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**INFORMATION CIRCULAR  
as at November 20, 2019**

**INTRODUCTION**

This information circular (the “**Information Circular**”) accompanies the notice of annual general meeting of shareholders (the “**Notice**”) of Carl Data Solutions Inc. (the “**Company**”) and is furnished to holders of common shares (each, a “**Share**”) in the capital of the Company in connection with the solicitation by the management of the Company of proxies to be voted at the annual general meeting (the “**Meeting**”) of the shareholders to be held at 11:00 a.m. (Vancouver time) on Tuesday, December 17, 2019 at Suite 488 – 1090 West Georgia Street, Vancouver, British Columbia or at any adjournment or postponement thereof.

**Date and Currency**

The date of this Information Circular is November 20, 2019. Unless otherwise stated, all amounts herein are in Canadian dollars.

**SOLICITATION OF PROXIES**

The solicitation will be made by mail and may also be supplemented by telephone or other personal contact to be made without special compensation by directors, officers and employees of the Company. The Company will bear the cost of this solicitation. The Company will not reimburse shareholders, nominees or agents for the cost incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this Information Circular and related proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses.

## APPOINTMENT AND REVOCATION OF PROXY

### Registered Shareholders

**Registered shareholders may vote their Shares by attending the Meeting in person or by proxy.** Registered shareholders may vote by proxy by mail, by telephone or via the Internet by following instructions provided in the form of proxy, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting.

The persons named in the enclosed proxy (the “**Designated Persons**”) are directors and officers of the Company and are proxyholders nominated by management. **A shareholder has the right to appoint a person other than the Designated Persons named in the enclosed instrument of proxy to represent the shareholder at the Meeting. To exercise this right, a shareholder must insert the name of its nominee in the blank space provided. A person appointed as a proxyholder need not be a shareholder of the Company.**

A registered shareholder may revoke a proxy by:

- (a) signing a proxy with a later date and delivering it at the place and within the time noted above;
- (b) signing and dating a written notice of revocation and delivering it to the Company at the address set forth above at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof; or
- (c) in any other manner provided by law.

### Beneficial Shareholders

**The information set forth in this section is of significant importance to many shareholders, as many shareholders do not hold their Shares in their own name.** Shareholders holding their Shares through banks, trust companies, securities dealers or brokers, trustees or administrators of RRSPs, RRIFs, RESPs and similar plans or other persons (any one of which is herein referred to as an “**Intermediary**”) or otherwise not in their own name (such shareholders herein referred to as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders appearing on the records maintained by the Company's transfer agent as registered shareholders will be recognized and allowed to vote at the Meeting. If a shareholder's Shares are listed in an account statement provided to the shareholder by a broker, in all likelihood those Shares are **not** registered in the shareholder's name and that shareholder is a Beneficial Shareholder. Such Shares are most likely registered in the name of the shareholder's broker or an agent of that broker. In Canada the vast majority of such Shares are registered under the name of CDS & Co., the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms. Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted at the Meeting at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.**

Regulatory policies require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Beneficial Shareholders have the option of not objecting to their Intermediary disclosing certain ownership information about themselves to the Company (such Beneficial Shareholders are designated as non-objecting beneficial owners, or “**NOBOs**”) or objecting to their Intermediary disclosing ownership information about themselves to the Company (such Beneficial Shareholders are designated as objecting beneficial owners, or “**OBOs**”).

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has elected to send the notice of meeting, this Information Circular and a request for voting instructions (a “**VIF**”), instead of a proxy (the notice of Meeting, Information Circular and VIF or proxy are collectively referred to as the “**Meeting Materials**”) indirectly through Intermediaries to the NOBOs and OBOs. The management of the Company does not intend to pay for Intermediaries to forward the Meeting Materials to OBOs. OBOs will not receive the Meeting Materials unless their Intermediaries assume the cost of delivery.

Meeting Materials sent to Beneficial Shareholders are accompanied by a VIF, instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Beneficial Shareholder is able to instruct the Intermediary (or other registered shareholder) how to vote the Beneficial Shareholder's Shares on the Beneficial Shareholder's behalf. For this to occur, it is important that the VIF be completed and returned in accordance with the specific instructions noted on the VIF.

The majority of Intermediaries now delegate responsibility for obtaining instructions from Beneficial Shareholders to Broadridge Investor Communication Solutions (“**Broadridge**”) in Canada. Broadridge typically prepares a machine-readable VIF, mails these VIFs to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, usually by way of mail, the Internet or telephone. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting by proxies for which Broadridge has solicited voting instructions. A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote Shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Shares voted. If you have any questions respecting the voting of Shares held through an Intermediary, please contact that Intermediary for assistance.

The purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the Shares which they beneficially own. **A Beneficial Shareholder receiving a VIF cannot use that form to vote Shares directly at the Meeting - Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.** Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on their behalf, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder or their nominee the right to attend and vote at the Meeting.

All references to shareholders in this Information Circular and the accompanying instrument of proxy and notice of Meeting are to registered shareholders unless specifically stated otherwise.

## VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

The Shares represented by a 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 Shares will be voted accordingly.

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.

If any amendments or variations to such matters, or any other matters, are properly brought before the Meeting, the proxyholder, if a nominee of management, will exercise its discretion and vote on such matters in accordance with its best judgment.

At the time of printing this Information Circular, management of the Company is not aware that any amendments or variations to existing matters or new matters are to be presented for action at the Meeting.

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as disclosed herein, the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each of the following persons in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors:

- (a) each person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year;
- (b) each proposed nominee for election as a director of the Company; and
- (c) each associate or affiliate of any of the foregoing.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized capital of the Company consists of an unlimited number of Shares. As of the record date, determined by the Company's board of directors (the "**Board**") to be the closing of business on November 12, 2018 (the "**Record Date**"), a total of 82,370,734 Shares were issued and outstanding. All Shares are of the same class and each carries the right to one vote. Only those shareholders of record on the Record Date are entitled to attend and vote at the Meeting.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company.

## NUMBER OF DIRECTORS

At the Meeting, shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at five (5). An ordinary resolution needs to be passed by a simple majority of the votes cast by the shareholders present in person or represented by proxy and entitled to vote at the Meeting.

**Management recommends the approval of setting the number of directors of the Company at five (5).**

## ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected. The management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, proxies given pursuant to the solicitation by the management of the Company will be voted for the nominees listed in this Information Circular. **Management does not contemplate that any of the nominees will be unable to serve as a director. If any vacancies occur in the slate of nominees listed below before the Meeting, management will exercise discretion to vote the proxy for the election of any other person or persons as directors.**

The following table sets out the names of the nominees for election as directors, the offices they hold within the Company, their occupations, the length of time they have served as directors of the Company, and the number of shares of the Company and its subsidiaries which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of the notice of meeting:

Name, Province and Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Periods which Nominee has Served as a Director	Number of Shares Owned <sup>(1)</sup>
Greg Johnston Director, President and CEO British Columbia, Canada	President, Chief Executive Officer and a director of the Company; President and Chief Executive Officer of Extend to Social Media Inc., the Company's wholly owned subsidiary, since January 2013; Partner and Vice President of Professional Services of RA Revenue Automation Inc., an online marketing company, from January 2012 to February 2015; Principal of BDirect Online Communications, an online marketing consulting company, from January 2009 to present.	May 30, 2014 to present	6,363,174 <sup>(3)(4)(5)</sup>

Name, Province and Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Periods which Nominee has Served as a Director	Number of Shares Owned <sup>(1)</sup>
Chris Johnston <sup>(2)</sup> Director and Chairman of the Board British Columbia, Canada	Director of the Company; Professional Civil Engineer and Vice President with Kerr Wood Leidal Associates Ltd., a consulting engineering company since May 1988; former director of FlowWorks Inc. prior to its acquisition by the Company in 2015.	October 13, 2015 to present	950,540 <sup>(6)(7)</sup>
Rick Sanderson <sup>(2)</sup> Director British Columbia, Canada	Director of the Company; founder, owner, operator at Federation Marketing Services from March 2017 to present; SVP General Manager at MacLaren McCann, an advertising agency, from March 2014 to March 2017; Marketing Director of Global Relay, a compliance messaging solutions company, from April 2013 to March 2014; General Manager of Omnicom Media Group (Canada), a marketing services company, from May 2005 to April 2013.	June 29, 2015 to present	441,100 <sup>(8)(9)</sup>
Kevin Ma <sup>(2)</sup> Director British Columbia, Canada	Chief Financial Officer of the Company from October 2015 to June 2017; Director of the Company from June 2017 to present; Principal and Founder of Skanderbeg Financial Advisory Inc. from October 2015 to present; Previously Chief Financial Officer at Gatekeeper Systems Inc.	June 21, 2017 to present	698,015 <sup>(10)(11)</sup>
Vikas Ranjan Director Toronto, Ontario	President of Gravitas Financial Inc. from July 2015 to present; Executive Vice President of Gravitas Financial Inc. from July 2013 to June 2015.	August 27, 2019 to present	Nil

(1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at November 20, 2019, based upon information furnished to the Company by the individual directors. Options, warrants or other convertible securities currently exercisable or convertible, or exercisable or convertible within 60 days, are counted as outstanding for computing the percentage of the person holding such options, warrants or other convertible securities, but are not counted as outstanding for computing the percentage of any other person.

(2) Member of the audit committee.

(3) 1,331,332 of these Shares are registered in Mr. Johnston's name and 3,268,205 Shares are registered in the name of BDirect Online Communications Inc. ("**BDirect**"). Mr. Johnston is the beneficial owner of the Shares registered in the name of BDirect.

(4) Includes 200,000 stock options, each of which is exercisable into one Share at a price of \$0.19 per Share until April 24, 2022 and 1,000,000 stock options, each of which is exercisable into one Share at a price of \$0.14 per Share until October 14, 2022, all registered in Mr. Johnston's name.

(5) Includes 63,637 stock options, each of which is exercisable into one Share at a price of \$0.11 per Share until January 21, 2020 and 500,000 stock options, each of which is exercisable into one Share at a price of \$0.16 per Share until June 8, 2022, all registered in the name of BDirect.

(6) Includes 39,130 share purchase warrants, each of which is exercisable into one Share at a price of \$0.40 per Share until January 5, 2020.

(7) Includes 100,000 stock options, each of which is exercisable into one Share at a price of \$0.19 per Share until April 24, 2022 and 150,000 stock options, each of which is exercisable into one Share at a price of \$0.14 per Share until October 14, 2022.

- (8) Includes 100,000 stock options, each of which is exercisable into one Share at a price of \$0.19 per Share until April 24, 2022 and 150,000 stock options, each of which is exercisable into one Share at a price of \$0.14 per Share until October 14, 2022.
- (9) Includes 27,300 share purchase warrants, each of which is exercisable into one Share at a price of \$0.40 per Share until January 5, 2020.
- (10) 230,768 of these Shares are registered in the name of Skanderbeg Financial Advisory Inc. (“**Skanderbeg**”), a company owned by Mr. Ma.
- (11) Includes 100,000 stock options, each of which is exercisable into one Share at a price of \$0.19 per Share until April 24, 2022 and 367,247 stock options, each of which is exercisable into one Share at a price of \$0.14 per Share until October 14, 2022.

At the Meeting, shareholders will be asked to pass an ordinary resolution to elect the nominees listed above as directors of the Company. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

**Management recommends the shareholders to elect each of the nominees listed above as a director of the Company.**

No proposed director of the Company

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (i) was the subject:

- (A) of a cease trade order;

- (B) an order similar to a cease trade order; or

- (C) an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days,

- that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or

- (ii) was subject to:

- (A) a cease trade order;

- (B) an order similar to a cease trade order; or

- (C) an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days,

- that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;

- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any

company (including the Company) 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;

- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (d) has been subject to 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 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 shareholder in deciding whether to vote for a proposed director.

## STATEMENT OF EXECUTIVE COMPENSATION

### General

For the purpose of this Information Circular:

“**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; and

“**Named Executive Officer**” or “**NEO**” means each of the following individuals:

- (a) each individual who served as chief executive officer (“**CEO**”) of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as chief financial officer (“**CFO**”) of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries other than 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, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year, and
- (d) each individual who would be an 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 that financial year.



## Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets out details of all payments, grants, awards, gifts and benefits paid or awarded to each director and NEO in the two most recently completed financial years ended June 30, 2019:

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites <sup>(1)</sup> (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Greg Johnston <sup>(2)</sup> <i>President, CEO and Director</i>	2019	140,000 <sup>(3)</sup>	Nil	Nil	Nil	Nil	140,000
	2018	134,166 <sup>(3)</sup>	Nil	Nil	Nil	Nil	134,166
Cale Thomas <sup>(4)</sup> <i>CFO</i>	2019	25,000	Nil	Nil	Nil	Nil	25,000
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Alastair Brownlow <sup>(5)</sup> <i>Former CFO</i>	2019	Nil <sup>(6)</sup>	Nil	Nil	Nil	Nil	Nil <sup>(6)</sup>
	2018	Nil <sup>(6)</sup>	Nil	Nil	Nil	Nil	Nil <sup>(6)</sup>
Kevin Ma <sup>(7)</sup> <i>Director and Former CFO</i>	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Rick Sanderson <sup>(8)</sup> <i>Director</i>	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Chris Johnston <sup>(9)</sup> <i>Director</i>	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	10,000 <sup>(10)</sup>	Nil	Nil	Nil	Nil	10,000
Vikas Ranjan <sup>(11)</sup> <i>Director</i>	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Craig Tennock <sup>(12)</sup> <i>Former Director</i>	2019	50,000 <sup>(13)</sup>	Nil	Nil	Nil	Nil	50,000
	2018	71,500 <sup>(13)</sup>	Nil	Nil	Nil	Nil	71,500
Julie McClure <sup>(14)</sup> <i>Former Director</i>	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil

(1) "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.

(2) Greg Johnston has been a director of the Company since May 30, 2014 and the President and CEO since February 25, 2015.

(3) For fiscal 2019, \$70,000 of these fees were consulting fees paid to BDirect by the Company's wholly owned subsidiary, ETS as compensation for Mr. Johnston's services as President and CEO of ETS and \$70,000 were consulting fees paid to BDirect as compensation for Mr. Johnston's services as President and CEO of the Company. For fiscal 2018, \$67,083 of these fees were consulting fees paid to BDirect by the Company's wholly owned subsidiary, ETS, as compensation for Mr. Johnston's services as President and CEO of ETS, and \$67,083 were consulting fees paid to BDirect as compensation for Mr. Johnston's services as President and CEO of the Company. Mr. Johnston did not receive additional compensation for serving as a director of the Company.

(4) Cale Thomas was a director of the Company from January 17, 2014 to June 29, 2015 and the CFO from January 17, 2014 to October 20, 2015. He was again appointed CFO of the Company on February 11, 2019.

(5) Alastair Brownlow served as the CFO of the Company from June 21, 2017 to February 11, 2019. Mr. Brownlow was not an employee of the Company and he is an employee of Red Fern Consulting Ltd., which provides the CFO and accounting services to the Company.

(6) For fiscal 2019, the Company paid \$21,000 to Red Fern Consulting Ltd. for CFO services and \$87,000 for accounting and financial reporting services. For fiscal 2018, the Company paid \$36,000 to Red Fern Consulting Ltd. for CFO services and \$72,000 for accounting and financial reporting services. Mr. Brownlow receives compensation from Red Fern Consulting Ltd.

(7) Kevin Ma was the CFO of the Company from October 20, 2015 to June 21, 2017 and has been a director of the Company since June 21, 2017.

(8) Rick Sanderson has been a director of the Company since June 29, 2015.

- (9) Chris Johnston has been a director of the Company since October 13, 2015.
- (10) These fees were consulting fees for services rendered. Mr Johnston did not receive additional compensation for serving as a director of the Company.
- (11) Vikas Ranjan has been a director of the Company since August 27, 2019.
- (12) Craig Tennock served as a director of the Company from December 19, 2016 to August 16, 2019.
- (13) These fees were consulting fees paid to Mckenzie, a company wholly owned by Craig Tennock. Mr. Tennock did not receive additional compensation for serving as a director of the Company.
- (14) Julie McClure served as a director of the Company from September 11, 2018 to August 8, 2019.

## Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and NEO by the Company or any subsidiary thereof in the financial year ended June 30, 2019 for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

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
Greg Johnston <sup>(1)</sup> <i>President, CEO and Director</i>	Stock Options	63,637 <sup>*(2)</sup>	January 21, 2015	\$0.11	\$0.11	\$0.07	January 21, 2020
		200,000*	April 24, 2018	\$0.19	\$0.18	\$0.07	April 24, 2022
		500,000 <sup>*(2)</sup>	June 8, 2018	\$0.16	\$0.16	\$0.07	June 8, 2022
		1,000,000 (1.2%)	October 14, 2018	\$0.14	\$0.14	\$0.07	October 14, 2022
	Common Shares	-	N/A	N/A	N/A	N/A	N/A
Cale Thomas <sup>(3)</sup> <i>CFO</i>	Stock Options	200,000*	January 21, 2015	\$0.11	\$0.11	\$0.07	January 21, 2020
Alastair Brownlow <sup>(4)</sup> <i>Former CFO</i>	Stock Options	100,000 <sup>*(4)</sup>	April 24, 2018	\$0.19	\$0.18	\$0.07	April 24, 2022
		100,000 <sup>*(4)</sup>	October 14, 2018	\$0.14	\$0.14	\$0.07	October 14, 2022
	Common Shares	-	N/A	N/A	N/A	N/A	N/A
Kevin Ma <sup>(5)</sup> <i>Director and former CFO</i>	Stock Options	100,000*	April 24, 2018	\$0.19	\$0.18	\$0.07	April 24, 2022
		367,247*	October 14, 2018	\$0.14	\$0.14	\$0.07	October 14, 2022
	Common Shares	-	N/A	N/A	N/A	N/A	N/A

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
Rick Sanderson <sup>(6)</sup> <i>Director</i>	Stock Options	100,000*	April 24, 2018	\$0.19	\$0.18	\$0.07	April 24, 2022
		150,000*	October 14, 2018	\$0.14	\$0.14	\$0.07	October 14, 2022
	Common Shares	-	N/A	N/A	N/A	N/A	N/A
Chris Johnston <sup>(7)</sup> <i>Director</i>	Stock Options	100,000*	April 24, 2018	\$0.19	\$0.18	\$0.07	April 24, 2022
		150,000*	October 14, 2018	\$0.14	\$0.14	\$0.07	October 14, 2022
	Common Shares	-	N/A	N/A	N/A	N/A	N/A
Vikas Ranjan <i>Director</i>	Stock Options	-	N/A	N/A	N/A	N/A	N/A
	Common Shares	-	N/A	N/A	N/A	N/A	N/A
Craig Tennock <sup>(8)</sup> <i>Former Director</i>	Stock Options	100,000*	April 24, 2018	\$0.19	\$0.18	\$0.07	November 12, 2019
		150,000*	October 14, 2018	\$0.14	\$0.14	\$0.07	November 12, 2019
	Common Shares	-	N/A	N/A	N/A	N/A	N/A
Julie McClure <sup>(9)</sup> <i>Former Director</i>	Stock Options	150,000*	October 14, 2018	\$0.14	\$0.14	\$0.07	November 6, 2019
	Common Shares	-	N/A	N/A	N/A	N/A	N/A

\* Represents less than 1% of the issued and outstanding Shares.

(1) As of June 30, 2019, Greg Johnston held options to purchase (i) 63,637 Shares at a price of \$0.11 per Share until January 21, 2020, which vested immediately, (ii) 200,000 Shares at a price of \$0.19 per Share until April 24, 2022, which vested immediately, (iii) 500,000 Shares at price of \$0.16 per Share until June 8, 2022, which vested immediately and (iv) 1,000,000 Shares at a price of \$0.14 per Share until October 14, 2022, of which 50% vested immediately and 25% vested every 6 months.

(2) Registered in the name of BDirect, a company controlled by Mr. Johnston.

(3) As of June 30, 2019, Cale Thomas held options to purchase 200,000 shares at a price of \$0.11 per Share until January 21, 2020.

(4) As of June 30, 2019, Red Fern Accounting, a Company of which Mr. Brownlow is an employee, held options to purchase (i) 100,000 common shares at a price of \$0.19 until April 24, 2022, which vested immediately and (ii) 100,000 Shares at a price of \$0.14 per Share until October 14, 2022, of which 50% vested immediately and 25% vested every 6 months.

(5) As of June 30, 2019, Kevin Ma held options to purchase (i) 100,000 Shares at a price of \$0.19 per Share until April 24, 2022, which vested immediately and (ii) 367,247 Shares at a price of \$0.14 per Share until October 14, 2022, of which 50% vested immediately and 25% vested every 6 months.

(6) As of June 30, 2019, Rick Sanderson held options to purchase (i) 100,000 Shares at a price of \$0.19 per Share until April 24, 2022, which vested immediately and (ii) 150,000 Shares at a price of \$0.14 per Share until October 14, 2022, of which 50% vested immediately and 25% vested every 6 months, and no other compensation securities.

(7) As of June 30, 2019, Chris Johnston held options to purchase (i) 100,000 Shares at a price of \$0.19 per Share until April 24, 2022, which vested immediately and (ii) 150,000 Shares at a price of \$0.14 per Share until October 14, 2022, of which 50% vested immediately and 25% vested every 6 months, and no other compensation securities.

- <sup>(8)</sup> As of June 30, 2019, Craig Tennock held options to purchase 100,000 Shares at a price of \$0.19 per Share until November 12, 2019, which vested immediately, 150,000 Shares at a price of \$0.14 per Share until November 12, 2019, of which 50% vested immediately and 25% vested every 6 months. All of these options expired unexercised subsequent to year end.
- <sup>(9)</sup> As of June 30, 2019, Julie McClure held options to purchase 250,000 Shares at a price of \$0.14 per Share until November 12, 2019, of which 50% vested immediately and 25% vested every 6 months and no other compensation securities. All of these options expired unexercised subsequent to year end.

### **Exercise of Compensation Securities by Directors and NEOs**

No director or NEO exercised any compensation securities, being solely comprised of stock options, during the year ended June 30, 2019.

### **Stock Option Plans and Other Incentive Plans**

The Company's current incentive stock option plan (the "**Plan**"), which was last approved by shareholders on December 4, 2015, is a "rolling" stock option plan, whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed ten percent of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. The Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates, options to purchase Shares. As at the date hereof, there are 6,710,884 options outstanding under the Plan.

Under the Plan, the Board may from time to time grant to directors, senior officers, employees and consultants of the Company, as the Board shall designate, options to purchase from the Company such number of its Shares as the Board shall designate.

The following information is intended as a brief description of the Plan:

1. The Board shall establish the exercise price at the time each option is granted, subject to the following conditions:
  - (a) subject to a minimum price of \$0.10 per Share and section (b) below, the exercise price of an option may not be less than the closing market price of the Shares on the trading day immediately preceding the date of grant of the option, less any applicable discount allowed by the CSE; and
  - (b) if any options are granted within 90 days of a public distribution by prospectus, then the minimum exercise price shall be the greater of that specified in section (a) above and the price per Share paid by investors for Shares acquired under the public distribution. The 90 day period shall commence on the date the Company is issued a final receipt for the prospectus.

2. Upon expiry of an option, or in the event an option is otherwise terminated for any reason without having been exercised in full, the number of Shares in respect of the expired or terminated option shall again be available for a grant under the Plan.
3. No option granted under the Plan may have an expiry date exceeding five years from the date on which the option is granted.
4. Options granted to any one individual in any 12 month period cannot exceed more than 5% of the issued Shares.
5. Options granted to any one consultant in any 12 month period cannot exceed more than 4% of the issued Shares.
6. Options granted to any one person conducting investor relations activities in any 12 month period cannot exceed more than 3% of the issued Shares.
7. If an option holder ceases to be engaged as a director, employee or consultant of the Company (other than by reason of death), then any option granted to the holder that had vested and was exercisable on the date of termination will expire on the earlier of the expiry date and the date that is 90 days following the date that the holder ceases to be a director, employee or consultant of the Company.
8. If the engagement of an option holder engaged in investor relations activities is terminated, any option granted to such holder that was exercisable and had vested on the date of termination will be exercisable until the earlier of the expiry date and the date that is 30 days after the date of the termination.
9. If an option holder dies, the holder's lawful personal representatives, heirs or executors may exercise any option granted to the holder that had vested and was exercisable on the date of death until the earlier of the expiry date and one year after the date of death of the holder.
10. The Plan will be administered by the Board who will have the full authority and sole discretion to grant options under the Plan to any eligible party, including themselves.
11. Options granted under the Plan shall not be assignable or transferable by an option holder.
12. The Board may from time to time, subject to regulatory or shareholder approval, amend or revise the terms of the Plan.

The Plan does not provide for any financial assistance or support agreement to be provided to the optionees by the Company to facilitate the purchase of securities as compensation.

The Plan provides that other terms and conditions may be attached to a particular option at the discretion of the Board.

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

Other than as described below, the Company is not party to any formal, written employment, consulting or management agreements with any NEO or director.

Pursuant to an Executive Employment Agreement (the “**CEO Employment Agreement**”) dated July 1, 2019, between the Company and Greg Johnston, the President, CEO and a director of the Company, Mr. Johnston is paid a monthly salary of \$13,400. The CEO Employment Agreement provides for a 30 day termination with payment of twelve times the monthly salary to Mr. Johnston on termination.

Previous to the current CEO Employment Agreement, pursuant to consulting agreements dated July 1, 2014 and most recently amended on February 1, 2018, between BDirect, a company controlled by Greg Johnston, the President, CEO and a director of the Company, and ETS, ETS paid BDirect a monthly consulting fee of \$5,833 during the year. The consulting agreement provides for a 30 day termination with no remuneration clause other than monthly fees.

Also, pursuant to consulting agreements dated July 1, 2014 and most recently amended on February 1, 2018, between BDirect and the Company, the Company has paid BDirect a monthly consulting fee of \$5,833 during the year. The consulting agreement provides for a 30 day termination with no remuneration clause other than monthly fees. BDirect does not receive fees from any other company for its services.

Pursuant to an Executive Consulting Agreement (the “**CFO Consulting Agreement**”) with an effective date of July 1, 2019, between the Company and Cale Thomas, the CFO of the Company, Mr. Thomas is paid a monthly consulting fee of \$6,000. The CFO Consulting Agreement provides for a 30 day termination with payment of twelve times the monthly consulting fee to Mr. Thomas on termination. Prior to the effective date of the CFO Consulting Agreement, Mr. Thomas was paid a monthly consulting fee of \$5,000

Alastair Brownlow served as CFO of the Company from June 21, 2017 to February 11, 2019. Starting July 2017, the Company paid Red Fern Consulting Ltd. (“**Red Fern**”) \$3,000 per month for CFO services and \$6,000 per month for accounting services. Mr. Brownlow is an employee of Red Fern and has no ownership in Red Fern. Mr. Brownlow provides services to several clients of Red Fern and receives a fixed fee from Red Fern. Mr. Brownlow’s compensation from Red Fern is not dependent on the clients of Red Fern for which Mr. Brownlow provides his services.

On October 22, 2018, McKenzie LK Management & Consulting Ltd. (“**McKenzie**”), a company owned by Craig Tennock, a former director of the Company converted the indebtedness in the amount of \$33,000 into 330,000 Shares. The Company was indebted to McKenzie in the aggregate amount of \$33,000 for unpaid remuneration for consulting services performed.

On February 20, 2019, McKenzie converted indebtedness in the amount of \$31,500 into 210,000 Shares. The Company was indebted to McKenzie in the aggregate amount of \$31,500 for unpaid remuneration for consulting services performed.

## **Oversight and Description of Director and NEO Compensation**

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussions relating to compensation, but disclose their interest in, and abstain from voting on, decisions relating to their respective compensation.

The overall objective of the Company's compensation strategy is to offer short, medium and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest calibre, and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the CEO, if any, in this regard. The Company currently has a short term compensation component in place, which includes the accrual and/or payment of management fees to certain NEOs, and a long-term compensation component in place, which may include the grant of stock options under the Plan. The Company intends to further develop these compensation components. Although it has not to date, the Board may in the future consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is expected to be discretionary, depending on, among other factors, the financial performance of the Company and the position of the executive. The Board considers that the payment of such discretionary annual cash bonuses may satisfy the medium term compensation component.

The objectives of the Company's compensation policies and procedures are to align the interests of the Company's employees with the interests of the shareholders. Therefore, a significant portion of total compensation granted by the Company, being the grant of stock options, is based upon overall corporate performance. The Company relies on Board discussion without formal objectives, criteria and analysis, when determining executive compensation. There are currently no formal performance goals or similar conditions that must be satisfied in connection with the payment of executive compensation.

## **Pension Plan Benefits**

The Company does not have any pension plans that provide for payments or benefits to the NEOs or directors at, following, or in connection with retirement, including any defined benefits plan or any defined contribution plan. The Company does not have a deferred compensation plan with respect to any NEO or director.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The following table sets out, as of the end of the most recently completed financial year, all required information with respect to compensation plans under which equity securities of the Company are authorized for issuance:

### Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights <sup>(1)</sup> (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)) (c)
Equity compensation plans approved by securityholders	6,833,884	\$0.15	839,567 <sup>(2)</sup>
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
<b>Total</b>	<b>6,833,884</b>	<b>\$0.15</b>	<b>839,567</b>

(1) The Company does not have any warrants or rights outstanding under any equity compensation plans.

(2) The Plan is a rolling stock option plan under which the Company can issue such number of options as is equal to 10% of the Company's issued and outstanding Shares from time to time. As of June 30, 2019, there were 76,734,510 Shares outstanding and the Company could issue up to 7,673,451 options to acquire Shares on such date

## CORPORATE GOVERNANCE

### *Board of Directors*

The Board presently has six directors, four of whom are independent. The definition of independence used by the Company is that used by the Canadian Securities Administrators, which is set out in Section 1.4 of National Instrument 52-110 *Audit Committees* ("NI 52-110"). A director is independent if he has no direct or indirect material relationship to the Company. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director's independent judgment. Certain types of relationships are by their nature considered to be material relationships and are specified in Section 1.4 of NI 52-110.

Rick Sanderson, Kevin Ma and Vikas Ranjan are considered to be independent directors. Greg Johnston is not considered to be independent as he is the President and CEO of the Company. Chris Johnston is not considered to be independent as he is the Chairman of the Company and a brother of Greg Johnston.



The Board believes that the principal objective of the Company is to generate economic returns with the goal of maximizing shareholder value, and that this is to be accomplished by the Board through its stewardship of the Company. In fulfilling its stewardship function, the Board's responsibilities include strategic planning, appointing and overseeing management, succession planning, risk identification and overseeing financial and corporate issues. Directors are involved in the supervision of management.

The Company has not developed written position descriptions for the CEO and the CFO. Pursuant to the *Business Corporations Act* (British Columbia), directors must declare any interest in a material contract or transaction or a proposed material contract or transaction. Further, the independent members of the Board meet independently of management members when warranted. During the most recently completed financial year, the Board met 3 times and all members of the Board were in attendance at each meeting and the independent directors did not meet without the non-independent members of the Board in attendance.

### *Other Directorships*

The directors of the Company are also directors of the following other reporting issuers:

<b>Current Director /Nominee</b>	<b>Other Directorships of other Reporting Issuers</b>
Greg Johnston	None
Chris Johnston	None
Rick Sanderson	None
Kevin Ma	Link Global Technologies Inc., Netcoins Holdings Inc., and Molori Energy Corp.
Vikas Ranjan	The Mint Corp., Prime City One Capital Corp., Gravitas Financial Inc., Must Capital Corp. and MLI Marble Lending Inc.

### *Orientation and Continuing Education*

New directors of the Company are provided with a package of pertinent information about the Company which includes written information about the duties and obligations of directors, the business and operations of the Company and documents from recent board meetings. Specific details of the orientation of each new director are tailored to that director's individual needs and areas of interest.

The Company also provides continuing education to directors by way of management presentations to ensure that their knowledge and understanding of the Company's business remains current. The Company's financial and legal advisers are also available to the Company's directors.

### *Ethical Business Conduct*

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.

### *Nomination of Directors*

The Company does not have a formal process or committee for proposing new nominees for election to the Board. The nominees proposed are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members.

### *Compensation*

The Board conducts reviews with regard to the compensation of the directors and Chief Executive Officer from time to time. To make its recommendations on such compensation, the Board considers the expertise of the applicable director or officer, as well as their particular contributions to the Company.

### *Other Board Committees*

The Board has not established any committees other than the audit committee (the “**Audit Committee**”).

### *Assessments*

The Board monitors the adequacy of information given to directors, communications between the Board and management, and the strategic direction and processes of the Board and its committees.

## **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITORS**

### *General*

The Audit Committee is a standing committee of the Board, the primary function of which is to assist the Board in fulfilling its financial oversight responsibilities, which will include monitoring the quality and integrity of the Company's financial statements and the independence and performance of the Company's external auditor, acting as a liaison between the Board and the Company's external auditor, reviewing the financial information that will be publicly disclosed and reviewing all audit processes and the systems of internal controls management and the Board have established.

### *Audit Committee Charter*

The Board has adopted an Audit Committee Charter, which sets out the Audit Committee's mandate, organization, powers and responsibilities. The Audit Committee Charter is attached as Schedule “A” to this Information Circular.

### *Composition*

As the Shares are listed on the CSE, the Company is categorized as a venture issuer. As a result, the Company is exempt from the requirements of Part 3 (*Composition of the Audit Committee*) of NI 52-110.

The Company's Audit Committee is comprised of three directors: Kevin Ma, Chris Johnston and Rick Sanderson. The table below sets out information with respect to the current members of the Audit Committee:

Name of Member	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
Kevin Ma	Yes	Yes
Chris Johnston	No <sup>(3)</sup>	Yes
Rick Sanderson	Yes	Yes

<sup>(1)</sup> A member of the Audit Committee is independent if he has no direct or indirect 'material relationship' with the Company. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. An executive officer of the Company, such as the President or Chairman, is deemed to have a material relationship with the Company.

<sup>(2)</sup> A member of the Audit Committee is financially literate if he has 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 reasonably be expected to be raised by the Company's financial statements.

<sup>(3)</sup> Chris Johnston is the Chairman of the Company and a brother of Greg Johnston.

### ***Relevant Education and Experience***

Kevin Ma, a CPA, CA, is currently the Chief Financial Officer of First Cobalt Corp. and has over 15 years of financial management and public company experience. Mr. Ma holds a Bachelor of Arts from the University of British Columbia and a Diploma in Accounting from the University of British Columbia. Mr. Ma currently serves on the board of directors of several publicly listed companies.

Chris Johnston received his Bachelor of Applied Science in Civil Engineering from the University of British Columbia in 1988. He is a Professional Engineer (BC, AB) with over 28 years of experience in the civil engineering and infrastructure management industry. As Vice President of Kerr Wood Leidal Associates Ltd. Consulting Engineers in Vancouver, leading their business development and project innovation, he is involved in project budgeting and financial and cost benefit analysis. In addition, his experience as a founder and past director of FlowWorks Inc. gives him a wealth of practical experience with respect to the Company's largest operating subsidiary.

Rick Sanderson has a Diploma in Advertising and Marketing from Sheridan College. Mr. Sanderson has over 35 years of experience in the marketing and advertising industry. He presently owns and operates a marketing services consultancy - Federation marketing Services - which commenced operations in March 2017. Previous to this, he served as SVP General Manager of MacLaren McCann from 2014 to 2017 after his post as Marketing Director at Global Relay, a market leader in compliance messaging, archiving and message management software. Mr. Sanderson also served as a general manager of Omnicom Media Group Vancouver and Media Manager of TBWA\ Vancouver, two large global media and advertising agencies. Prior to his 25-year stay in Vancouver, he worked in Toronto for a number of agencies, including MacLaren McCann working on brands such as Coca-Cola, Procter & Gamble and HSBC.

### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

### ***Reliance on Certain Exemptions***

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (*De Minimis Non-audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*) and 6.1.1(6) (*Death, Incapacity or Resignation*) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 (*Exemptions*) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of National Instrument 52-110 in whole or in part.

### **Pre-Approval Policies and Procedures**

The Audit Committee Charter provides that the Audit Committee will pre-approve all non-audit services to be provided by the Company's external auditor.

### ***External Auditor Service Fees (By Category)***

<b>Financial Year Ended</b>	<b>Audit Fees <sup>(1)</sup></b>	<b>Audit Related Fees <sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees <sup>(4)</sup></b>
June 30, 2019	\$46,125	\$Nil	\$Nil	\$Nil
June 30, 2018	\$44,075	\$Nil	\$3,000	\$Nil

(1) The aggregate fees billed by the Company's auditor for audit fees.

(2) The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the 'Audit Fees' column.

(3) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice and tax planning.

(4) The aggregate fees billed for professional services other than those listed in the other three columns.

### ***Exemption***

The Company is relying on the exemption provided by Section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

### **INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS**

No current or former director, executive officer, proposed nominee for election to the board of directors, or associate of such persons is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any of its subsidiaries.

No indebtedness of current or former director, executive officer, proposed nominee for election to the board of directors, or associate of such persons 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 Company or any of its subsidiaries.

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

Except as otherwise disclosed herein, no:

- (a) director, proposed director or executive officer of the Company;
- (b) person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both, carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company;
- (c) associate or affiliate of any of the foregoing person or company; and
- (d) director or executive officer of the foregoing person or company,

has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except for any interest arising from the ownership of securities of the Company where such person or company receives no extra or special benefit or advantage not shared on a proportionate basis by all holders of the same class of securities.

On October 22, 2018, McKenzie LK Management & Consulting Ltd. ("**McKenzie**"), a company owned by Craig Tennock, a former director of the Company converted indebtedness in the amount of \$33,000 into 330,000 Shares. The Company was indebted to McKenzie in the aggregate amount of \$33,000 for unpaid remuneration for consulting services performed.

On February 20, 2019, McKenzie converted indebtedness in the amount of \$31,500 into 210,000 Shares. The Company was indebted to McKenzie in the aggregate amount of \$31,500 for unpaid remuneration for consulting services performed.

## **APPOINTMENT OF AUDITOR**

At the Meeting, shareholders will be asked to pass an ordinary resolution to appoint Baker Tilly WM LLP, Chartered Professional Accountants, as the auditors of the Company for the fiscal year ending June 30, 2020 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending June 30, 2020. An ordinary resolution needs to be passed by a simple majority of the votes cast by the shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Baker Tilly WM LLP, formerly Wolrige Mahon LLP was first appointed auditor of the Company on May 15, 2014.

**Management recommends the shareholders to vote in favour of appointing Baker Tilly WM LLP, Chartered Professional Accountants, as the auditors of the Company and authorizing the directors of the Company to fix the remuneration to be paid to the auditors.**

## MANAGEMENT CONTRACTS

There are no management functions of the Company or its subsidiaries which are to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Company.

## ADDITIONAL INFORMATION

Additional information with respect to the Company is available on the SEDAR website at [www.sedar.com](http://www.sedar.com). You may request copies of the Company's financial statements and management discussion and analysis by completing the proxy or request card included with the Meeting Materials, in accordance with the instructions therein. Financial information is provided in the Company's comparative annual financial statements and management discussion and analysis for its most recently completed financial year, which are available on SEDAR.

DATED November 20, 2018.

By Order of the Board of Directors of  
**CARL DATA SOLUTIONS INC.**

*"Greg Johnston"*

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Greg Johnston  
Director, President and Chief Executive Officer

**SCHEDULE A  
AUDIT COMMITTEE CHARTER**



**CARL DATA SOLUTIONS INC.  
(the "Company")**

**AUDIT COMMITTEE CHARTER**

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company's audit committee, or its Board of Directors (the "**Board**") in lieu thereof (the "**Audit Committee**"). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

**Composition**

- (i) *Compliance with Laws.* The Audit Committee and its membership must meet all applicable legal requirements, including, without limitation, those of applicable securities laws, applicable stock exchange and the *Business Corporations Act* (British Columbia).
- (ii) *Number of Members.* The Audit Committee must be comprised of a minimum of three (3) directors of the Company. If the Company is a "venture issuer" (as defined in National Instrument 52-110 *Audit Committees ("NI 52-110")*), then, subject to the exemptions contemplated under NI 52-110, the Audit Committee must be comprised of members, a majority of whom are not executive officers, employees or control persons of the Company or of an affiliate of the Company (as contemplated in the NI 52-110).
- (iii) *Chair.* If there is more than one member of the Audit Committee, members will appoint a chair of the Audit Committee (the "**Chair**") to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (iv) *Financially Literacy.* All members of the Audit Committee must be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate, such member will have a period of three (3) months to acquire the required level of financial literacy.

## Meetings

- (i) *Quorum.* The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (ii) *Agenda.* The Chair will set the agenda for each meeting, after consulting with management and the Company's external auditor (the "**Auditor**"). Agenda materials such as draft financial statements must be circulated to all Audit Committee members a reasonable time in advance of each meeting in order for members to have time to review the materials prior to the meeting.
- (iii) *Notice to Auditor.* The Auditor will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor's duties.
- (iv) *Minutes.* Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

## Roles and Responsibilities

The roles and responsibilities of the Audit Committee include the following:

### External Auditor

The Audit Committee will:

- (i) *Selection of the Auditor.* Select, evaluate and recommend the Auditor to the Board for shareholder approval, to examine the Company's accounts, controls and financial statements.
- (ii) *Scope of Work.* Evaluate, prior to the annual audit of the Company's financial statements, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.
- (iii) *Compensation.* Recommend to the Board the compensation to be paid to the Auditor.
- (iv) *Replacement of Auditor.* If necessary, recommend the replacement of the Auditor to the Board.
- (v) *Approve Non-Audit Related Services.* Pre-approve all non-audit services to be provided by the Auditor.
- (vi) *Responsibility for Oversight.* Oversee the work of the Auditor, who must report directly to the Audit Committee.
- (vii) *Resolution of Disputes.* Assist with resolving any disputes between the Company's management and the Auditor regarding financial reporting.

### Financial Statements and Financial Information

The Audit Committee will:

- (i) *Review Audited Financial Statements.* Review the Company's audited financial statements, discuss those statements with management and with the Auditor, and if appropriate, recommend their approval to the Board.



- (ii) *Review Interim Financial Statements.* Review and discuss with management the Company's interim financial statements, and if appropriate, recommend their approval to the Board.
- (iii) *MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports.* Review management's discussion and analysis, interim and annual press releases, and Audit Committee reports before the Company publicly discloses such information.
- (iv) *Auditor Reports and Recommendations.* Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

#### Risk Management, Internal Controls and Information Systems

The Audit Committee will:

- (i) *Internal Controls.* Review with management and the Auditor the general policies and procedures used by the Company with respect to internal accounting and financial controls, and remain informed, through communications with the Auditor, of any weaknesses in internal controls that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.
- (ii) *Financial Management.* Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in such functions.
- (iii) *Accounting Policies and Practices.* Review management's plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (iv) *Litigation.* Review with the Auditor and the Company's legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the Company's financial statements.
- (v) *Other.* Discuss with management and the Auditor correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

#### Complaints

- (i) *Accounting, Auditing and Internal Control Complaints.* Establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (ii) *Employee Complaints.* Establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

#### **Authority**

- (i) *Auditor.* The Auditor, and any internal auditor hired by the company, will report directly to the Audit Committee.

- (ii) *Independent Advisors.* The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsel and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of such advisors.

### **Reporting**

The Audit Committee will report to the Board on:

- (i) the independence of the Auditor;
- (ii) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (iii) the reappointment and termination of the Auditor;
- (iv) the adequacy of the Company's internal controls and disclosure controls;
- (v) the Audit Committee's review of the Company's financial statements, both annual and interim;
- (vi) the Audit Committee's review of the management's discussion and analysis, both annual and interim;
- (vii) the Company's compliance with legal and regulatory matters to the extent they affect its financial statements; and
- (viii) all other material matters dealt with by the Audit Committee.