

**VEXT Science, Inc.**  
4152 N. 39<sup>th</sup> Avenue  
Phoenix, Arizona 85019  
USA  
Telephone: (844) 211-3725

**INFORMATION CIRCULAR**

as at November 5, 2021 *(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 meeting (the “Meeting”) of its shareholders to be held on Wednesday, December 15, 2021 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 Monday, December 13, 2021 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 Odyssey Trust Company 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 5, 2021 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 5, 2021 there were 69,742,824 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 551,661 Subordinated Voting Shares and 5,862 Super Voting Shares held in escrow pursuant to Escrow Agreement dated 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 5, 2021, except the following:

<b>Name of Shareholder</b>	<b>Number of Subordinated Voting Shares and Warrants to Acquire Subordinated Voting Shares<sup>(1)</sup></b>	<b>Percentage of Outstanding Subordinated Voting Shares</b>
Sopica Global Retail Growth Fund Ltd. and Sopica Special Opportunities Fund Limited, as joint actors	6,835,749 Subordinated Voting Shares and 4,876,100 Warrants to acquire 4,876,100 Subordinated Voting Shares	16.49% <sup>(2)</sup>

Note:

<sup>(1)</sup> The above information was obtained by the Company from the securityholder, from insider filings available on [www.sedi.ca](http://www.sedi.ca), February 19, 2021

<sup>(2)</sup> 16.49% of the issued and outstanding Subordinated Voting Shares on a partially-diluted basis (assuming no conversion of the issued and outstanding Super Voting Shares) and 8.40% (assuming conversion of the issued and outstanding Super Voting Shares).

## **FINANCIAL STATEMENTS**

The audited consolidated financial statements of the Company for the fiscal year ended December 31, 2020, with the report of the auditor thereon, and the related management discussion and analysis will be tabled at the Meeting. These documents are also available on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com). Additional information relating to these documents may be obtained by the Shareholder upon request without charge from the Chief Financial Officer of the Company at 4152 N. 39<sup>th</sup> Avenue, Phoenix, Arizona, 85019, USA Telephone: (844) 211-3725.

## **VOTES NECESSARY TO PASS RESOLUTIONS**

A simple majority of affirmative votes cast at the Meeting is required to pass the ordinary resolutions described herein.

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 four (4). The Board proposes that the number of directors on the Board remain at four (4). At the Meeting, Shareholders will be asked to approve an ordinary resolution that the set the number of directors 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 5, 2021:

<b>Name of Nominee; Current Position with the Company and Province or State and Country of Residence</b>	<b>Position with and Name and Principal Business of each Company/Employer</b>	<b>Period as a Director of the Company</b>	<b>Common Shares Beneficially Owned or Controlled<sup>(1)</sup></b>
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 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:

- (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 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; or
- (b) has, within 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.

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 been leading organizations in the distribution and manufacturing industries for over 30 years. 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**

Harbourside CPA, LLP (formerly Buckley Dodds LLP, Chartered Professional Accountants), located at Suite 1140 – 1185 West Georgia Street, Vancouver, British Columbia V6E 4E6, will be nominated at the

Meeting for appointment as auditor of the Company. Harbourside CPA, 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 Jason T Nguyen, two of whom are independent members of the audit committee as contemplated by NI 52-110. All audit committee members are considered to be financially literate.

### **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 Harbourside CPA, 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, Harbourside CPA, 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 Harbourside CPA, LLP to the Company to ensure auditor independence. Fees incurred with Harbourside CPA, LLP for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

<b>Financial Period 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>
December 31, 2020	102,000	4,300	2,000	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.

The independent directors of the Company are David Eaton and Jonathan Shelton. The non-independent directors are Eric Offenberger who is President, CEO and COO of the Company and Jason T. Nguyen who is Executive Chairman 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 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.

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, 2020, based on the definition above, the NEOs of the Company were: Jason T. Nguyen (former CEO and a Director), Robert Brilon (former President, CFO, Corporate Secretary, and Director), Denise Lok (former CFO) and Eric Offenberger (President, CEO and COO). The directors of the Company who were not NEOs during the financial year ended December 31, 2020 were David Eaton, Johnathan Shelton and Caroline Williams.

During financial year ended December 31, 2019, 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 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 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, 2020 and 2019 in US dollars. Options and compensation securities are disclosed under the heading “**Stock Options and Other Compensation Securities**” in this Form.

Table of compensation excluding compensation securities							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Jason T. Nguyen <sup>(1)</sup> former CEO, Executive Chairman of the Board, and Director	2020	462,100	Nil	Nil	Nil	Nil	462,100
	2019	370,231	Nil	Nil	Nil	Nil	370,231
Eric Offenberger <sup>(2)</sup> President, CEO and COO	2020	219,231	Nil	Nil	Nil	Nil	219,231
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Robert J. Brilon <sup>(3)</sup> Former President, CFO, Corporate Secretary and Director	2020	321,814	Nil	Nil	Nil	Nil	321,814
	2019	291,942	Nil	Nil	Nil	Nil	291,942
Denise Lok <sup>(4)</sup> Former CFO	2020	11,388	Nil	Nil	Nil	Nil	11,388
	2019	Nil	Nil	Nil	Nil	Nil	Nil
David Eaton Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	19,800	Nil	Nil	Nil	Nil	19,800
Jonathon Shelton Director	2020	4,000	Nil	Nil	Nil	Nil	4,000
	2019	20,800	Nil	Nil	Nil	Nil	Nil
Caroline Williams <sup>(5)</sup> Former Director	2020	Nil	Nil	4,000	Nil	Nil	4,000
	2019	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Mr. Nguyen received \$462,100 in 2020 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. Mr. Nguyen resigned as CEO on January 18, 2020 and was appointed Executive Chairman of the Board on February 20, 2020.
- (2) Mr. Offenberger was appointed Chief Operating Officer on December 31, 2018 and President and CEO on February 18, 2020. Mr. Offenberger received \$219,231 in 2020 and \$150,000 in 2019 in relation to his employment with the Company.
- (3) Mr. Brilon received \$321,814 in 2020 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. Mr. Brilon resigned as the President, CFO, Corporate Secretary, and Director of the Company on February 7, 2020.
- (4) Ms. Lok was CFO of the Company from February 10, 2020 to March 10, 2021 and received \$11,388 in 2020 in relation to her employment to the Company.
- (5) Ms. Williams was a member of the Board of Directors from February 18, 2020 to December 10, 2020 and received \$4,000 in 2020 for attendance at board meetings.

### Stock Option Plan and Other Compensation Plans

#### **10% “rolling” Stock Option Plan (Option-Based Awards)**

The Company has in place a 10% rolling stock 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 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 of directors of the Company or by a special committee of the directors appointed from time to time by the board of directors of the Company. 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 re-elected, 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.

#### *Copy of 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).

#### **10% "rolling" Restricted Share Unit Plan (Share-based Awards)**

The Company has in place a 10% rolling restricted share unit plan dated for reference November 12, 2020 and approved by Shareholders at the Company's annual general and special meeting on December 10, 2020 (the "**RSU Plan**"). The RSU Plan provides that 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*

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

### **Stock Options and Other Compensation Securities**

#### **Outstanding 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, 2020.

<b>Compensation Securities</b>							
<b>Name and position</b>	<b>Type of Compensation Security</b>	<b>Number of compensation securities, number of underlying securities, and percentage of class (#)</b>	<b>Date of issue or grant (mm/dd/yy)</b>	<b>Issue, conversion or exercise price (CAD\$)</b>	<b>Closing price of security or underlying security on date of grant (\$)</b>	<b>Closing price of security or underlying security at year end (CAD\$)</b>	<b>Expiry Date (mm/dd/yy)</b>
Jason T. Nguyen CEO, Executive Chairman of the Board, and Director	Stock Options	--	--	--	--	--	--
Robert J. Brilon Former President, CFO, Corporate Secretary and Director	Stock Options	--	--	--	--	--	--

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 (mm/dd/yy)	Issue, conversion or exercise price (CAD\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (CAD\$)	Expiry Date (mm/dd/yy)
Denise Lok Former CFO	Stock Options	150,000 0.32%	05/12/20	0.75	0.495	0.99	05/12/30
David Eaton Director	Stock Options	250,000 0.54%	05/12/20	0.75	0.495	0.99	05/12/30
Jonathon Shelton Director	Stock Options	--	--	--	--	--	--
Caroline Williams Former Director	Stock Options	250,000 0.54%	05/12/20	0.75	0.495	0.99	05/12/30

### 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, 2020.

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, 2020.

### 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 Holdings Inc. ("**New Gen**"), a wholly-owned subsidiary of the Company, as amended (the "**Nguyen Employment Agreement**");
- (ii) Employment Agreement dated July 1, 2018 between Robert J. Brilon and New Gen (the "**Brilon Employment Agreement**"); and
- (iii) Employment Agreement dated February 14, 2020 between Eric Offenberger, the Company and New Gen, as amended (the "**Offenberger Employment Agreement**").

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 USD\$390,000 for full time employment in year one; USD\$430,000 for full time employment in year two; and USD\$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 USD\$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. Mr. Nguyen’s Employment Agreement was terminated upon Mr. Nguyen’s resignation.

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 USD\$250,000 for full time employment in year one; USD\$280,000 for full time employment in year two; and USD\$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.

The Offenberger Employment Agreement will continue perpetually until such a time as either party elects to terminate the agreement, with or without cause or notice, and without any liability or obligation except as expressly provided in the agreement (the “**Term**”). For the services of Chief Executive Officer (“**CEO**”) and Chief Operating Officer (“**COO**”) rendered by Mr. Offenberger, the Company will pay to Mr. Offenberger an annual base salary of USD\$300,000, which is not subject to mandatory or discretionary annual increases, unless the parties agree otherwise in writing. In addition to Mr. Offenberger’s annual salary, should the Company’s adjusted earnings before income tax depreciation and amortization

(“AEBITDA”) exceed USD\$9,000,000 based on the most recent audited annual financial statements of the Company (the “**Bonus Threshold**”), the Company will pay an annual incentive bonus of 2% of the AEBITDA in excess of the Bonus Threshold (the “**Bonus**”), subject a maximum of 50% of Mr. Offenberger’s annual base salary.

## **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 Company’s board of directors (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 oil and gas industry, which were of the same size as the Company, at the same stage of development as the Company and considered comparable to the Company.

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

- (a) the particular responsibilities related to the position;
- (b) salaries paid by other companies in the 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 years ended December 31, 2020 and 2019, the Company incurred the following expenses to related parties in US dollars:

		2020 (\$)		2019 (\$)
Salaries and wages – CEO, COO and a director		219,231		150,000
Salaries and wages – Former President, CFO, Corporate Secretary and a director		321,814		291,942
Salaries and wages – Executive Chairman		462,100		409,231
Salaries and wages – a director		4,000		20,800
Salaries and wages – a director		4,000		Nil

		2020 (\$)		2019 (\$)
Salaries and wages – Former CFO		11,388		Nil
Salaries and wages – Former Secretary		100,000		Nil
Share-based payments – directors and officers		291,322		101,955

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

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

- Included in payables and accrued liabilities as at December 31, 2020 is \$562,884 (2019 - \$338,198) owing to Jason T. Nguyen, the Executive Chairman, companies controlled by him, and his close family members. Most of this amount is made up of accrued salary and a patent transfer fee.
- Included in payables and accrued liabilities as at December 31, 2020 is \$nil (2019 - \$5,885) owing to a company controlled by David Eaton, a director, and \$270,833 (2019 – \$nil) owing to Robert Brilon, the former CFO, President, Corporate Secretary, and Director of the Company.
- Included in the payables and accrued liabilities as at December 31, 2020 is \$24,000, a performance bonus for Eric Offenberger, CEO.
- Included in the payables and accrued liabilities as at December 31, 2020 is \$250,000 (2019 - \$nil) due to Robert Brilon, the former CFO, President, Corporate Secretary, and Director of the Company. This obligation bears no interest and is due the earlier of any change of control of the Company, a debt or equity financing greater than \$10 million of the Company on or after February 7, 2020, or no later than February 27, 2022 (Note 15). This liability was paid off in February 2021.
- Included in the long-term loans payable as at December 31, 2020 is \$64,763 (2019 - \$87,316) due to Jason T. Nguyen, 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 and 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, 2020 and 2019. The Company paid Caroline Williams a director’s fee in the amount of \$3,000 for each Board of Directors meeting she attended. Ms. Williams resigned from the Board of Directors on December 10, 2020.

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 under 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 Form, entitlement to grants of incentive 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

The Company has two equity compensation plans: i) a 10% “rolling” Stock Option Plan and ii) a 10% “rolling” Restricted Share Unit Plan, as described in this Information Circular.

The following table sets out equity compensation plan information as at the December 31, 2020 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 (Option Plan and RSU Plan)	2,435,334 Options Nil RSUs	\$0.85 Options N/A	4,538,948 Options 6,974,282 RSUs
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	2,435,334 Options Nil RSUs		4,538,948 Options 6,974,282 RSUs

## 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	\$1,644,634 <sup>(1)</sup>	Nil

Note:

(1) As at December 31, 2020, Jason T. Nguyen has three non-interest bearing loans with the Company in the aggregate amount of \$1,644,634, 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 December 31, 2020 and included the following:

- Included in payables and accrued liabilities as at December 31, 2020 is \$562,884 (2019 - \$338,198) owing to the Executive Chairman of the Company, companies controlled by him, and his close family members. Most of this amount is made up of accrued salary and a patent transfer fee.
- Included in payables and accrued liabilities as at December 31, 2020 is \$nil (2019 - \$5,885) owing to a company controlled by a director of the Company, and \$270,833 (2019 – \$nil) owing to the former CFO, President, Corporate Secretary, and Director of the Company.
- Included in the payables and accrued liabilities as at December 31, 2020 is \$24,000, a performance bonus for the CEO of the Company.
- Included in the payables and accrued liabilities as at December 31, 2020 is \$250,000 (2019 - \$nil) due to the former CFO, President, Corporate Secretary, and Director of the Company. This obligation bears no interest and is due the earlier of any change of control of the Company, a debt or equity financing greater than \$10 million of the Company on or after February 7, 2020, or no later than February 27, 2022. This liability was paid off in February 2021.
- Included in the long-term loans payable as at December 31, 2020 is \$64,763 (2019 - \$87,316) 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. Financial Statements - see page 5 above.
2. Election of Directors - see page 5 above.
3. Appointment of Auditor - see page 9 above.
4. Continuation of Stock Option Plan - see below.
5. Continuation of RSU Plan - see below.

#### **Continuation of Stock Option Plan**

The Stock Option Plan is designed to promote the long-term success of the Company by strengthening the ability of the Company to attract and retain highly competent employees and by promoting greater alignment of interests between executives and shareholders in the creation of long-term shareholder value.

#### ***Shareholder Approval***

At the Meeting, Shareholders will be asked to consider and vote on an ordinary resolution to ratify, confirm and approve the continuation of the Company's Stock Option Plan, with or without variation, as follows:

“**RESOLVED** as an ordinary resolution, that:

1. the continuation of the Stock Option Plan dated effective January 4, 2019 be ratified, confirmed and approved;
2. the number of Common Shares reserved for issuance under the Stock Option Plan shall not exceed 10% of the Company’s issued and outstanding share capital at the time any stock option is granted; and
3. any one or more of the directors or officers of the Company be authorized to perform all such acts, deeds and things and execute all such documents and make all such filings with the CSE that may be required to give effect to this resolution.”

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the continuation of the Stock Option Plan.**

**Continuation of Restricted Share Unit Plan**

The Board determined that it is desirable to have a wide range of incentive plans including the RSU Plan in place to attract, retain and motivate employees, directors and consultants of the Company.

***Shareholder Approval***

At the Meeting, Shareholders will be asked to consider and vote on an ordinary resolution to ratify, confirm and approve the continuation of the RSU Plan, with or without variation, as follows:

“**RESOLVED** as an ordinary resolution, that:

1. The continuation of the Company’s RSU Plan adopted by the Board on November 12, 2020 be ratified, confirmed and approved; and
2. Any one or more of the directors or officers of the Company is authorized and directed to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to the resolution.”

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the approval of the RSU Plan.**

**ADDITIONAL INFORMATION**

Financial information is provided in the audited financial statements of the Company for the year ended December 31, 2020 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 4152 N. 39<sup>th</sup> Avenue, Phoenix, Arizona, 85019, USA Telephone: (844) 211-3725. 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 15, 2021.

**BY ORDER OF THE BOARD**

*“Eric Offenberger”*

Eric Offenberger  
President and Chief Executive Officer