



**VEXT Science, Inc.**  
Suite 2250, 1055 West Hastings St.  
Vancouver, BC V6E 2E9  
Telephone: (604) 688-9588

### NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

The annual general and special meeting of shareholders of **VEXT Science, Inc.** (the “Company”) will be held at Suite 2250, 1055 West Hastings Street, Vancouver, British Columbia, on Thursday, December 10, 2020 at 10:00 a.m., Pacific Time, (the “Meeting”).

**In light of the ongoing public health concerns related to COVID-19 and in order to comply with measures imposed by the federal and provincial governments, the Company is encouraging Shareholders and others not to attend the Meeting in person, but instead to submit their votes by proxy well in advance of the Meeting proxy deadline of 10:00 a.m. (Pacific Time) on December 8, 2020. Shareholders who wish to attend the Meeting in person must call the Company (604) 688-9588 at least 48 hours prior to the date of the Meeting for further instructions on in-person attendance procedures.**

The Company will offer Shareholders the option to listen and participate (but not vote) at the Meeting in real time by conference call at the following coordinates:

**Join by Phone - Dial by your Location**

Canada Toll Free: **1-855- 244-8677**

US Toll Free: **1-855-282-6330**

Meeting Access Code: **799-254-472**

As of the date of this Notice, we intend to hold the Meeting in the traditional personal attendance format, but will also include a telephone conference call so shareholders can listen to the Meeting in real time. We are continuously monitoring the current coronavirus pandemic, and in light of rapidly evolving news and guidelines related to COVID-19, and we ask that, in considering whether to attend the Meeting in person, Shareholders follow instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>) and any applicable additional provincial and local health department instructions. You should not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days prior to the Meeting. **In order to minimize group sizes and respect social distancing regulations, all Shareholders are urged to vote on the matters before the Meeting by proxy, which proxy can be submitted electronically or by mail as described in the accompanying Information Circular.** We reserve the right to take any additional precautionary measures we deem appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 pandemic. Should any changes to the Meeting format occur, the Company will announce any and all changes by way of news release, which will be filed under the Company’s profile at [www.sedar.com](http://www.sedar.com). We strongly recommend you check the Company’s website <https://vextscience.com>, prior to the Meeting for the most current information. In the event of any changes to the Meeting format due to the COVID-19 pandemic, the Company will **not** prepare or mail amended Meeting materials.

Shareholders who intend to attend the meeting via teleconference must **submit votes by Proxy ahead of the proxy deadline of 10:00 a.m. (Pacific Time) on December 8, 2020.** Attendance by teleconference allows Shareholders to listen to, but not to vote at the Meeting.

### **Purpose of the Meeting**

The Meeting is to be held for the following purposes:

1. To receive and consider the audited consolidated annual financial statements of the Company for the fiscal years ended December 31, 2019 and December 31, 2018, the reports of the auditor thereon and the related management discussion and analysis;
2. To set the number of directors for the ensuing year;
3. To elect directors of the Company for the ensuing year;
4. To appoint an auditor of the Company for the ensuing year; and
5. To ratify and approve adoption of the Company's Restricted Share Unit Plan.

An Information Circular accompanies this Notice and contains details of matters to be considered at the Meeting. No other matters are contemplated, however any permitted amendment to or variation of any matter identified in this Notice may properly be considered at the Meeting. The Meeting may also consider the transaction of such other business as may properly come before the Meeting or any adjournment thereof.

**Registered shareholders who are unable to attend the Meeting in person and who wish to ensure their shares are voted at the Meeting are asked to complete, date and sign the enclosed form of Proxy, or another suitable form of proxy, and deliver it in accordance with the instructions set out in the form of proxy and in the Information Circular.**

**Non-registered (beneficial) shareholders who plan to attend the Meeting must follow the instructions set out in the Proxy or Voting Instruction Form to ensure their shares are voted at the Meeting. If you hold your shares in a brokerage account you are a non-registered (beneficial) shareholder.**

DATED at Vancouver, British Columbia, November 12, 2020.

### **BY ORDER OF THE BOARD**

*“Eric Offenberger”*

Eric Offenberger  
President and Chief Executive Officer

**VEXT Science, Inc.**  
**Suite 2250, 1055 West Hastings St.**  
**Vancouver, BC V6E 2E9**  
**Telephone: (604) 688-9588**

**INFORMATION CIRCULAR**

as at November 3, 2020 *(except as otherwise indicated)*

**This Information Circular is furnished in connection with the solicitation of proxies by the management of VEXT Science, Inc. (the “Company”) for use at the annual general and special meeting (the “Meeting”) of its shareholders to be held on Thursday, December 10, 2020 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.**

In this Information Circular, references to the “Company”, “we” and “our” refer to VEXT Science, Inc. “Common Shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

All dollar amounts represented in this Information Circular are stated in US Dollars, unless labelled otherwise.

**GENERAL PROXY INFORMATION**

*Solicitation of Proxies*

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

*Appointment of Proxyholders*

The individuals named in the accompanying form of proxy (the “Proxy”) are officers and/or directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

*Voting by Proxyholder*

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy and, if applicable, for the nominees of management for directors and auditors as identified in the Proxy.**

### **Registered Shareholders**

Registered shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. To submit their proxy vote, a registered shareholder must complete, date and sign the Proxy and return it to the Company's transfer agent, Odyssey Trust Company ("Odyssey Trust") by 10:00 a.m. on Tuesday, December 8, 2020 using one of the following methods:

- by fax at 1-800-517-4553; or
- by email to: [proxy@odysseytrust.com](mailto:proxy@odysseytrust.com); or
- via online: to vote your Proxy online please visit: <https://login.odysseytrust.com/pxlogin> and click VOTE. You will require the CONTROL NUMBER printed with your address to the right on your Proxy form. If you vote via the Internet, do **not** mail the Proxy form in.

In all cases the Registered Shareholder must ensure the proxy is received by Odyssey Trust at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting, or the adjournment thereof, at which the Proxy is to be used.

### **Beneficial Shareholders**

**The following information is of significant importance to shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In Canada the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States (the "U.S."), under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

There are two kinds of Beneficial Shareholders: Objecting Beneficial Owners ("OBOs") object to their name being made known to the issuers of securities which they own; and Non-Objecting Beneficial Owners ("NOBOs") do not object to the issuers of the securities they own knowing who they are.

The form of proxy supplied to you by your broker will be similar to the Proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in Canada and in the United States. Broadridge mails a voting instruction form (a "VIF") in lieu of a Proxy provided by the

Company. The VIF will name the same persons as the Company's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you), in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting voting of Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with Broadridge's instructions, well in advance of the Meeting in order to have the Common Shares voted at the Meeting, or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares.**

For the Meeting, the Company has asked the intermediary, Broadridge, to mail the Meeting proxy materials to the NOBOs. If the Company chooses to take advantage of the provisions of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101") that permit the Company to deliver proxy-related materials directly to its NOBOs, then NOBOs can expect to receive a scannable Voting Instruction Form ("VIF") from our transfer agent, Odyssey Trust. The VIF is to be completed and returned to Odyssey Trust as set out in the instructions provided on the VIF. Odyssey Trust will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

*These securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.*

*If the Company is sending the Meeting proxy materials to you directly, by choosing to do so, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions that was sent to you.*

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

### **Notice to Shareholders in the United States**

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act* of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia) (the "BCA"), as amended, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

## **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it using one of the following methods:

- (a) execute a proxy bearing a later date or execute a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare or at the address of the registered office of the Company at 1055 West Georgia Street, Suite 1500, PO Box 11117, Vancouver, British Columbia, V6E 4N7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) attend the Meeting in person and vote the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

## **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and as may be set out herein.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Company is authorized to issue an unlimited number of subordinated voting Common Shares ("Subordinated Voting Shares") without par value, each carrying the right to one vote, and to issue an unlimited number of Class A Common Shares with multiple voting rights, each convertible into 100 Subordinated Voting Shares ("Super Voting Shares"). The Company's Subordinated Voting Shares are listed for trading on the Canadian Securities Exchange (the "CSE") under stock symbol "VEXT".

The Board of Directors of the Company (the "Board") has fixed November 3, 2020 as the record date (the "Record Date") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Subordinated Voting Shares voted at the Meeting.

At the close of business on November 3, 2020, there were 44,457,891 Subordinated Voting Shares (also referred to as "Common Shares") without par value of the Company issued and outstanding, each Subordinated Voting Share carrying the right to one vote. There were 678,609 Super Voting Shares (also referred to as "Class A Common Shares") of the Company, without par value, with special rights and restrictions. Each Super Voting Share has 100 votes. At the Record Date there were 1,103,321 Subordinated Voting Shares held in escrow pursuant to the Escrow Agreement of April 30, 2019. At a general meeting of the Company, on a show of hands, and on a poll, every holder of Subordinated Voting Shares present in person shall have one vote for each Subordinated Voting Share held and, every holder of Super Voting Shares present in person shall have 100 votes for each Class A Common Share of which they are the holder.

No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Subordinated Voting Shares.

To the knowledge of the directors and executive officers of the Company, there are no persons or corporations that beneficially owned, directly or indirectly, or exercised control or direction over, Subordinated Voting Shares carrying more than 10% of the voting rights attached to all outstanding Subordinated Voting Shares of the Company as at November 3, 2020.

The following documents filed with the securities commissions or similar regulatory authority in the Provinces of British Columbia and Alberta are specifically incorporated by reference into, and form an integral part of, this information circular:

- *Statement of Executive Compensation – Venture Issuers* (Form 51-102F6V), for financial years ended December 31, 2018 and December 31, 2019; and
- *Annual Information Form* dated September 17, 2020 for financial year ended December 31, 2019.

Copies of documents incorporated herein by reference may be obtained by a Shareholder upon request without charge from the Chief Financial Officer of the Company at Suite 2250, 1055 West Hastings St., Vancouver, BC V6E 2E9 Telephone: (604) 688-9588. These documents are also available under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

### **VOTES NECESSARY TO PASS RESOLUTIONS**

A simple majority of affirmative votes cast at the Meeting is required to pass the ordinary resolutions described herein. With respect to the resolution to ratify and approve adoption of the new Restricted Share Unit Plan (the “**RSU Plan**”), the resolution must be approved by a majority vote of the disinterested shareholders voting on the resolution. For the vote on that “disinterested shareholder resolution”, the votes of Insiders and affiliates of Insiders who may become Participants in the RSU Plan must be removed from the vote tally.

If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

### **ELECTION OF DIRECTORS**

The size of the Board is currently set at five (5). The Board proposes that the number of directors on the Board be reduced to four (4). Shareholders will therefore be asked to approve an ordinary resolution that the number of directors to be elected at the Meeting be set at four (4).

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the BCA, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

### **Advance Notice of Director Nominations by Shareholders**

Pursuant to the Company's Articles, all nominations of persons for election as director of the Company shall be done by the Board or by direction or request of one or more shareholders pursuant to the BCA, or by any a nominating shareholder as defined in and following the nomination procedure specified in the Articles of the Company. The Company's Articles were SEDAR filed on November 15, 2019 under the Company's profile at [www.sedar.com](http://www.sedar.com).

The nomination procedure set forth in the Articles is the framework by which a deadline is set by which holders of record of Common Shares of the Company must submit director nominations to the Company prior to any annual or special meeting of shareholders, and sets forth the information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

### Management Director Nominees

The following disclosure sets out the names of management’s nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee’s principal occupation, business or employment, the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at November 3, 2020:

Name of Nominee; Current Position with the Company and Province or State and Country of Residence	Position with and Name and Principal Business of each Company/Employer	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled <sup>(1)</sup>
Eric Offenberger President, CEO, COO and Director Arizona, U.S.A.	President, CEO and Director of the Company (2020); COO New Gen Holdings Inc. (2019); Delta Steel Inc., President and COO (2015 to 2018).	Since February 14, 2020	90,541 Subordinated Voting Shares
Jason T. Nguyen Director (Chairman of the Board) Arizona, U.S.A.	Director (Chairman of the Board) of the Company (2020); former CEO and Chairman of the Company (2019); Founder and CEO of New Gen Holdings Inc. (2013-2018).	Since December 31, 2018	1,425,300 <sup>(2)</sup> Subordinated Voting Shares AND 605,747 <sup>(2)</sup> Super Voting Shares
Dr. Jonathan Joseph Shelton Director Arizona, U.S.A.	Director of the Company; Brain Fit LLC, Founder (2015 to present).	Since December 31, 2018	67,568 Subordinated Voting Shares
David Eaton Director British Columbia, Canada	Director of the Company; Baron Global Finance Inc., Chairman of the Board, (2007 to present).	Since December 11, 2015	300,000 Subordinated Voting Shares

Notes:

1. The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
2. These shares are held by EFG Consultants, LLC, a company wholly owned and controlled by Jason T. Nguyen.

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

A shareholder can vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees. **Unless otherwise instructed, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Company.**



## Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than set out below, no director or executive officer of the Company is, as at the date of this AIF, or has been within 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Company), that:

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

No director or executive officer of the Company, nor a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (a) is, as at the date of this AIF, or has been within 10 years before the date of this AIF, 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; or
- (b) has, within 10 years before the date of this AIF, 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.

No director or executive officer of the Company has been subject to:

- (a) 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
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

## Biographies of Director Nominees

**Eric Offenberger** has 30+ year leading organizations in the distribution and manufacturing industries. Mr. Offenberger has worked in both large public companies and private organizations that have been market leaders. As President and COO of a steel services center, he oversaw six divisions with annual revenue of over \$350 million. Mr. Offenberger has a proven track record growing sales, improving inventory turnover and driving operational efficiencies. He has been involved in green field start-ups as

well as major capital development and installation of enterprise resource planning applications. Mr. Offenberger holds a bachelor's degree in accountancy and CPA certification.

**Jason T. Nguyen** is the founder and CEO of New Gen Inc. ("New Gen") and the VAPEN brands (VAPEN Clear, VAPEN Extracts, VAPEN Kitchens, and VAPEN CBD). Recognizing the advancement of medical marijuana in Arizona and the need for a reliable medical marijuana facility and products, in early 2012, Mr. Nguyen formed a working relationship with Herbal Wellness Center. In 2013, Mr. Nguyen developed the VAPEN brand to provide various products for individuals to consume cannabis through other methods of delivery so that they can choose the best method for them, specific to their needs.

Mr. Nguyen is an employee of the Company and has entered into a non-competition or confidentiality agreement with the Company. It is expected that he will devote 100% of his time to the business of the Company to effectively fulfill his duties as Chairman and Director of the Board of Directors of both the Company and New Gen.

**Dr. Jonathan Shelton** is the founder of Brain Fit, LLC, a private practice specializing in psychological assessment and evaluation. He completed a bachelor's degree in psychology at Howard University in Washington, D.C., followed by a master's degree and a doctoral degree in clinical psychology from the Arizona School of Professional Psychology. He has been independently licensed in the State of Arizona for over five years and he currently completes Compensation and Pension Examinations for veterans, Consultative Examinations for the Arizona Department of Disability Determination, and psychological evaluations for the Arizona Department of Child Safety.

Dr. Shelton is not an employee or consultant of the Company and has not entered into a non- competition or confidentiality agreement with the Company. It is expected that he will devote 20% of his time to the business of the Company to effectively fulfill his duties as an independent director of the Company.

**David Eaton** has been involved the capital markets since 1981, starting as a floor trader at the Vancouver Stock Exchange. Throughout his career he has been active in all aspects of the corporate finance industry, consulting to both public and private companies in the areas of investor relations, arranging financings and corporate transactions. Since 2007 he has been Chairman at Baron Global Financial Canada Ltd., a subsidiary of the Hong Kong Stock Exchange Member Firm VBG International Holdings Limited. Baron Global Financial Canada Ltd. provides advisory services in the areas of financing, structuring, transaction planning, corporate transactions, public listings planning, ongoing financial reporting, and public company management.

Mr. Eaton is not an employee or consultant of the Company and has not entered into a non-competition or confidentiality agreement with the Company. It is expected that he will devote 20% of his time to the business of the Company to effectively fulfill his duties as an independent director of the Company.

#### **APPOINTMENT OF AUDITOR**

Buckley Dodds LLP, Chartered Professional Accountants, 1140 – 1185 West Georgia Street, Vancouver, British Columbia V6E 4E6, will be nominated at the Meeting for appointment as auditor of the Company. Buckley Dodds LLP was first appointed auditor of the Company on June 12, 2018.

#### **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 52-110 "Audit Committees" ("NI 52-110") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor. Such disclosure is set forth below.

### **The Audit Committee's Charter**

The Audit Committee has a charter. A copy of the audit committee charter is attached as Appendix A to the Company's Annual Information Form dated September 17, 2020 for the financial year ended December 31, 2019, a copy of which is filed under the Company's profile at [www.sedar.com](http://www.sedar.com).

### **Composition of the Audit Committee**

The current members of the audit committee are David Eaton (Chair), Dr. Jonathan Shelton and Caroline Williams. All members of the audit committee are considered to be independent and financially literate. Ms. Williams will not stand for election at the Meeting.

### **Relevant Education and Experience**

Each member of the audit committee has sufficient education and experience to have

- an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

See disclosure under heading "Biographies of Director Nominees" above.

### **Audit Committee Oversight**

The Audit Committee has not made any recommendations to the Board to nominate or compensate any auditor other than Buckley Dodds LLP. 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.

### **Reliance on Certain Exemptions**

The Company's auditor, Buckley Dodds LLP, has not provided any material non-audit services. 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 NI 52-110 (*De Minimis Non-Audit Services*), section 3.25 (*Initial Public Offerings*), section 3.4 (*Events Outside Control of Members*), section 3.5 (*Death, Disability or Resignation of Audit Committee Member*) or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*) of NI 52-110.

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

The audit committee has not adopted specific policies and procedures for the engagement of non-audit services.

## External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audit services provided by Buckley Dodds LLP to the Company to ensure auditor independence. Fees incurred with Buckley Dodds LLP for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

Financial Period Ended	Audit Fees <sup>(1)</sup> (\$)	Audit Related Fees <sup>(2)</sup> (\$)	Tax Fees <sup>(3)</sup> (\$)	All Other Fees <sup>(4)</sup> (\$)
December 31, 2018	64,000	Nil	Nil	Nil
December 31, 2019	126,240	Nil	Nil	Nil

Notes:

- (1) "Audit Fees" include, where applicable, fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include, where applicable, services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include, where applicable, fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

## CORPORATE GOVERNANCE

### General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices; as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Pursuant to the requirements of NI 58-101, the Company is required to provide disclosure in this Information Circular of its corporate governance practices in accordance with Form 58-101F1, which are as follows.

### Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with 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 a director's independent judgment.

During the financial year ended December 31, 2019, there were four Board meetings and during the financial year ended December 31, 2018, there were two Board meetings. In either year if a meeting could not be convened, business was conducted by resolution and the unanimous consent of the directors of the Company.

During the fiscal year ended December 31, 2018, the independent Board members were David Eaton, Denise Lok, David Velisek and Michael Sikich. Robert John Brilon was a non-independent director as he was also the President, CFO and Corporate Secretary. During the fiscal year ended December 31, 2019 the independent Board members were: David Eaton and Dr. Jonathan Joseph Shelton. Non-independent

directors in the same financial year were Robert John Brilon (former President, CFO and Corporate Secretary) and Jason T. Nguyen (former CEO).

Currently the only non-independent director on the Board is Eric Offenberger who is President, CEO and COO of the Company.

### **Directorships**

The following director is currently serving on the board of another reporting company (or equivalent) as set out below:

<b>Name of Director</b>	<b>Name of Reporting Issuer</b>	<b>Exchange Listed</b>
David Eaton	Jayden Resources Inc.	TSXV

### **Orientation and Continuing Education**

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the Company's business, agricultural technology and production, and on the responsibilities of directors.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussions with all Board members.

### **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 directors' 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 Board does not have a nominating committee. Functions that would be carried out by a nominating committee are currently performed by the plenary Board with input from management.

Upon nomination of a director, the Board and management of the Company consider the size of the Company, its history and its future goals and objectives when deciding the number of directors to recommend for election at the annual meeting of shareholders. The Board and management also take into account the number of Board members that would be required to effectively carry out the duties and responsibilities of the Board while maintaining a diversity of views and experience. However, if there is a change in the number of directors required to effect the smooth operations of the Company, this policy will be reviewed.

### **Other Board Committees**

The Board has no committees other than the audit committee.

### **Assessments**

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

### **Nomination and Assessment**

The Board determines who the new nominees to the Board will be, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by Board members, including both

formal and informal discussions among Board members and the President and CEO. The Board monitors but does not formally assess the performance of individual Board members or their contributions.

## STATEMENT OF EXECUTIVE COMPENSATION

### GENERAL

The following information, dated October 19, 2020, is provided as required under Form 51-102F6V – *Statement of Executive Compensation*, for Venture Issuers (the “**Form**”), as such term is defined in National Instrument 51-102.

The purpose of this Compensation Discussion and Analysis is to provide information about the Company’s executive compensation objectives and processes and to discuss compensation decisions relating to its named executive officers (“**Named Executive Officers**” or “**NEOs**”) listed in the Summary Compensation Table set out below. In accordance with applicable securities legislation, as at December 31, 2019, the Company had two Named Executive Officers; being Jason T. Nguyen, CEO, Chairman of the Board, and a director, and Robert J. Brilon, President, CFO, Corporate Secretary and a director.

For the purposes of this section:

“**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;

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

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

### Director and Named Executive Officer Compensation

During the financial year ended December 31, 2018, based on the definition above, the NEOs of the Company were: Jason T. Nguyen (CEO and Director), and Robert J. Brilon (Former President, CFO, Corporate Secretary, and Director). The directors of the Company who were not NEOs during financial year ended December 31, 2019 were David Eaton and Jonathon Shelton.

The Company is authorized to issue an unlimited number of common shares without par value (“**Subordinated Voting Shares**”), each carrying the right to one vote, and an unlimited number of Super

Voting Shares, each convertible into 100 Subordinated Voting Shares. The Company's Subordinated Voting Shares are listed on the Canadian Securities Exchange (CSE) under stock symbol "VEXT".

The Board assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Company. In determining executive compensation, the Board considers the Company's financial circumstances at the time decisions are made regarding executive compensation, and also the anticipated financial situation of the Company in the mid and long-term.

### Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and directors of the Company who were not NEOS for the financial years ended December 31, 2018 and 2019 in US dollars. Options and compensation securities are disclosed under the heading *Stock Options and Other Compensation Securities* herein.

Table of compensation excluding compensation securities (in US Dollars)							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Board, committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Jason T. Nguyen <sup>(1)</sup> CEO, Executive Chairman and Director	2019	370,231	Nil	Nil	Nil	Nil	370,231
	2018	390,000	Nil	Nil	Nil	Nil	390,000
Robert J. Brilon <sup>(2)</sup> Former President, CFO and Director	2019	291,942	Nil	Nil	Nil	Nil	291,942
	2018	237,091	Nil	Nil	Nil	Nil	237,091
David Eaton Director	2019	19,800	Nil	Nil	Nil	Nil	19,800
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Jonathan Shelton Director	2019	20,800	Nil	Nil	Nil	Nil	20,800
	2018	20,800	Nil	Nil	Nil	Nil	20,800

Notes:

- (1) Jason T. Nguyen received \$390,000 in 2018 and \$370,231 in 2019 in relation to his employment with the Company and Nil in relation to his position as a director of the Company. In addition to his position, Jason T. Nguyen was appointed Executive Chairman of the Board on February 20, 2020.
- (2) Robert J. Brilon received \$237,091 in 2018 and \$291,942 in 2019 in relation to his employment with the Company and Nil in relation to his position as a director of the Company. In addition to his position, Robert J. Brilon was appointed Corporate Secretary, President and Director in April 2019. On February 7, 2020, Mr. Brilon resigned as the President, CFO, Corporate Secretary, and Director.

### Stock Option Plan and Other Compensation Plans

#### 10% "rolling" Stock Option Plan (Option-Based Awards)

The Company has a 10% rolling share option plan (the "Option Plan") in place, which became effective January 4, 2019.

The principal purpose of the Option Plan is to advance the interests of the Company by encouraging the directors, employees and consultants of the Company and of its subsidiaries or affiliates, if any, by providing them with the opportunity, through options, to acquire Subordinated Voting Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

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

The Option Plan is administered by the Board or by a special committee of the Board appointed from time to time by the Board. The maximum term may not exceed ten (10) years from the date of grant.

Pursuant to the Option Plan, the Company may issue Options for such period and exercise price as may be determined by the Board, and in any case not exceeding ten years from the date of grant. The Company may issue Options equal to not more than 10% of the then issued and outstanding Subordinated Voting Shares. The minimum exercise price of an option granted under the Option Plan must not be less than the fair market value of a Subordinated Voting Share on the date such option is granted, and if the Subordinated Voting Shares are listed on a recognized stock exchange, will be subject to the minimum exercise price permitted by such stock exchange.

Unless accelerated in accordance with the Option Plan, all options, whether vested or unvested, shall terminate immediately upon the Company terminating the optionee's employment or contractual relationship with the Company or any related company for cause. Options shall be terminated, to the extent not previously exercised, upon the occurrence of the first of the following events: (i) the expiration of the option as designated by the Board; (ii) in the case of termination of employment by the Company without cause, or the failure of a director standing for election to be reelected, or the failure of the Company to renew a contract for services at the end of its terms (other than a contract or employment relating to Investor Relations Activities (as such term is defined in the policies of the CSE), the date which is 90 days after the date of termination; (iii) in the case of a termination of a contract or employment relating to Investor Relations Activities, the date which 30 days from the date of termination; (iv) in case of the death of the optionee, the date which is one year after the death; and (v) in all other cases, the date of termination.

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

- (i) the maximum number of Options which may be granted to any one holder under the Stock Option Plan within any 12-month period shall be 10% of the number of issued and outstanding Subordinated Voting Shares (unless the Company has obtained disinterested shareholder approval if required by applicable laws);
- (ii) if required by applicable laws, disinterested shareholder approval is required to the grant to related persons, within a 12-month period, of a number of Options which, when added to the number of outstanding Options granted to related persons within the previous 12 months, exceed 10% of the issued Subordinated Voting Shares;
- (iii) the expiry date of an Option shall be no later than the tenth anniversary of the grant date of such Option;
- (iv) the maximum number of Options which may be granted to any one consultant within any 12-month period must not exceed 5% of the number of issued and outstanding Subordinated Voting Shares;
- (v) the exercise price of any Option issued under the Stock Option Plan shall not be less than the Market Value (as defined in the Stock Option Plan) of the Subordinated Voting Shares as of the grant date; and



- (vi) the Board, or any committee to whom the Board delegates, may determine the vesting schedule for any Option.

As of the Record Date pursuant to the Option Plan the 10% reserve of outstanding Common Shares was 4,445,789 and there were options outstanding for 2,062,334 Common Shares, leaving 2,383,455 Common Shares available for grant of Options pursuant to the Option Plan.

The foregoing summary of the Option Plan is not complete and is qualified in its entirety by reference to the Option Plan, which is available on the Company's SEDAR profile page at [www.sedar.com](http://www.sedar.com).

On November 12, 2020, the Board adopted a Restricted Share Unit Plan (the "RSU Plan") to provide for share-based awards to allow the Board another means of creating incentive for members of the Board and management to align their interests with the shareholders to increase the value of the Common Shares. See *Particulars of Matters to be Acted Upon* for information concerning the RSU Plan.

### Compensation Securities

The following table discloses the particulars of the option-based awards granted to the NEOs and Directors pursuant to the Option Plan in the financial year ended December 31, 2019.

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 (M/D/Y)	Issue, conversion or exercise price (CAD\$)	Closing price of security or underlying security on date of grant (CAD\$)	Closing price of security or underlying security as at year end (CAD\$)	Expiry Date (M/D/Y)
Jason T. Nguyen CEO, Executive Chairman and Director	Stock Options	100,000 (9.5%)	01-04-2019	1.00	1.00	0.79	01-04-2029
Robert J. Brilon Former President, CFO and Director	Stock Options	50,000 (4.8%)	01-04-2019	1.00	1.00	0.79	01-04-2029
David Eaton Director	--	--	--	--	--	--	--
Jonathan Shelton	Stock Options	50,000 (4.8%)	01-04-2019	1.00	1.00	0.79	01-04-2029

### Exercise of Compensation Securities by Directors and NEOs

There were no compensation securities exercised by any of the NEOs or directors of the Company during financial year ended December 31, 2019.

The Company had not entered into any other contract, agreement, plan or arrangement that provides for payments to a NEO or a director at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement a change in control of the Company or a change in an NEOs or directors responsibilities, as at December 31, 2019.

## Employment, Consulting and Management Agreements

During the Company's most recently completed financial year, the Company provided compensation to certain officers of the Company pursuant to the following employment agreements:

- (i) Employment Agreement dated July 1, 2018 between Jason T. Nguyen and New Gen (the "**Nguyen Employment Agreement**");
- (ii) Employment Agreement dated July 1, 2018 between Robert J. Brilon and New Gen (the "**Brilon Employment Agreement**"). Mr. Brilon is the former President, Chief Financial Officer and director of the Company.

The Nguyen Employment Agreement is for an initial period of three years. At the expiration of the agreement, the agreement will be renewed for regular terms of one year each on a fulltime basis, provided neither party submits a notice of termination in accordance with the agreement. The employment will be at-will employment and may be terminated at any time by either party with or without cause or notice, and without any liability or obligation except as provided in the agreement. If New Gen terminates the agreement at any time during the agreement, for any reason except for those acts by the employee to be considered "cause" (willful misconduct in the scope of Mr. Nguyen's employment which substantially interferes with the contracts or operations of New Gen or Mr. Nguyen's conviction of a felony which substantially interferes with the contracts or operations of New Gen), New Gen agrees to provide Mr. Nguyen with 24 months of base compensation and 24 months of employee benefits value. If Mr. Nguyen terminates the agreement at any time during the agreement, for "good reasons" (the occurrence of i) New Gen's material breach of a material term of the agreement including a failure to pay any portion of Mr. Nguyen's compensation or benefits; ii) a material diminution in Mr. Nguyen's position, duties or responsibilities; iii) a material reduction by New Gen of Mr. Nguyen's aggregate annualized compensation and benefits except for across-the-board reductions affecting similarly situated executive officers of New Gen; or iv) any required relocation of Mr. Nguyen's residence by New Gen or the relocation of New Gen's offices at which Mr. Nguyen is principally employed beyond a radius of 30 miles) or "change of control" (a change in the composition of the board of directors, as a result of which fewer than one-half of the incumbent directors remain directors or the acquisition or aggregation of securities by any person pursuant to which the person becomes the beneficial owner, directly or indirectly, of securities of New Gen representing 50% or more of the combined voting power of the outstanding securities of New Gen) reasons, New Gen agrees to provide Mr. Nguyen with 24 months of base compensation and 24 months of employee benefits value. For the services of CEO rendered by Mr. Nguyen, New Gen will pay to Mr. Nguyen base compensation of \$390,000 for full time employment in year one; \$430,000 for full time employment in year two; and \$470,000 for full time employment in year three. In addition to the base compensation, an additional bonus of up to 100% of the base wage will be payable in any commission or sales bonus structure approved by the board from time to time. Mr. Nguyen will be awarded a bonus of \$250,000 upon the assignment to New Gen of a patent pending that may be awarded to Mr. Nguyen during his employment and a 5% royalty on the proceeds related to licensing of the patent for the duration of the patent. Under the Nguyen Employment Agreement, Mr. Nguyen was awarded 100,000 stock options.

The Brilon Employment Agreement is for an initial period of three years. At the expiration date of the agreement, the agreement will be renewed for regular terms of one year each, under fulltime employment, provided neither party submits a notice of termination in accordance with the agreement. Pursuant to the Brilon Employment Agreement, the employment of Mr. Brilon will be at-will employment and may be terminated at any time by either party with or without cause or notice, and without any liability or obligation except as expressly provided in the agreement. If New Gen terminates the employment of Mr. Brilon at any time during the term of the Brilon Employment Agreement, for any reason except "for cause", New Gen will provide 24 months of base compensation and 24 months of employee benefits value. If Mr. Brilon

terminates the employment at any time during the agreement for “good reason” or “change of control”, New Gen agrees to provide the employee with 24 months of base compensation and 24 months of employee benefits value. For the services of President, CFO, and Corporate Secretary rendered by Mr. Brilon, New Gen will pay to Mr. Brilon base compensation of \$250,000 for full time employment in year one; \$280,000 for full time employment in year two; and \$310,000 for full time employment in year three. In addition to Mr. Brilon’s base compensation, an additional bonus of up to 100% of the base wage will be payable upon meeting certain performance goals to be set mutually and participation in any commission or sales bonus structure approved by the board. Mr. Brilon was awarded a bonus of \$15,000 upon the completion of the New Gen acquisition and listing of the Company’s Subordinated Voting Shares on the CSE. Under the Brilon Employment Agreement, Mr. Brilon was awarded 50,000 Options. On February 7, 2020, Mr. Brilon resigned as the President, CFO, Corporate Secretary, and Director. The Brilon Employment Agreement was terminated upon Mr. Brilon’s resignation.

## **Oversight and description of director and NEO compensation**

### *Elements of the Compensation Program*

The responsibilities relating to executive and director compensation, including reviewing and recommending compensation of the Company’s officers and employees and overseeing the Company’s base compensation structure and equity-based compensation program is performed by the Board as a whole. The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company’s senior management. The Board generally reviews the compensation of senior management on an annual basis taking into account compensation paid by other issuers of similar size and activity and the performance of officers generally and in light of the Company’s goals and objectives.

The compensation for senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including: (a) attracting and retaining talented, qualified and effective executives; (b) motivating the short and long-term performance of executives; and (c) better aligning the interests of executive officers with those of the Company’s shareholders. In the Board’s view, paying salaries which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Competitive salary information on comparable companies is compiled from a variety of sources, including national and international publications.

The Board determines the compensation for the CEO. The compensation of the Company’s executives is determined by the Board after the recommendation of the CEO. In each case, the Board takes into consideration the prior experience of the executive, industry standards, competitive salary information on comparable companies of similar size and stage of development, the degree of responsibility and participation of the executive in the day-to-day affairs of the Company, and the Company’s available cash resources.

In the Board’s view, to attract and retain qualified and effective executives, the Company must pay base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates.

The Board has assessed the Company’s compensation plans and programs for its executive officers to ensure alignment with the Company’s business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors has purchased such financial instruments.

*Philosophy and Objectives*

The compensation program for the senior management of the Company is designed within this context with a view that the level and form of compensation achieves certain objectives, including:

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

In compensating its senior management, the Company has employed a combination of base salary and equity participation through its Option Plan (described above). Recommendations for senior management compensation are presented to the Board for review.

*Base Salary or Consulting Fees*

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

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

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

- (a) the particular responsibilities related to the position;
- (b) salaries paid by other companies in the oil and gas industry which were similar in size as the Company;
- (c) the experience level of the executive officer;
- (d) the amount of time and commitment which the executive officer devotes to the Company; and
- (e) the executive officer’s overall performance and performance in relation to the achievement of corporate milestones and objectives.

During the Company’s financial years ended December 31, 2018 and December 31, 2019, the Company incurred the following expenses to related parties:

		<b>2019</b>		<b>2018</b>
Salaries and wages – CEO and a director	\$	409,231	\$	390,000
Salaries and wages – Former President, CFO, Corporate Secretary and a director		291,942		237,019
Share-based payments – directors and officers		101,955		N/A

### **Amounts Due to Related Parties**

As at December 31, 2019 is \$338,198 (2018 - \$290,167) owing to the Executive Chairman, companies controlled by him, and his close family members. The majority of this amount is made up of accrued salary.

As at December 31, 2019 is \$5,885 (2018 - \$ nil) owing to the Chief Executive Officer, a director, and the former President, CFO, Corporate Secretary and director of the Company.

As at December 31, 2019 is \$nil (2018 - \$14,445) owing to a company controlled by the Executive Chairman of the Company. This amount bears interest of 13% per annum and is due on demand.

As at December 31, 2019 is \$87,316 (2018 - \$128,228) due to the Executive Chairman of the Company, his spouse, and a company controlled by him. These loans bear interest of 13% per annum and are due between 2022 – 2026.

### **Executive Compensation**

Except for the grant of incentive share options to the NEOs and any compensation payable pursuant to an executive compensation agreement between the CEO or CFO and the Company, there are no arrangements under which NEOs were compensated by the Company during the two most recently completed financial years for their services in their capacity as NEOs, or directors.

### **Director Compensation**

The directors received no cash compensation for acting in their capacity as directors of the Company for the years ended December 31, 2018 and 2019. With the appointment to the Board of Caroline Williams in February 2020, the Company pays Ms. Williams a director's fee in the amount of \$3,000 for each Board meeting she attended in 2020. Ms. Williams will not stand for election at the Meeting.

Except for the directors' fees paid to Ms. Williams noted above, and except for the grant to directors of share options, there are no arrangements pursuant to which directors were compensated by the Company during the two most recently completed financial years for their services in their capacity as directors.

### *Bonus Incentive Compensation*

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

### *Equity Participation*

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's existing stock option plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors.

## **Compensation Review Process**

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

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

### *Benefits and Perquisites*

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

### *Hedging by Directors or NEOs*

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

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

## **Pension Disclosure**

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

## **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

Currently, the only equity compensation plan which the Company has in place is the 10% rolling share option plan (the "**Option Plan**"), which became effective January 4, 2019.

The principal purpose of the Option Plan is to advance the interests of the Company by encouraging the directors, employees and consultants of the Company and the subsidiaries or affiliates of the Company, by providing them with the opportunity, through options, to acquire Subordinated Voting Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

The Option Plan provides that the number of Subordinated Voting Shares issuable under the Option Plan, together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of the Company's issued and outstanding Subordinated Voting Shares. See *Statement of Executive Compensation - Stock Option Plan and Other Compensation Plans* for more information about the Option Plan. Pursuant to CSE rules the Option Plan may be implemented by the Board subject to CSE reporting obligations. As of the Record Date pursuant to the Option Plan the 10% reserve of outstanding Common Shares was 4,445,789 and there were options

outstanding for 2,062,334 Common Shares, leaving 2,383,455 Common Shares available for reserve for exercise of Options pursuant to the Option Plan.

On November 12, 2020 the Board adopted a Restricted Share Unit Plan (the “RSU Plan”), which is a 10% “rolling” plan, to increase the ability of the Company to create incentive for the Board and management to align their interests in the Common Shares with the shareholders. See *Particulars of Matters to be Acted Upon* for information concerning the RSU Plan.

Together the Option Plan and the RSU Plan allow for, in aggregate, a maximum reserve of 20% of the issued and outstanding Common Shares for issuance upon exercise of Options, or conversion of Restricted Share Units. The Option Plan and the RSU Plan are the only share compensation arrangements of the Company as of the date hereof.

The following table sets out equity compensation plan information as at the December 31, 2019 financial year end:

**Equity Compensation Plan Information**

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders - (the Plan)	--	--	--
Equity compensation plans not approved by securityholders	1,043,000	CAD\$1.00	2,379,455
Total	1,043,000	--	2,379,455

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

Other than as disclosed below, no directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as at the date hereof.

**Aggregate Indebtedness**

AGGREGATE INDEBTEDNESS (\$)		
Purpose	To the Company or its subsidiaries	To Another Entity
(a)	(b)	(c)
Share purchases	Nil	Nil
Other	\$2,181,785 <sup>(1)</sup>	Nil

Note:

- (1) As at November 3, 2020, Jason T. Nguyen has three non-interest bearing loans with the Company in the aggregate amount of \$2,181,785, with due dates ranging from December 31, 2021 through to December 31, 2023. The Company assumed such debt in connection with the December 31, 2018 acquisition of New Gen.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

This Information Circular, including the disclosure below, briefly describes (and, where practicable, states the approximate amount) of any material interest, direct or indirect, of any informed person of the Company,

any proposed director of the Company, or any associate or affiliate of any informed person or proposed director, 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 or any of its subsidiaries.

Amounts due to related parties as at June 30, 2020 and December 31, 2019 included the following:

- Included in payables and accrued liabilities as at June 30, 2020 is \$337,805 (2019 - \$334,011) owing to the Executive Chairman, companies controlled by him, and his close family members. Most of this amount is made up of accrued salary.
- Included in the long-term loans payable as at June 30, 2020 is \$75,210 (2019 - \$94,202) due to the Executive Chairman of the Company, his spouse, and a company controlled by him. These loans bear interest of 13% per annum, and are due between 2022 – 2026.

### MANAGEMENT CONTRACTS

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

### PARTICULARS OF MATTERS TO BE ACTED UPON

1. Presentation of Financial Statements
2. Set number of Directors for election to the Board
3. Election of Directors
4. Appointment of Auditor of the Company
5. Ratification and approval of adoption of the RSU Plan

### Restricted Share Unit Plan

On November 12, 2020 the Board adopted a 10% rolling restricted share unit plan dated for reference November 12, 2020 (the “**RSU Plan**”), which provides for a rolling maximum of 10% of the Common Shares issued and outstanding shall be determined from time to time and made available for issuance pursuant to the RSU Plan, subject to adjustments as provided in the RSU Plan. Because the RSU Plan is a “rolling plan”, when RSUs are cancelled (whether or not upon payment with respect to vested RSUs) or terminated, the same number of Common Shares shall again automatically be available for issuance pursuant to the RSU Plan.

#### *Nature and Administration of the RSU Plan*

All Directors, Officers, Consultants and Employees (as defined in the RSU Plan) of the Company and its related entities (“**Eligible Persons**”) are eligible to participate in the RSU Plan (as “**Participants**”), and the Company reserves the right to restrict eligibility or otherwise limit the number of persons eligible for participation as Participants in the RSU Plan. Eligibility to participate as a Participant in the RSU Plan does not confer upon any person a right to receive an award of RSUs.

Subject to certain restrictions, the Board or its appointed committee (the “**Board**”), can, from time to time, award RSUs to Eligible Persons. RSUs will be credited to an account (an “**Account**”) maintained for each Participant on the books of the Company as of the award date. The number of RSUs to be credited to each Participant's account shall be determined at the discretion of the Board and pursuant to the terms of the RSU Plan.

RSUs and all other rights, benefits or interests in the RSU Plan are not transferable or assignable otherwise than by will or the laws of descent and distribution, and shall be exercisable during the lifetime of the Participant only by the Participant and after death only by the Participant's legal representative.



### *Credit for Dividends*

A Participant's Account will be credited with additional RSUs (the “**Dividend RSUs**”) as of each dividend payment date in respect of which cash dividends are paid on Common Shares. The number of Dividend RSUs credited to a Participant’s Account in connection with the payment of dividends on Common Shares will be based on the actual amount of cash dividends that would have been paid to such Participant had he or she been holding such number of Common Shares equal to the number of RSUs credited to the Participant’s Account on the date on which cash dividends are paid on the Common Shares and the market price of the Common Shares on the payment date. Note that the Company is not obligated to pay dividends on Common Shares.

### *Resignation, Termination, Leave of Absence or Death*

Generally, if a Participant's employment or service is terminated, or if the Participant resigns from employment with the Company, then all RSUs held by the Participant (whether vested or unvested) shall terminate automatically upon the termination of the Participant’s service or employment.

In the event a Participant is terminated by reason of (i) termination by the Company other than for cause or (ii) the Participant’s death, the Participant’s unvested RSUs shall vest automatically as of such date. In the event the termination of the Participant’s services by reason of voluntary resignation, only the Participant’s unvested RSUs shall terminate automatically as of such date.

### *Change of Control*

In the event of a Change of Control, the Board may, in its discretion, without the necessity or requirement for the agreement or consent of any Participant: (i) accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of any RSU; (ii) permit the conditional settlement of any RSU, on such terms as it sees fit; (iii) otherwise amend or modify the terms of the RSU, including for greater certainty permitting Participants to settle any RSU, to assist the Participants to tender the underlying Common Shares to, or participate in, the actual or potential Change of Control Event (as defined in the RSU Plan) or to obtain the advantage of holding the underlying Common Shares during such Change of Control Event; and (iv) terminate, following the successful completion of such Change of Control Event, on such terms as it sees fit, the RSUs not settled prior to the successful completion of such Change of Control Event, including, without limitation, for no payment or other compensation. The determination of the Board in respect of any such Change of Control Event shall for the purposes of this RSU Plan be final, conclusive and binding.

### *Adjustments*

In the event there is a change in the outstanding Common Shares by reason of any stock dividend or split, recapitalization, amalgamation, consolidation, combination or exchange of shares, or other corporate change, the Board shall make, subject to the prior approval of the CSE where necessary, appropriate substitution or adjustment in (i) the number or kind of Common Shares or other securities reserved for issuance pursuant to the RSU Plan, and (ii) the number and kind of Common Shares or other securities subject to unsettled and outstanding RSUs granted pursuant to the RSU Plan.

### *Vesting*

Each award of RSUs vests on the date(s) (the “**Vesting Date**”) specified by the Board on the award date, and reflected in the applicable RSU agreement certificate.

*Limitations under the RSU Plan*

The maximum number of Common Shares made available for issuance pursuant to the RSU Plan shall be determined from time to time by the Board, but in any case, shall not exceed 10% of the Common Shares issued and outstanding from time to time, subject to adjustments as provided in the RSU Plan.

*Copy of RSU Plan*

A copy of the RSU Plan is filed together with this Information Circular under the Company's profile at [www.sedar.com](http://www.sedar.com).

**ADDITIONAL INFORMATION**

Financial information is provided in the audited consolidated financial statements of the Company for the years ended December 31, 2019 and December 31, 2018 and in the related management discussion and analysis as filed under the Company's profile at [www.sedar.com](http://www.sedar.com) copies of which will be placed before the Meeting.

Additional information relating to the Company is also filed under the Company's profile at [www.sedar.com](http://www.sedar.com) copies of which are available upon request from the Company's Chief Financial Officer at 2250 – 1055 West Hastings Street, Vancouver, BC V6E 2E9, telephone number: (604) 688-9588. Copies of documents will be provided free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a securityholder of the Company, who requests a copy of any such document.

**OTHER MATTERS**

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

The content of this Information Circular and its distribution to shareholders have been approved by the Board.

DATED at Vancouver, British Columbia, November 12, 2020.

**BY ORDER OF THE BOARD**

*“Eric Offenberger”*

Eric Offenberger  
President and Chief Executive Officer