



MAKING *Life* BETTER

THE GREEN ORGANIC DUTCHMAN HOLDINGS LTD.

SHARE OPTION PLAN

Dated for Reference May 12, 2021

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**THE GREEN ORGANIC DUTCHMAN HOLDINGS LTD.
SHARE OPTION PLAN**

**ARTICLE 1
DEFINITIONS AND INTERPRETATIONS**

1.1 Purpose and Overview

The purpose of this Plan is to secure for the Corporation and its shareholders the benefits of incentives inherent in share ownership by the Directors, Officers, Employees and Consultants of the Corporation and its Subsidiaries who, in the judgment of the Board, will be largely responsible for the future growth and success of the Corporation. It is generally recognized that a stock option plan of the nature provided for herein aids in retaining and encouraging Directors, Officers, Employees and Consultants of exceptional ability because of the opportunity offered to them to acquire a proprietary interest in the Corporation. It is the Board's intention that this Plan will at all times be in compliance with the Exchange's Policies and any inconsistencies between this Plan and the Exchange's Policies, whether due to inadvertence or changes in Exchange's Policies, will be resolved in favour of the latter.

It is further intended that all Incentive Stock Options issued under the Plan to a person who qualifies as a U.S. Optionee are intended to comply with the requirements of Section 422 of the Code. Any person who would otherwise qualify as a U.S. Optionee and who is granted an Option that would otherwise be an Incentive Stock Option, but who prefers to receive a Non-Qualified Option, is free to do so upon written request to the Corporation at the time of receiving an Incentive Stock Option Commitment Form in the form of Schedule "B" hereto. For avoidance of doubt, nothing here respecting the treatment of a portion of the shares hereunder for U.S. purposes is intended to enlarge the aggregate number of shares reserved under the Plan which shall notwithstanding anything else herein remain at 10% of the Outstanding Shares as contemplated by Section 3.1.

1.2 Definitions

In this Plan, the following capitalized terms have the following meanings.

- (a) "**Administrative Service**" has the meaning ascribed to such term under Section 2.9.
- (b) "**Administrator**" has the meaning ascribed to such term under Section 2.1(c).
- (c) "**Affiliate**" means a company that is a parent or subsidiary of the Corporation, or that is controlled by the same entity as the Corporation, as defined in National Instrument 45-106 – *Prospectus Exemptions*, as may be amended from time to time.
- (d) "**Associate**" has the meaning set out in the *Securities Act*.
- (e) "**Blackout Period**" means any period of time during which a Participant in the Plan is unable to trade securities of the Corporation as a consequence of the implementation of a general restriction on such trading by an authorized Officer or

Director pursuant to the Corporation's governance policies that authorize general and/or specific restrictions on trading by Participants in circumstances where there may exist undisclosed material changes or undisclosed material facts in connection with the Corporation's affairs, but excludes any period where a Participant is unable to trade securities by reason of a trading interruption imposed by an exchange or a securities regulator.

- (f) **“Board”** means the board of directors of the Corporation or any committee thereof duly empowered or authorized to grant Options under this Plan.
- (g) **“Change of Control”** means the occurrence of any one or more of the following events:
 - (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its Affiliates and another corporation or other entity, as a result of which the holders of Common Shares immediately prior to the completion of the transaction hold less than 50% of the voting rights attached to all of the outstanding shares of the successor corporation immediately after completion of the transaction;
 - (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the assets, rights or properties of the Corporation and its Subsidiaries on a consolidated basis to any other person or entity, other than transactions among the Corporation and its Subsidiaries;
 - (iii) a resolution is adopted to wind-up, dissolve or liquidate the Corporation;
 - (iv) any person, entity or group of persons or entities acting jointly or in concert (an **“Acquiror”**) acquires, or acquires control (including, without limitation, the right to vote or direct the voting) of, Voting Securities of the Corporation which, when added to the Voting Securities owned of record or beneficially by the Acquiror or which the Acquiror controls, would entitle the Acquiror and/or Associates and/or Affiliates of the Acquiror, to cast or to direct the casting of 50% or more of the votes attached to all of the Corporation's outstanding Voting Securities which may be cast to elect directors of the Corporation or the successor corporation (regardless of whether a meeting has been called to elect directors); or
 - (v) as a result of or in connection with: (A) a contested election of directors; or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisitions involving the Corporation or any of its Affiliates and another corporation or other entity (a **“Transaction”**), fewer than 50% of the directors of the Corporation or the successor corporation are persons who were, or were endorsed by, directors of the Corporation immediately prior to the Transaction.

For the purposes of the foregoing definition of Change of Control, “**Voting Securities**” means Common Shares and any other shares entitled to vote for the election of directors and, for the purposes of calculating the number of securities of the Corporation owned or controlled by the Acquiror, it shall include any security, whether or not issued by the Corporation, which are not shares entitled to vote for the election of directors but are convertible into or exchangeable for shares which are entitled to vote for the election of directors including any options or rights to purchase such shares or securities.

- (h) “**Code**” means the United States Internal Revenue Code of 1986, as amended from time to time and including any successor legislation thereto.
- (i) “**Common Shares**” means common shares without par value in the capital of the Corporation.
- (j) “**Compensation Committee**” has the meaning ascribed to such term under Section 2.1(b).
- (k) “**Consultant**” has the meaning ascribed to such term under Section 2.22 of National Instrument 45-106 – *Prospectus Exemptions* or any successor provisions thereto.
- (l) “**Corporation**” means The Green Organic Dutchman Holdings Ltd., a corporation existing under the *Canada Business Corporations Act* and includes, unless the context otherwise requires, all of its Affiliates and successors according to law.
- (m) “**Director(s)**” means a member of the Board as may be elected from time to time, and a director of any Subsidiary of the Corporation; and Directors means the full Board and any committee thereof, duly authorized to administer this Plan.
- (n) “**Disability**” means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to permanently prevent the Optionee from:
 - (i) being employed or engaged by the Corporation, its Subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Corporation or its Subsidiaries; or
 - (ii) acting as a Director or Officer of the Corporation or its Subsidiaries.
- (o) “**Distribution**” has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Corporation from treasury.
- (p) “**Effective Date**” for an Option means the date of grant thereof by the Board.
- (q) “**Eligible Person**” means any Employee, Officer, Director or Consultant of the Corporation or any of its Subsidiaries.
- (r) “**Employee**” means:

- (i) a Person who is considered an employee under the Income Tax Act (Canada) generally meaning a person for whom income tax and other source deductions must be made but does not include a person who serves the Corporation only as a Director or as a Consultant;
 - (ii) a Person who works full-time for the Corporation or a Subsidiary thereof providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source;
 - (iii) a Person who works for the Corporation or its Subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom source tax deductions need not be made; or
 - (iv) a Person who is qualified as a U.S. Optionee.
- (s) “**Exchange**” means the Toronto Stock Exchange or, if the Common Shares are not listed on the Toronto Stock Exchange, the principal stock exchange on which the Common Shares are listed as determined by the Board.
 - (t) “**Exchange’s Policies**” means the rules and policies of the Exchange, as amended from time to time.
 - (u) “**Exercise Price**” means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof.
 - (v) “**Expiry Date**” means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan.
 - (w) “**Holding Company**” means a company of which an Optionee holds the majority of the voting securities.
 - (x) “**Incentive Stock Option**” means an Option intended to satisfy the requirements of Section 422 of the Code, and thereby qualify for the deferred tax treatment under Section 421(a) of the Code.
 - (y) “**Insider**” has the meaning ascribed thereto in the Exchange’s Policies or as defined in the Securities Act.
 - (z) “**Market Price**” means the volume weighted average trading price of the Common Shares, calculated by dividing the total value by the total volume of Common Shares traded on the Exchange over the five (5) consecutive Trading Days immediately preceding the grant date of an Option, as such grant date is determined under Section 2.5 of the Plan.

- (aa) “**Non-Qualified Options**” means for persons who are otherwise U.S. Optionees or U.S. Taxpayers, an Option, which does not qualify for deferred compensation treatment under Section 422(a) of the Code.
- (bb) “**Officer**” means a duly appointed senior officer of the Corporation.
- (cc) “**Option**” means the right to purchase Common Shares granted hereunder to an Eligible Person and unless the context otherwise clearly requires, includes an Incentive Stock Option.
- (dd) “**Option Commitment**” means the notice of grant of an Option delivered by the Corporation hereunder to an Eligible Person and substantially in the form of Schedule “A” hereto.
- (ee) “**Option Period**” means the period from the date of grant of an Option to the Expiry Date.
- (ff) “**Optioned Shares**” means Common Shares that may be issued in the future to an Eligible Person upon the exercise of an Option.
- (gg) “**Optionee**” means the recipient of an Option hereunder.
- (hh) “**Outstanding Shares**” means at the relevant time, the number of issued and outstanding Common Shares of the Corporation from time to time.
- (ii) “**Participant**” means an Eligible Person that becomes an Optionee or a U.S. Optionee.
- (jj) “**Person**” means a company or an individual.
- (kk) “**Plan**” means this Share Option Plan, the terms of which are set out herein or as may be amended.
- (ll) “**Plan Shares**” means the total number of Common Shares, which may be reserved for issuance as Optioned Shares under the Plan as provided in Section 3.1(a).
- (mm) “**Regulatory Approval**” means any approval required under Exchange’s Policies and any other approval of any other stock exchange where the Corporation’s shares may be listed.
- (nn) “**Securities Act**” means the Securities Act, R.S.O 1990, Chapter S.5, as amended from time to time.
- (oo) “**Share Compensation Arrangement**” means the Plan described herein and any other security based compensation arrangements implemented by the Corporation including stock options, other stock option plans, employee stock purchase plans, share distribution plans, stock appreciation rights, deferred share unit plans, restricted share unit plans or any other compensation or incentive mechanism

involving the issuance, or potential issuance, of Common Shares of the Corporation from treasury.

- (pp) **“Shareholder Approval”** means approval by a simple majority of the votes cast by eligible voting shareholders of the Corporation at a duly constituted shareholders’ meeting.
- (qq) **“Subsidiary”** has the meaning ascribed thereto in the Securities Act.
- (rr) **“Take-Over Bid”** means a take-over bid as defined in National Policy 62-203 – Take-Over Bids and Issuer Bids, or the analogous provisions of any other securities legislation applicable to the Outstanding Shares.
- (ss) **“Trading Day”** means a day on which the Exchange is open for trading and on which the Common Shares have not been halted from trading.
- (tt) **“U.S.”** means the United States of America.
- (uu) **“U.S. Optionee”** means an Eligible Person who qualifies as an Employee of the Corporation or an Affiliate under the Code, generally meaning a Person for whom income tax and other source deductions must be made pursuant to the Code, and who by virtue of being an Employee is eligible to receive an Incentive Stock Option but for avoidance of doubt does not include a Person who serves solely as a Director.
- (vv) **“U.S. Taxpayer”** means an Eligible Person who to the knowledge or belief of the Corporation is a U.S. citizen or resident who is obligated to file a tax return under the Code.

1.3 Other Words and Phrases

Words and phrases used in this Plan but which are not defined in the Plan, but are defined in the Exchange’s Policies or the Code, will have the meaning assigned to them in the Exchange’s Policies or the Code as the case may be.

1.4 Gender

Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

ARTICLE 2 SHARE OPTION PLAN

2.1 Administration of the Plan

- (a) The Board shall administer this Plan and is authorized to interpret the Plan from time to time. The interpretation and construction of any provision of the Plan by the Board shall be final and conclusive. Options granted under the Plan shall be

granted in accordance with determinations made by the Board pursuant to the provisions of the Plan as to: (a) the Participants to whom and the time or times at which the Options shall be granted; (b) the number of Common Shares will shall be subject of each Option; (c) any vesting provisions attaching to the Options; and (d) the terms and provisions of the respective Option Commitment, provided however, that each Eligible Person shall have the right not to participate in the Plan and any decision not to participate therein shall not affect its employment by or engagement with the Corporation. The Board shall ensure that Participants under the Plan are eligible to participate under the Plan, and, if required by the Exchange, shall represent and confirm that the Participant is a bona fide Eligible Person or Holding Company.

- (b) The Board may, from time to time, adopt such rules and regulations for administering the Plan as it may deem proper and in the best interests of the Corporation and may, subject to applicable law, delegate its powers hereunder to administer the Plan to a committee of the Board (the “**Compensation Committee**”). The Compensation Committee shall be comprised of two or more members of the Board who shall serve at the pleasure of the Board.
- (c) The Compensation Committee (or the Board where the Compensation Committee has not been constituted) shall have the power to delegate to any member of the Board or Officer so designated (the “**Administrator**”), the power to determine which Participants are to be granted Options and to grant such Options, the number of Common Shares purchasable under each Option, the Exercise Price and the time or times when and the manner in which Options are exercisable, and the Administrator shall make such determinations in accordance with the provisions of this Plan and with applicable securities and stock exchange regulatory requirements, subject to final approval by the Compensation Committee or Board.

2.2 Participation

Options to purchase Common Shares may be granted hereunder to Eligible Persons.

2.3 Determination of Option Recipients

The Board or, as the Board may delegate, the Compensation Committee shall make all necessary or desirable determinations regarding the granting of Options to Eligible Persons and may take into consideration the past and potential contributions of a particular Eligible Person to the success of the Corporation and any other factors that it may deem proper and relevant. Options to purchase Common Shares may be granted hereunder to Eligible Persons from time to time by the Board. Eligible Persons that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the Exchange and the Corporation is obtained.

2.4 Exercise Price

The Exercise Price of an Option shall be the Market Price, as determined by the Board at the time of grant of the Option, pursuant to Exchange's Policies.

2.5 Grant of Options

Participants may be granted Options from time to time. The grant of Options to such Eligible Persons for the number of Common Shares so designated will be subject to the provisions of this Plan and may be subject to additional conditions determined by the Board from time to time. The grant date of an Option shall be the date the Board approves such grant or a later effective date of grant, if so determined by the Board at the time of approving the grant of such Option.

2.6 Options Granted Under the Plan

All Options granted under the Plan to Optionees who are not U.S. Optionees will be evidenced by an Option Commitment in the form attached as Schedule "A", showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

All Options granted under the Plan to U.S. Optionees will be evidenced by an Option Commitment in the form attached as Schedule "B", showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

2.7 Terms of Options

The Option Period shall be determined by the Board at the time of granting the Options provided, however, that the Option Period must not extend beyond ten years from the grant date of the Option.

Notwithstanding the foregoing, in the event that the expiry of an Option Period falls within, or within two (2) Trading Days after the end of, a Blackout Period imposed by or on the Corporation, the Expiry Date of such Option Period shall be automatically extended to the close of the 10th Trading Day following the end of the Blackout Period.

2.8 Vesting

Options granted pursuant to the Plan shall vest and become exercisable by an Optionee at such time or times as may be determined by the Board.

2.9 Exercise of Option

Subject to any provisions of the Plan, an Option may be exercised from time to time, in whole or in part, by delivery to the equity compensation management services of the Plan ("**Administrative Service**") chosen by the Corporation, of a written notice of exercise specifying the number of Common Shares with respect to which the Option is being exercised and accompanied by payment

in full of the Exercise Price of the Common Shares to be purchased and any amount required to be withheld for tax purposes. At the discretion of the Chief Financial Officer, a declaration of residency may also be required from an Optionee prior to the issuance of Common Shares. Certificates for such Common Shares shall be issued and delivered to the Optionee within a reasonable time following the receipt of such notice and payment. Unless otherwise determined by the Board, the Corporation shall not offer financial assistance regarding the exercise of an Option and any such financial assistance will require Shareholder Approval.

An Optionee may, by specifying in the applicable notice of exercise, elect to undertake a “cashless exercise” with the assistance of a broker in order to facilitate the exercise of such Optionee’s Options. The “cashless exercise” procedure may include a sale of such number of Common Shares as is necessary to raise an amount equal to the aggregate Exercise Price for all Options being exercised by that Optionee under a notice of exercise. Pursuant to the notice of exercise, the Optionee may authorize the broker to sell Common Shares on the open market by means of a short sale and forward the proceeds of such short sale to the Corporation to satisfy the Exercise Price, promptly following which the Corporation shall issue the Common Shares underlying the number of Options as provided for in the notice of exercise. The Optionee shall comply with all procedures and policies that the Corporation and the Administrative Service may prescribe or determine to be necessary or advisable from time to time in connection with such “**cashless exercise.**”

2.10 Delivery of Optioned Shares and Hold Periods

As soon as practicable after receipt of the notice of exercise described in Section 2.9 and payment in full for the Optioned Shares being acquired, the Corporation will direct its transfer agent, or the Administrative Service chosen by the Corporation, to issue to the Optionee the appropriate number of Optioned Shares. The transfer agent or Administrative Service will either issue a certificate representing the Option Shares or a written notice in the case of uncertificated shares. Such certificate or written notice, as the case may be, will bear a legend stipulating any resale restrictions required under applicable securities laws.

2.11 Lapsed Options

If Options are surrendered, terminated or expire without being exercised in whole or in part, new Options may be granted covering the Common Shares not purchased under such lapsed Options. For greater certainty, options which are exercised thereupon increase the number available to the Plan by the relevant percentage of Outstanding Shares as provided hereunder.

2.12 Death or Disability of Optionee

If an Optionee ceases to be an Eligible Person due to death or Disability, any vested Option held by the Optionee at the date of death or Disability shall be exercisable by the Optionee or the Optionee’s legal heirs or personal representatives, as applicable. All such Options shall be exercisable only to the extent that the Optionee was entitled to exercise the Option at the date of death or Disability and only for 12 months after the date of death or Disability or prior to the expiration of the Option Period in respect thereof, whichever is sooner, subject to the Board determining otherwise in its own discretion upon the grant of such Options or after the occurrence of such death or Disability.

Options not vested at the date of death or Disability of the Eligible Person will immediately terminate with no consideration without right to exercise same.

2.13 Termination of Employment or Ceasing to be an Eligible Person

Subject to any provisions with respect to vesting of Options in an Optionee's employment agreement with the Corporation, if an Optionee ceases to be an Eligible Person, other than as a result of termination for cause or due to death or Disability, any Option held by such Optionee at the date such person ceases to be an Eligible Person shall be exercisable only to the extent that the Optionee is entitled to exercise the Option on such date and only for 90 days thereafter (or such longer period as may be prescribed by law or as may be determined by the Board in its sole discretion) or prior to the expiration of the Option Period in respect thereof, whichever is sooner. Notwithstanding the foregoing, when an Optionee ceases to be an Eligible Person, the Board has discretion to accelerate the vesting of his/her Options and/or allow such Options to continue for a period beyond 90 days, except however, that such Options may not be extended beyond the expiry of their original Option Period. For Employees, the date an Optionee ceases to be an Eligible Person means the date the Optionee ceases to actively perform services for the Corporation (excluding any notice or severance period which may extend beyond the date on which active services cease.)

In the case of an Optionee who is being dismissed from employment or service for cause, or whose services are terminated for cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

2.14 Effect of Take-Over Bid

If a bona fide offer (the "**Offer**") for Common Shares is made to shareholders generally or to a class of shareholders that would include the Optionee, which Offer, if accepted in whole or in part, would result in the offeror (the "**Offeror**") exercising control over the Corporation within the meaning of the Securities Act; then the Corporation shall, as soon as practicable following receipt of the Offer, notify each Optionee of the full particulars of the Offer. The Board will have the sole discretion to amend, abridge or otherwise eliminate any vesting schedule related to each Optionee's Option so that notwithstanding the other terms of this Plan, such otherwise unvested Option may be conditionally exercised in whole or in part by the Optionee and the underlying Common Shares may be conditionally issued so (and only so) as to permit the Optionee to tender the Common Shares received in connection with the exercise (the "**Optioned Shares**") pursuant to the Offer. If:

- (a) the Offer is not complied with within the time specified therein;
- (b) the Optionee does not tender the Optioned Shares pursuant to the Offer; or
- (c) all of the Optioned Shares tendered by the Optionee pursuant to the Offer are not taken up and paid for by the Offeror in respect thereof;

then at the discretion of the Board, the Options shall be deemed not to have been exercised and the Optioned Shares or, in the case of clause (c) above, the Optioned Shares that are not taken up and paid for, shall be deemed not to have been issued and shall be reinstated as authorized but unissued

Common Shares and the terms of the Option as set forth in this Plan and the Option Commitment shall again apply to the Option. If any Optioned Shares are returned to the Corporation under this section, the Corporation shall refund, subject to Corporation's obligations under applicable tax law, the Exercise Price to the Optionee for such Optioned Shares.

2.15 Effect of a Change of Control

Subject to the terms of an Optionee's employment agreement with respect to a Change of Control of the Corporation, and unless otherwise determined by the Board prior to such Change of Control, if a Change of Control occurs, all Options then outstanding shall automatically vest, so that, notwithstanding the other terms of this Plan, such Options may be exercised in whole or in part by the Optionee and upon the exercise of an Option under the Plan and, subject to applicable tax withholding requirements, the holder thereof shall be entitled to receive any securities, property or cash (or a combination thereof) which the Optionee would have received upon such Change of Control, if the Optionee had exercised his/her Option immediately prior to the applicable record date or event, as applicable, and the Exercise Price shall be adjusted, as applicable, by the Board, unless the Board otherwise determines the basis upon which such Option shall be exercisable, and any such adjustments shall be binding for all purposes of the Plan.

2.16 Adjustment in Common Shares

If there is any change in the Common Shares through or by means of a declaration of stock dividends of Common Shares or consolidations, subdivisions or reclassifications of Common Shares, or otherwise, the number of Common Shares, subject to any Option, and the Exercise Price thereof and the maximum number of Common Shares that may be issued under the Plan in accordance with Section 3.1(a) shall be adjusted appropriately by the Board, subject to any applicable rules of the Exchange, and such adjustment shall be effective and binding for all purposes of the Plan. An adjustment under Section 2.14 or 2.15 (the "**Adjustment Provisions**") will take effect at the time of the event that gives rise to the adjustment, and the Adjustment Provisions are cumulative. The Corporation will not be required to issue fractional Common Shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for this provision, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Corporation. If any questions arise at any time with respect to the exercise price or number of Common Shares deliverable upon exercise of an Option in connection with any of the events set out in Section 2.14, 2.15 or 2.16, such questions will be conclusively determined by the Corporation's auditors, or, if they decline to so act, any other firm of Chartered Accountants that the Corporation may designate and who will have access to all appropriate records, and such determination will be binding upon the Corporation and all Optionees.

ARTICLE 3 GENERAL

3.1 Maximum Number of Shares

- (a) The aggregate number of Common Shares issuable upon the exercise of all Options granted under the Plan and under all other Share Compensation Arrangements (pre-existing or otherwise) shall not exceed 10% of the issued and outstanding Common

Shares as at the date of grant of each Option under the Plan. If any Option granted hereunder shall expire, terminate for any reason in accordance with the terms of the Plan or be exercised, Common Shares subject thereto shall again be available for the purpose of the Plan.

- (b) Notwithstanding anything to the contrary, subject to the provisions of Section 2.16 relating to adjustments and subject to Exchange's Policies, the aggregate maximum number of Common Shares that may be issued pursuant to Incentive Stock Options is 5,000,000 Common Shares.

3.2 Transferability

Options are not assignable or transferable other than by will or by the applicable laws of descent, except to a Holding Company of the Optionee or by a Holding Company to the Optionee, with the consent of the Corporation. During the lifetime of an Optionee, all Options may only be exercised by the Optionee or such Holding Company.

3.3 Employment

Nothing contained in the Plan shall confer upon any Optionee any right with respect to employment or continuance of employment with the Corporation or any Subsidiary, or interfere in any way with the right of the Corporation, or any Subsidiary, to terminate the Optionee's employment at any time. Participation in the Plan by an Optionee is voluntary.

3.4 No Shareholder Rights

An Optionee shall not have any rights as a shareholder of the Corporation with respect to any of the Common Shares covered by an Option until the Optionee exercises such Option in accordance with the terms of the Plan and the issuance of the Common Shares by the Corporation.

3.5 Record Keeping

The Corporation shall maintain a register in which shall be recorded the name and address of each Optionee, the number of Options granted to an Optionee, the details thereof and the number of Options outstanding.

3.6 Necessary Approvals

The Plan shall be effective only upon the approval of both the Board and the shareholders of the Corporation by ordinary resolution. The obligation of the Corporation to sell and deliver Common Shares in accordance with the Plan is subject to the approval of any governmental authority having jurisdiction or any stock exchanges on which the Common Shares are listed for trading that may be required in connection with the authorization, issuance or sale of such Common Shares by the Corporation. If any Common Shares cannot be issued to any Optionee for any reason whatsoever including, without limitation, the failure to obtain such approval, then the obligation of the Corporation to issue such Common Shares shall terminate and any Exercise Price paid by an Optionee to the Corporation shall be returned to the Optionee.

3.7 Taxes

The Corporation shall have the power and the right to deduct or withhold, or require an Optionee to remit to the Corporation, the required amount to satisfy federal, provincial, territorial or foreign taxes, required by law or regulation to be deducted or withheld with respect to any taxable event arising as a result of the Plan, including the grant or exercise of any Option. With respect to any required withholding, the Corporation shall have the irrevocable right to, and the Optionee consents to, the Corporation setting off any amounts required to be withheld, in whole or in part, against amounts otherwise owing by the Corporation to the Optionee (whether arising pursuant to the Optionee's relationship as a Director, Officer, Employee or Consultant of the Corporation or otherwise), or may make such other arrangements that are satisfactory to the Optionee and the Corporation. In addition, the Optionee may elect, in its sole discretion, to satisfy the withholding requirement, in whole or in part, by withholding such number of Common Shares issuable upon exercise of the Options as it determines are required to be sold by the Corporation, as agent for the Optionee, to satisfy any withholding obligations net of selling costs. If applicable, the Optionee consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Common Shares issuable upon exercise of the Options and acknowledges and agrees that the Corporation does not accept responsibility for the price obtained on the sale of such Common Shares issuable upon exercise of the Options.

3.8 U.S. Optionees and U.S. Taxpayers

- (a) The Corporation and its Affiliates, if applicable, shall withhold taxes according to the requirements of applicable laws, rules and regulations, including the withholding of taxes at source to satisfy any applicable U.S. federal, state or local tax-withholding obligation and employment taxes in addition to any such federal Canadian requirements. Without limiting the generality of the foregoing, if the U.S. Optionee sells or otherwise disposes of any of the Common Shares acquired pursuant to an Incentive Stock Option on or before the later of:
 - (i) the date two (2) years after the date the Option is granted, or
 - (ii) the date one (1) year after the issuance of such Common Shares to the U.S. Optionee upon exercise of the Option, then

the U.S. Optionee shall notify the Corporation in writing within 30 days after the date of any such disposition and shall remit to the Corporation or its Affiliate, as applicable, the amount of any applicable federal, state, provincial and local withholding and employment taxes.

- (b) All Incentive Stock Options granted to U.S. Optionees under the Plan are designed so as not to constitute a deferral of compensation for purposes of Section 409A of the Code. No U.S. Optionee or U.S. Taxpayer shall be permitted to defer the recognition of income beyond the exercise date of a Non-Qualified Option or beyond the date that the Common Shares received upon the exercise of an Option are sold.

- (c) Non-Qualified Options (i.e., not Incentive Stock Options) may be granted to U.S. Optionees and U.S. Taxpayers who are Officers, Employees, Directors or Consultants of the Corporation, and its Affiliates, if applicable, as may be designated from time to time by the Board. A U.S. Taxpayer who is a Consultant or who is a director but is not an employee as defined by the Code shall only be eligible to receive Non-Qualified Options.
- (d) To the extent that the aggregate fair market value (determined as of the time the Option is granted) of the Common Shares with respect to which Incentive Stock Options are exercisable for the first time by the U.S. Optionee during any calendar year under all plans of the Corporation and its Affiliates, if applicable, exceeds U.S.\$100,000, the Options or portions thereof that exceed such limit (according to the order in which they are granted) shall be treated as Non-Qualified Options, notwithstanding any contrary provision of the Plan, any applicable Share Compensation Arrangements, in accordance with Section 422(d) of the Code or any successor thereto.
- (e) The Corporation will provide all such information as a U.S. Optionee or U.S. Taxpayer might require for tax purposes and report the exercise of an Incentive Stock Option to the applicable U.S. governmental authority under the Code.
- (f) The Corporation will report and withhold applicable taxes, to the extent required by law, with respect to each U.S. Taxpayer that exercises an Option (other than under Section 3.8(e)) and, for avoidance of doubt, will report and withhold applicable taxes, to the extent required by law on any other income or benefit paid to that person by the Corporation.

3.9 Restrictions on Option Grants to Insiders

The Plan is subject to restrictions that:

- (a) the number of Common Shares issued to Insiders as a group pursuant to Options granted under the Plan, when combined with Common Shares issued to Insiders under all the Corporation's other Share Compensation Arrangements shall not exceed 10% of the issued Common Shares within any 12 month period;
- (b) the number of Common Shares issuable to Insiders at any time as a group under the Plan, when combined with Common Shares issuable to Insiders under all the Corporation's other Share Compensation Arrangements, shall not exceed 10% of the Corporation's issued Common Shares; and
- (c) no Exercise Price of an Option granted to an Insider may be reduced nor an extension to the term of an Option granted to an Insider extended without further approval of the disinterested shareholders of the Corporation.

3.10 Amendment, Modification or Termination of the Plan

Subject to the requisite Regulatory Approvals, and Shareholder Approval as prescribed under Section 3.11 below and any applicable rules of the Exchange, the Board may, from time to time, amend or revise the terms of the Plan (including Options granted thereunder) or may discontinue the Plan at any time provided however that no such amendment may, without the consent of the Optionee, in any manner materially adversely affect his/her rights under any Option theretofore granted under the Plan.

- (a) The Board may, subject to receipt of requisite Shareholder Approvals and Regulatory Approvals, make the following amendments to the Plan (including Options granted thereunder):
 - (i) any amendment to increase the maximum number of Common Shares issuable under the Plan, other than pursuant to Section 2.16;
 - (ii) any amendment to remove or exceed the Insider participation limits set out in Section 3.9(a) and Section 3.9(b);
 - (iii) any change to the definition of “**Eligible Person**” that would have the potential of narrowing or broadening or increasing Insider participation;
 - (iv) the addition of any form of financial assistance;
 - (v) any amendment to a financial assistance provision that is more favourable to Eligible Persons;
 - (vi) the addition of deferred or restricted share unit or any other provision which results in Eligible Persons receiving securities while no cash consideration is received by the Corporation;
 - (vii) any amendment to Section 3.2 to permit Options to be transferred or assigned other than for normal estate settlement purposes;
 - (viii) any amendment that reduces the Exercise Price or permits the cancellation and re-issuance of Options, except as contemplated in Section 2.16;
 - (ix) any amendment that extends Options beyond the original Option Period of such Options;
 - (x) any other amendments that may lead to significant or unreasonable dilution in the Corporation’s outstanding securities; and
 - (xi) any reduction to the range of amendments requiring Shareholder Approval contemplated in this Section or any other amendments to this Section 3.10.
- (b) The Board may, subject to receipt of requisite Regulatory Approval, where required, in its sole discretion (without Shareholder Approval), make all other

amendments to the Plan (including Options granted thereunder) that are not of the type contemplated in Section 3.10(a) above, including, without limitation:

- (i) amendments which are of a typographical, grammatical, clerical or of a housekeeping nature;
 - (ii) the addition of or a change to vesting provisions of a security or the Plan;
 - (iii) the addition or modification of a cashless exercise feature; and
 - (iv) a change to the termination provisions of a security or the Plan that does not entail an extension beyond the original Option Period;
 - (v) amendments necessary for Options to qualify for favourable tax treatment under applicable tax laws; and
 - (vi) amendments necessary to suspend or terminate the Plan.
- (c) Notwithstanding the provisions of Section 3.10(b), the Corporation shall additionally obtain requisite Shareholder Approval in respect of amendments to the Plan that are contemplated pursuant to Section 3.10(b) to the extent such approval is required by any applicable law or regulations.

3.11 Approvals

The Plan was approved by the Board on May 12, 2021 and will be approved by the shareholders of the Corporation at the Annual General and Special Meeting of all shareholders to be held on June 29, 2021.

3.12 Termination

The Board reserves the right in its absolute discretion to terminate the Plan with respect to all Plan Shares in respect of Options which have not yet been granted hereunder.

3.13 No Representation or Warranty

The Corporation makes no representation or warranty as to the future market value of any Common Shares issued in accordance with the provisions of the Plan.

3.14 Governing Law

The Plan will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

SCHEDULE "A"
OPTION COMMITMENT FORM

THE GREEN ORGANIC DUTCHMAN HOLDINGS LTD.

SHARE OPTION PLAN

Notice is hereby given that, effective this ● day of ●, ● (the "**Effective Date**") The Green Organic Dutchman Holdings Ltd. (the "**Corporation**") has granted to ● (the "**Optionee**"), options (each, an "**Option**") to acquire ● common shares in the capital of the Corporation on or prior to 5:00 p.m. Toronto Time on the ● day of ●, ● (the "**Expiry Date**") at an exercise price of Cdn\$● per common share.

The Option shall vest and become exercisable in accordance with the following schedule:

●

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Corporation's Share Option Plan (the "**Plan**"), the terms and conditions of which are hereby incorporated herein and consented to by the undersigned Optionee.

To exercise your Option, deliver to the equity compensation management services of the Plan either (i) a written notice specifying the number of common shares you wish to acquire, together with a certified cheque or bank draft payable to the Corporation for the aggregate exercise price; or (ii) written notice of exercise by broker assisted cashless option, specifying the number of common shares with respect to which the Option is being exercised by cashless option. At the discretion of the Corporation a declaration of residence may also be requested prior to the issuance of any common shares. Upon receipt by the Corporation of the requisite documents and payments, the Corporation's transfer agent will then issue a certificate for the common shares so acquired as soon as practicable thereafter.

The undersigned Optionee hereby authorizes the Corporation to withhold any remuneration payable to the undersigned for the purposes of paying any taxes required to be deducted or withheld as a result of the undersigned's participation in the Plan.

The Corporation and the Optionee represent that the Optionee under the terms and conditions of the Plan is a bona fide "**Eligible Person**" (as defined in the Plan), entitled to receive Options under the policies of the stock exchange in which the Corporation is listed.

THE ORGANIC DUTCHMAN HOLDINGS

OPTIONEE LTD.

Authorized Signatory

Name

SCHEDULE "B"

INCENTIVE STOCK OPTION COMMITMENT FORM THE GREEN ORGANIC DUTCHMAN HOLDINGS LTD.

SHARE OPTION PLAN

Notice is hereby given that, effective this ● day of ●, ● (the "Effective Date") The Green Organic Dutchman Holdings Ltd. (the "Corporation") has granted to (the "U.S. Optionee"), an Incentive Stock Option as contemplated by Section 422 of the U.S. Internal Revenue Code (the "Code") to acquire ● common shares on or prior to 5:00 p.m. Toronto Time on the ● day of ●, ● (the "Expiry Date") at an exercise price of Cdn\$● per Common Share.

The option shall vest and become exercisable in accordance with the following schedule:

●

The grant of the Incentive Stock Option evidenced hereby is made subject to the terms and conditions of the Corporation's Share Option Plan (the "Plan"), the terms and conditions of which are hereby incorporated herein and forms part hereof.

Note: if the option is granted to a U.S. employee and is intended to qualify as an Incentive Stock Option, include the following statement:

"The option qualifies as an Incentive Stock Option, except to the extent that the aggregate fair market value of the common shares with respect to which such option (together with any other Incentive Stock Options that have been granted to you) is exercisable for the first time in any calendar year, exceeds U.S.\$100,000."

To exercise your Incentive Stock Option, deliver a written notice specifying the number of Optioned Shares (as defined in the Plan) you wish to acquire, together with cash or a certified cheque, wire transfer or bank draft payable to the Corporation for the aggregate exercise price to the Corporation plus the required Code withholding amount (if any). A certificate, or written notice, for the Optioned Shares so acquired will be issued by the transfer agent as soon as practicable thereafter.

The Corporation and the U.S. optionee represent that the optionee under the terms and conditions of the Plan is a bona fide Eligible Person (as defined in the Plan), entitled to receive Options under Exchange's Policies and is an employee as defined by the Code.

THE GREEN ORGANIC DUTCHMAN HOLDINGS LTD.

Authorized Signatory