services or additional work which the Chairman of the Audit Committee deems as necessary who will notify the other members of the Audit Committee of such non-audit or additional work.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company’s external auditor in each of the last two fiscal years for audit and non-audit services are as follows:

| Financial Year Ending⁽¹⁾ | Audit Fees⁽²⁾ | Audit Related Fees⁽³⁾ | Tax Fees⁽⁴⁾ | All Other Fees⁽⁵⁾ |
|--------------------------------------------|---------------------------------|-----------------------------------------|-------------------------------|-------------------------------------|
| 2018 | \$37,400 | Nil | Nil | Nil |
| 2017 | \$4,500 | Nil | Nil | Nil |

- (1) Financial years ended December 31.
- (2) The aggregate audit fees billed.
- (3) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements which are not included under the heading "Audit Fees".
- (4) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.
- (5) The aggregate fees billed for products and services other than as set out under the headings “Audit Fees”, “Audit Related Fees” and “Tax Fees”.

The breakdown of the fees billed by the Company’s external auditors between Audit Fees, Tax Fees and All Other Fees is based on an estimate of the amount of work carried out by the external auditors in each area.

Exemption

The Company has relied upon the exemption provided by section 6.1 of NI 52-110 which exempts venture issuers from the requirement to comply with the restrictions on the composition of its audit committee and the disclosure requirements of its audit committee in an annual information form as prescribed by NI 52-110.

STATEMENT OF EXECUTIVE COMPENSATION

For the purpose of this Statement of Executive Compensation:

“**CEO**” of the Company means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

“**CFO**” of the Company means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year; and

“**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 (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

“**Named Executive Officer**” or “**NEO**” means:

- (a) the Company’s CEO;

- (b) the Company’s CFO;
- (c) each of the Company’s three most highly compensated executive officers of the Company, including any of its subsidiaries, 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 and whose total compensation was, individually, more than \$150,000 as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for that financial year; and
- (d) any individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity at the end of the most recently completed financial year.

“**plan**” includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth direct and indirect compensation (excluding compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and services to be provided, directly or indirectly, to the Company, for each of the Company’s two most recently completed financial years.

| Table of compensation excluding compensation securities | | | | | | | |
|------------------------------------------------------------------------|---------------------------|------------------------------------------------------------|-------------------|---------------------------------------|----------------------------------|---------------------------------------------|--------------------------------|
| Name and position | Year⁽¹⁾ | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meeting fees (\$) | Value of perquisites (\$) | Value of all other compensation (\$) | Total compensation (\$) |
| Andrea Pagani CEO, President and director ⁽²⁾ | 2018 | \$176,160 ⁽³⁾ | Nil | Nil | Nil | Nil | \$176,160 |
| | 2017 | \$21,000 | Nil | Nil | Nil | Nil | \$21,000 |
| Jag Sandhu Former CEO, President and director ⁽⁴⁾ | 2018 | \$15,000 ⁽⁵⁾ | Nil | Nil | Nil | Nil | \$15,000 |
| | 2017 | \$60,000 ⁽⁵⁾ | Nil | Nil | Nil | Nil | \$60,000 |
| Narinder Paul Grewal Former CFO ⁽⁶⁾ | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2017 | Nil | Nil | Nil | Nil | \$3,000 ⁽⁷⁾ | \$3,000 |
| Franco Zanicelli Director ⁽⁸⁾ | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2017 | Nil | Nil | Nil | Nil | Nil | Nil |
| Klaus Eckhof Former Director ⁽⁹⁾ | 2018 | N/A | N/A | N/A | N/A | N/A | N/A |
| | 2017 | Nil | Nil | Nil | Nil | Nil | Nil |

- (1) Financial years ended December 31.
- (2) Mr. Pagani became a director and was appointed as CEO and President of the Company effective October 18, 2017. Following Mr. Grewal's resignation as CFO effective April 13, 2018, Mr. Pagani acted as interim CFO until the appointment of Gert-Jan Geels as CFO effective April 4, 2019.
- (3) Consulting fees in the amount of US\$133,414 paid to Mr. Pagani.
- (4) Mr. Sandhu resigned as CEO and President of the Company effective October 18, 2017, and resigned as a director of the Company effective April 13, 2018.
- (5) Consulting fees paid to JNS Capital Corp., a private corporation owned by Mr. Sandhu.
- (6) Mr. Grewal resigned as CFO of the Company effective April 13, 2018.
- (7) Accounting fees paid to Heming, Wyborn & Grewal, a partnership of which one of the partners is the then CFO of the Company.
- (8) Mr. Zanichelli was appointed as a director of the Company effective October 18, 2017.
- (9) Mr. Eckhof resigned as a director of the Company effective December 22, 2017.

Stock Options and Other Compensation Securities

The following table sets out all stock options and other compensation securities were granted or issued to Named Executive Officers and directors by the Company or one of its subsidiaries during the financial year ended December 31, 2018 for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

| Compensation Securities | | | | | | | |
|------------------------------------------------------------------------------|-------------------------------|---------------------------------------------------------------------------------------------|------------------------|------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------|-------------|
| Name and position | Type of compensation security | Number of compensation securities, number of underlying securities, and percentage of class | Date of issue or grant | Issue, conversion or exercise price (\$) | Closing price of security or underlying security on date of grant (\$) | Closing price of security or underlying security at year end (\$) | Expiry date |
| Andrea Pagani CEO, President and director | Stock options | 790,000; 790,000; 17% ⁽³⁾ | Dec 12/18 | \$0.22 | \$0.15 | \$0.15 | Dec 12/23 |
| Jag Sandhu Former CEO, President and director ⁽¹⁾ | Stock options | Nil ⁽⁴⁾ | N/A | N/A | N/A | N/A | N/A |
| Narinder Paul Grewal Former CFO ⁽²⁾ | Stock options | Nil | N/A | N/A | N/A | N/A | N/A |
| Franco Zanichelli Director | Stock options | 390,000; 390,000; 8.4% ⁽³⁾ | Jun 7/18 | \$0.20 | \$0.22 | \$0.15 | Jun 7/23 |

- (1) Mr. Sandhu resigned as CEO and President of the Company effective October 18, 2017, and resigned as a director of the Company effective April 13, 2018.
- (2) Mr. Grewal resigned as CFO of the Company effective April 13, 2018.
- (3) Percentage of total number of stock options granted during the financial year ended December 31, 2018 as disclosed in the financial statements for said year.
- (4) Subsequent to Mr. Sandhu's resignation as a director, a private company owned by Mr. Sandhu was granted stock options as a consultant.

As at December 31, 2018, the following stock options were outstanding to Named Executive Officers and

directors:

- (a) Andrea Pagani, CEO, President and a director of the Company, owned an aggregate of 1,540,000 stock options, each exercisable into one common share (“Share”) at a price of \$0.06 per Share until October 20, 2022 as to 750,000 stock options, and at a price of \$0.22 per Share until December 12, 2023 as to 790,000 stock options.
- (b) Franco Zanichelli, a director of the Company, owned an aggregate of 1,140,000 stock options, each exercisable into one Share at a price of \$0.06 per Share until October 20, 2022 as to 750,000 stock options, and at a price of \$0.22 per Share until June 7, 2023 as to 390,000 stock options.

Exercise of Compensation Securities by Directors and NEOs

The following table sets out each exercise of compensation securities by directors and Named Executive Officers during the financial year ended December 31, 2018:

| Exercise of Compensation Securities by Directors and NEOs | | | | | | | |
|------------------------------------------------------------------------------|-------------------------------|-------------------------------------------|----------------------------------|------------------|-----------------------------------------------------|------------------------------------------------------------------------------|-----------------------------------|
| Name and position | Type of compensation security | Number of underlying securities exercised | Exercise price per security (\$) | Date of exercise | Closing price per security on date of exercise (\$) | Difference between exercise price and closing price on date of exercise (\$) | Total value on exercise date (\$) |
| Andrea Pagani CEO, President and director | Stock options | Nil | N/A | N/A | N/A | N/A | N/A |
| Jag Sandhu Former CEO, President and director ⁽¹⁾ | Stock options | Nil | N/A | N/A | N/A | N/A | N/A |
| Narinder Paul Grewal Former CFO ⁽²⁾ | Stock options | Nil | N/A | N/A | N/A | N/A | N/A |
| Franco Zanichelli Director | Stock options | Nil | N/A | N/A | N/A | N/A | N/A |

⁽¹⁾ Mr. Sandhu resigned as CEO and President of the Company effective October 18, 2017, and resigned as a director of the Company effective April 13, 2018.

⁽²⁾ Mr. Grewal resigned as CFO of the Company effective April 13, 2018.

Option Plans and Other Incentive Plans

The Company has one security based compensation arrangement which is its stock option plan. For a summary of the material provisions of the stock option plan, please see below under the heading “Stock Option Plan”.

Employment, Consulting and Management Agreements

The Company is party to a management agreement with Andrea Pagani, CEO, President and a director of the Company pursuant to which Mr. Pagani is paid \$10,000 per month.

Oversight and Description of Director and NEO Compensation

At its present stage of development, the Company does not have any formal objectives, criteria and analysis for determining the compensation of its Named Executive Officers and primarily relies on the discussions and determinations of the board of directors. Compensation of Named Executive Officers is mainly expected to be through the grant of incentive stock options while some management fees are expected to be paid.

Cash compensation amounts to executive officers are determined solely by board discussion without any formal objectives, criteria or analysis. Option based awards to executive officers are determined by the board which considers both the past and future expected contributions of the individual officers, previous grants of stock options, and the number of available stock options.

The Company does not have any arrangements, standard or otherwise, for cash or non-cash compensation pursuant to which directors were compensated by the Company for their attendance at board meetings or in their capacity as directors. The directors may be reimbursed for actual expenses reasonably incurred in connection with the performance of their duties as directors. The Board intends to compensate directors primarily through the grant of stock options.

EQUITY COMPENSATION PLAN INFORMATION

The following table provides information regarding compensation plans under which equity securities of the Company are authorized for issuance in effect as of the end of the Company's most recently completed financial year:

| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants and rights⁽¹⁾ (a) | Weighted-average exercise price of outstanding options, warrants and rights (b) | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))⁽¹⁾ (c) |
|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Equity compensation plans approved by securityholders | 6,470,000 | N/A | 267,315 |
| Equity compensation plans not approved by securityholders | Nil | N/A | N/A |
| Total | 6,470,000 | N/A | 267,315 |

⁽¹⁾ Financial year ended December 31.

The Company is asking shareholders to approve the Company's stock option plan (the "Plan"). The Plan authorizes the directors to issue options to directors, officers, key employees and others who are in a position to contribute to the future success and growth of the Company.

The Plan is in the form of a rolling stock option plan reserving for issuance upon the exercise of options granted pursuant to the Plan a maximum of 15% of the issued and outstanding shares of the Company at the date of the grant. See "Particulars of Matters to be Acted Upon – Stock Option Plan".

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At no time during the Company's last completed financial year, was a director, executive officer, employee, proposed management nominee for election as a director of the Company nor any associate of any such director, executive officer, or proposed management nominee of the Company or any former director, executive officer or employee of the Company or any of its subsidiaries indebted to the Company or any of its subsidiaries or was indebted to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, other than routine indebtedness.

CORPORATE GOVERNANCE DISCLOSURE

National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines; however, the board of directors considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore such guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below.

1. Board of Directors

Of the directors, Franco Zanichelli is considered "independent" as defined by National Policy 58-101. As the size of the Board is small, the Board has no formal procedures designed to facilitate the exercise of independent supervision over management, relying instead on the integrity of the individual members of its management team to act in the best interests of the Company.

2. Directorships

None of the directors are currently directors of other reporting issuers in all Canadian and foreign jurisdictions.

3. Orientation and Continuing Education

The Board of Directors of the Company briefs all new directors with respect to the policies and guidelines of the Board of Directors and other relevant corporate and business information. New Board members are also provided with copies of the Company's audit committee charter, corporate governance guidelines and published insider trading policies, access to all of the publicly filed documents of the Company and complete access to management, the Company's records and the Company's professional advisors including auditor and legal counsel.

Board members are encouraged to communicate with management and auditors, to keep themselves current with industry trends and developments and changes in legislation with the Company's assistance, to attend industry seminars and to visit the Company's operations.

The Board's continuing education is typically derived from correspondence with the Company's legal counsel to remain up to date with developments in relevant corporate and securities law matters. The Board does not provide any continuing education.

4. Ethical Business Conduct

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. The Board monitors the ethical

conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges but, to date, has not adopted a formal written Code of Business Conduct and Ethics.

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Further, the Company's auditor has full and unrestricted access to the audit committee at all times to discuss the audit of the Company's financial statements and any related findings as to the integrity of the financial reporting process. The current limited size of the Company's operations and the small number of officers and consultants 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. As the Company grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

5. Nomination of Directors

The Board has responsibility for identifying and assessing potential Board candidates and recommending new director nominees for the next annual meeting of shareholders. Recruitment of new directors has generally resulted from recommendations made by directors, management and shareholders. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. The Company nominates Board members it considers to be ethical.

Generally, the Board of Directors seeks nominees that have the following characteristics: a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, support for the Company's mission and strategic objectives, and a willingness to serve.

6. Compensation

The Board of Directors reviews the compensation of the directors and the Chief Executive Officer once a year. To make its recommendations on such compensation, the Board of Directors takes into account the types of compensation and the amounts paid to directors and officers of comparable publicly traded Canadian companies, as well as the success of the directors and officers in helping the Company to achieve its objectives and the Company's financial resources.

7. Other Board Committees

The Board of Directors has no other committees other than the Audit Committee.

8. Assessments

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal periodic assessments of the effectiveness of the Board, its committees and the individual directors to satisfy itself that they are performing effectively. The assessment of the Board relates to the ongoing governance and operation of the Board and its effectiveness in discharging its responsibilities. The assessment of individual directors is comprised of an examination of each individual director's ability to contribute to the effective decision-making of the Board.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth in this information circular and other than transactions carried out in the ordinary course of business of the Company or any of its subsidiaries, none of the directors or executive officers of the Company, a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company, nor any shareholder beneficially owning, directly or indirectly, common shares of the Company, or exercising control or direction over common shares of the Company, or a combination of both, carrying more than 10% of the voting rights attached to the outstanding shares of the Company nor an associate or affiliate of any of the foregoing persons has since January 1, 2018 any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Company or any of its subsidiaries, other than: during the financial year ended December 31, 2018 the Company entered into the following transactions with directors, companies controlled by directors or companies with or which previously had common directors:

1. The Company incurred approximately \$176,160 (US\$133,414) in consulting fees to Andrea Pagani, CEO, President and a director of the Company. Of the total consulting fees, approximately \$116,160 (US\$88,000) was incurred with respect to the Company's wholly-owned subsidiary, Upco Systems Inc., of which Mr. Pagani is also CEO, and \$60,000 (US\$45,414) was incurred with respect to the Company; and
2. The Company incurred \$15,000 in consulting fees to JNS Capital Corp., a private corporation owned by Jag Sandhu, a former director of the Company. The fees pertained to services provided while Mr. Sandhu was a director of the Company. Mr. Sandhu resigned as a director of the Company effective April 13, 2018.

The directors and officers of the Company also have an interest in the resolutions concerning (a) the election of directors and (b) the approval of the stock option plan (see below). Otherwise, no director or executive officer of the Company or any associate of the foregoing has any substantial interest, direct or indirect, by way of beneficial ownership of shares or otherwise in the matters to be acted upon at the said Meeting, except for any interest arising from the ownership of shares of the Company where the shareholder will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of shares in the capital of the Company.

APPOINTMENT AND REMUNERATION OF AUDITOR

Unless otherwise instructed, the proxies given to management pursuant to this solicitation will be voted for the appointment of Davidson & Company LLP, Chartered Professional Accountants, as auditor of the Company to hold office until the close of the next annual general meeting of the Company, at a remuneration to be fixed by the directors of the Company. Davidson & Company LLP was first appointed auditor of the Company effective February 14, 2019.

Davidson & Company LLP is the successor of Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, whom the Company is not proposing for re-appointment.

The "Notice of Change of Auditor" and letters from the former and successor auditors, all as filed with the British Columbia and Ontario securities commissions are attached hereto as Schedule "A" for review and consideration.

MANAGEMENT CONTRACTS

There are no other management functions of the Company which are to any substantial degree performed other than by the executive officers and directors of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

Stock Option Plan

Management of the Company believes that incentive stock options serve an important function in furnishing directors, officers, employees and consultants (collectively the “**Eligible Parties**”) of the Company an opportunity to invest in the Company in a simple and effective manner and better aligning the interests of the Eligible Parties with those of the Company and its shareholders through ownership of shares in the Company. Accordingly, at the Meeting the shareholders will be asked to consider, and the directors, believing it to be in the best interests of the Company, recommend that the shareholders approve, the Company's stock option plan (the “**Plan**”) and the allotment and reservation of sufficient common shares from treasury to provide the shares necessary for issuance upon the exercise from time to time of options granted pursuant to the Plan.

The Plan is in the form of a rolling stock option plan reserving for issuance upon the exercise of options granted pursuant to the Plan a maximum of 15% of the issued and outstanding shares of the Company at any time, less any shares required to be reserved with respect to options granted by the Company prior to the implementation of the Plan. The Plan will be administered by a committee of at least three directors, if so appointed by the board, or, if no such committee has been authorized or appointed, the board of directors of the Company (the “**Committee**”). Subject to the provisions of the Plan, the Committee in its sole discretion will determine all options to be granted pursuant to the Plan, the exercise price therefore and any special terms or vesting provisions applicable thereto. The Committee will comply with all regulatory requirements in granting options and otherwise administering the Plan. A summary of some of the additional provisions of the Plan follows:

- (i) the number of securities reserved for issuance under options to acquire the securities granted to Related Persons, Employees and Consultants (all capitalized terms as defined in the Plan) shall not exceed 15% of the issued and outstanding shares of the Company calculated at the date the Option was granted;
- (ii) the number of securities reserved for issuance under options to acquire the securities granted to any one person shall not exceed 5% of the issued and outstanding shares of the Company calculated at the date the Option was granted;
- (iii) Options granted to any one Consultant to the Company as a total in any twelve-month period shall not exceed 2% of the issued and outstanding shares of the Company calculated at the date the Option was granted;
- (iv) in any twelve-month period the total number of Shares (either issued directly or represented by Grants in that period or represented by convertible securities issued in that period) provided as compensation to persons providing investor relations activities shall not exceed 1% of the issued Shares calculated at the date the Option was granted;
- (v) Options granted shall be non-assignable and not transferable and shall not have a term in excess of five years;
- (vi) all Options granted shall be evidenced by written option agreements; and
- (vii) any amendment to reduce the exercise price of options granted to Related Persons of the Company shall be subject to approval of the disinterested shareholders of the Company, the majority vote of the shareholders other than the Related Persons to whom Options may be granted under the Plan and their Associates.

A copy of the Plan will be available at the Meeting for review by shareholders, if requested.

Therefore, shareholders will be asked to approve the following resolution, by way of disinterested shareholder approval:

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS, THAT:

- (1) the Company’s stock option plan, dated November 19, 2019, be and is hereby ratified, approved and confirmed including the reserving for issuance under the stock option plan at any time of a maximum of 15% of the issued and outstanding shares of the Company, subject to any amendments that may be required by any applicable stock exchange or regulatory authority;*
- (2) the Company be authorized to abandon or terminate all or any part of the stock option plan if the Board of the Company deems it appropriate and in the best interests of the Company to do so;*
- (3) the Company be and is hereby authorized to grant options pursuant and subject to the terms and conditions of the stock option plan;*
- (4) the Company be and is hereby authorized, at the discretion of the board of directors, to amend the exercise price of any previously granted stock option agreements, without further approval by the shareholders, all in accordance with the terms of the stock option plan and the policies of any applicable stock exchange; and*
- (5) any one or more of the directors and officers of the Company be authorized and directed to perform all such acts, deeds and things and execute, under the seal of the Company or otherwise, all such documents and other writings, including treasury orders, stock exchange and securities commissions forms, as may be required to give effect to the true intent of this resolution.”*

The directors of the Company believe the Plan is in the Company's best interests and recommend that the shareholders approve the Plan. It is the intention of the persons named in the enclosed instrument of proxy, if not expressly directed otherwise in such instrument of proxy, to vote such proxies FOR the ordinary resolution to approve the Plan.

OTHER MATTERS

MANAGEMENT KNOWS OF NO OTHER MATTERS TO COME BEFORE THE MEETING OF SHAREHOLDERS OTHER THAN AS SET FORTH ABOVE AND AS REFERRED TO IN THE NOTICE OF MEETING. HOWEVER, IF ANY OTHER MATTERS WHICH ARE NOT KNOWN TO THE MANAGEMENT OF THE COMPANY SHALL PROPERLY COME BEFORE THE SAID MEETING, THE FORM OF PROXY GIVEN PURSUANT TO THE SOLICITATION BY MANAGEMENT OF THE COMPANY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSONS VOTING THE PROXY.

ADDITIONAL INFORMATION

Additional information regarding the Company and its business activities is available on the SEDAR website located at www.sedar.com “Company Profiles – Upco International Inc.”. The Company’s financial information is provided in the Company’s audited comparative financial statements and related management discussion and analysis for its financial year ended December 31, 2018 and may be viewed on the SEDAR website at the location noted above. Shareholders of the Company may request copies of the Company’s financial statements and related management discussion and analysis by contacting the Company at 200 – 17618 58 Avenue, Surrey, BC V3S 1L3 (Telephone: 778.218.9638).

Schedule "A"

Upco International Inc.
200 - 17618 - 58 Avenue
Surrey, BC V3S 1L3

NOTICE OF CHANGE OF AUDITORS

Upco International Inc. (the "Company") is issuing this notice pursuant to section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations* ("NI 51-102") of the change of its auditor from DMCL LLP, Chartered Professional Accountants (the "Former Auditors") to Davidson & Company LLP, Chartered Professional Accountants (the "Successor Auditors"). In accordance with NI 51-102, the Company hereby states that:

1. At the Company's request, the Former Auditors resigned as the Company's auditors effective February 14, 2019.
2. The resignation of the Former Auditors and the appointment of the Successor Auditors has been considered and approved by the Company's audit committee and board of directors.
3. The appointment of the Former Auditors as the Company's auditor was effective as at December 22, 2017. During the term of the Former Auditors' appointment as Auditors for the Company, the Former Auditors did not deliver an audit report to the Company's board of directors which contained a modified opinion.
4. There have been no "reportable events" as that term is defined in NI 51-102.

Dated at February 14, 2019

"Andrea Pagani"

Andrea Pagani
Chief Executive Officer
Upco International Inc.



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

1500 – 1140 W. Pender Street
Vancouver, BC V6E 4G1
TEL 604.687.4747 | FAX 604.689.2778

700 – 2755 Lougheed Hwy.
Port Coquitlam, BC V3B 5Y9
TEL 604.941.8266 | FAX 604.941.0971

200 – 1688 152 Street
Surrey, BC V4A 4N2
TEL 604.531.1154 | FAX 604.538.2613

WWW.DMCL.CA

February 14, 2019

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
9TH Floor – 701 West Georgia Street
Vancouver, B.C. V7Y 1L2

Canadian Securities Exchange

9th Floor, 220 Bay Street
Toronto, BC M5J 2W4

Ontario Securities Commission

20 Queen Street West, 22nd Floor
Toronto, ON M5H 3S8

Dear Sirs:

Re: Upco International Inc. (the "Company")
Notice Pursuant to National Instrument 51-102 - Change of Auditor

As required by the National Instrument 51-102 and in connection with our not being re-appointed as auditor of the Company, we have reviewed the information contained in the Company's Notice of Change of Auditor, dated February 14, 2019 and agree with the information contained therein, based upon our knowledge of the information relating to the said notice and of the Company at this time.

Yours very truly,

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

PARTNERSHIP OF:

VANCOUVER Bradley G. Allen Inc. Robert J. Burkart, Inc. Kenneth P. Chong Inc. Alvin F. Dale Ltd. Donald L. Furney, Ltd. David J. Goertz, Inc. Matthew G. Gosden, Inc. Barry S. Hartley, Inc. Cherry H. Ho, Inc. Robert J. Matheson, Inc. Rakesh I. Patel Inc. Lorraine W. Rinfret, Inc. Brad A. Robin Inc.
SURREY Michael K. Braun Inc. Peter J. Donaldson, Inc. Harjit S. Sandhu, Inc. **TRI-CITIES** Isomura Services Corp. Brian M. Legge Inc. Fraser G. Ross, Ltd. Brian A. Shaw Inc.

February 14, 2019

British Columbia Securities Commission
PO Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, BC
V7Y 1L2

Ontario Securities Commission
20 Queen Street West, 19th Floor, Box 55
Toronto, ON
M5H 3S8

Canadian Securities Exchange
CNSX Markets Inc.
100 – 535 Thurlow Street, Office 1122
Vancouver, BC
V6E 3L2

Dear Sirs / Mesdames:

Re: Upco International Inc. (the "Company")
Notice Pursuant to NI 51-102 - Change of Auditor

As required by the National Instrument 51-102 and in connection with our proposed engagement as auditor of the Company, we have reviewed the information contained in the Company's Notice of Change of Auditor, dated February 14, 2019 and agree with the information contained therein, based upon our knowledge of the information relating to the said notice and of the Company at this time.

Yours very truly,

“DAVIDSON & COMPANY LLP”

DAVIDSON & COMPANY LLP
Chartered Professional Accountants

cc: Canadian Securities Exchange

