

XPHYTO THERAPEUTICS CORP.
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Telephone: 780-818-6422

INFORMATION CIRCULAR
as at June 23, 2021
(except as otherwise indicated)

This Information Circular is furnished in connection with the solicitation of proxies by the management of XPhyto Therapeutics Corp. (the “Company”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on July 30, 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”, “XPhyto”, “we” and “our” refer to **XPhyto Therapeutics Corp.** “**Common Shares**” means common shares without par value in the capital of the Company. “**Registered Shareholders**” means Shareholders of the Company who hold Common Shares in their own name. “**Beneficial Shareholders**” means shareholders of the Company 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. The Company’s board of directors (the “**Board**”) has approved the contents and distribution of this Information Circular. All dollar amounts referred to herein are in Canadian currency unless otherwise indicated.

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 directors and/or officers 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 persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders may choose one of the following options to submit their proxy:

- (a) complete, date and sign the Proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("Computershare"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail or by hand to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1; or
- (b) use a touch-tone phone to transmit voting choices to the toll-free number given in the proxy. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll-free number, the holder's account number and the proxy access number; or
- (c) log onto Computershare's website at www.investorvote.com. Registered Shareholders must follow the instructions provided on the website and refer to the enclosed proxy form for the holder's account number and the proxy access number.

In all cases the Registered Shareholder must ensure the proxy is received 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.

Failure to complete or deposit a proxy properly may result in its invalidation. The time limit for the deposit of proxies may be waived by the Company's Board at its discretion without notice. **Please note that in order to vote your Common Shares in person at the Meeting, you must attend the Meeting and register with the Scrutineer before the Meeting. If you have already submitted a Proxy, but choose to change your method of voting and attend the Meeting to vote, then you should register with the Scrutineer before the Meeting and inform them that your previously submitted proxy is revoked and that you personally will vote your Common Shares at the Meeting.**

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 (the "intermediary"). In the United States the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many United States brokerage firms and custodian banks), and in Canada, 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).

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

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

The Company is taking advantage of the provisions of National Instrument 54-101 "*Communication with Beneficial Owners of Securities of a Reporting Issuer*" that permit it to deliver proxy-related materials directly to its NOBOs. As a result NOBOs can expect to receive a scannable Voting Instruction Form ("VIF") Computershare. The VIF is to be completed and returned to Computershare as set out in the instructions provided on the VIF.

Computershare 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 were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, 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 VIF 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.

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 delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails 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 yourself) 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 the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder's representative. If you receive a VIF from Broadridge the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares 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 by:

- (a) executing a proxy bearing a later date or by executing 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 Registered Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare or at the address of the registered office of the Company at Suite 1500, Royal Centre, 1055 West Georgia Street, P.O. 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) personally attending the Meeting and voting 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.

Beneficial Shareholders who wish to change their vote must in sufficient time in advance of the Meeting, arrange for their respective intermediaries to change their vote and if necessary, revoke their proxy in accordance with revocation procedures set out above.

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

No director or executive officer of the Company, nor 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 the approval of the Company's stock option plan, described herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors of the Company has fixed June 23, 2021 as the record date (the "**Record Date**") for the 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 Common Shares voted at the Meeting.

The Company was incorporated under the *Business Corporations Act* (British Columbia) on December 12, 2017 under its former name, "Cannabunker Development Corp." The Company changed its name to XPhyto Therapeutics Corp. on December 4, 2018.

The authorized share structure of the Company is an unlimited number of Common Shares each carrying the right to one vote. As at June 23, 2021, there were 69,762,536 Common Shares issued and outstanding. 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 Common Shares.

In accordance with the Company's listing application with the Canadian Securities Exchange, certain Common Shares, are held in escrow under Escrow Agreement dated May 17, 2019. At Record Date, there were a total of 5,454,929 Common Shares held in escrow.

The Company's Common Shares are listed on the Canadian Securities Exchange (the "CSE") under stock symbol "XPHY", on the Frankfurt Stock Exchange under stock symbol "4XT", and on the OTCQB Venture Exchange under stock symbol "XPHYF".

To the knowledge of the directors and executive officers of the Company, there were no persons or corporations that beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at June 23, 2021.

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

- The audited annual financial statements of the Company for the financial year ended December 31, 2020, together with the report of the auditor thereon and the related management discussion and analysis, both of which were filed under the Company's SEDAR profile on April 27, 2021.

Copies of any documents referred to and incorporated herein by reference may be obtained by a shareholder upon request without charge from the Company at Tel: 780-818-6422, E-mail: info@xphyto.com, or at the address of the Company at Suite 270 – 1820 Fir Street, Vancouver, BC V6J 3B1. The documents are also available through the internet on SEDAR, which can be accessed at www.sedar.com.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the 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

Fixing the Number of Directors

At the Meeting, the Shareholders will be asked to fix the number of directors to be elected at five (5). Approval of the number of directors will require the affirmative votes of the holders of not less than half of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. Unless otherwise directed, the management designees named in the accompanying proxy intend to vote in favour of fixing the number of directors at five (5).

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 Provision

The Company's Articles include an advance notice provision (the "**Advance Notice Provision**"). The Advance Notice Provision provides for advance notice to the Company in circumstances where nominations of persons for election to the board of directors of the Company are made by shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the BCA or (ii) a shareholder proposal made pursuant to the provisions of the BCA.

The purpose of the Advance Notice Provision is to foster a variety of interests of the shareholders and the Company by ensuring that all shareholders - including those participating in a meeting by proxy rather than in person - receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. Among other things, the Advance Notice Provision fixes a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the minimum information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

The Advance Notice Provision also requires all proposed director nominees to deliver a written representation and agreement that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director.

The foregoing is merely a summary of the Advance Notice Provision, is not comprehensive and is qualified by the full text of such provision in the Company's current Articles which were SEDAR filed on December 28, 2018 under the Company's profile on SEDAR at www.sedar.com.

Nominees

The following table 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 (for the five preceding years for each director), 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 of June 23, 2021.

Name of Nominee; Current Position with the Company and Province or State and Country of Residence	Occupation, Business or Employment	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽¹⁾
<p>Hugh Rogers⁽⁶⁾ Chief Executive Officer and Director British Columbia, Canada</p>	<p>Director of Telo Genomics Corp. (formerly 3D Signatures Inc.) from March 2020 to present. Interim Chairman of Telo Genomics Corp. from September 2018 to March 2020.</p> <p>Director of Clear Blue Technology International Inc. (formerly Dagobah Ventures Ltd.) from July 2018 to June 2019.</p> <p>Director and CEO of Dagobah Ventures Ltd. from May 2017 to July 2018.</p> <p>Director of RepliCel Life Sciences Inc. from February 2017 to December 2018.</p> <p>CEO and director of Coronado Resources Ltd. from March 2015 to October 2017.</p>	<p>Since December 12, 2017</p>	<p>525,000⁽²⁾</p>
<p>Raimar Löebenber⁽⁶⁾ Director Alberta, Canada</p>	<p>Founder and director of the Drug Development and Innovation Centre, Faculty of Pharmacy and Pharmaceutical Sciences at the University of Alberta.</p>	<p>Since December 10, 2018</p>	<p>5,000,000⁽³⁾</p>
<p>Wolfgang Probst⁽⁶⁾ Chief Operating Officer and Director Memmingen, Germany</p>	<p>Deputy Chairman of ProFinvest, a management consulting firm focused on small to medium sized companies, since 2011.</p> <p>Managing Director of Bunker Pflanzenextrakte GmbH from 2017 to present.</p>	<p>Since December 12, 2018</p>	<p>1,102,500⁽⁴⁾</p>
<p>Per S. Thoresen Director Oslo, Norway</p>	<p>Co-founder and member of the Board of Curida Holding AS</p>	<p>Since November 3, 2020</p>	<p>Nil⁽⁵⁾</p>
<p>Peter Damouni Director London, United Kingdom</p>	<p>Director and/or an officer of a number of private and public companies listed on the TSX, the TSXV and LSE.</p>	<p>N/A</p>	<p>70,000⁽⁷⁾</p>

Notes:

- (1) The number of Common Shares beneficially owned, directly or indirectly, by the director nominees is based on information furnished by the nominees.
- (2) Mr. Rogers also holds options to purchase 850,000 Common Shares and warrants to purchase 25,000 Common Shares (see “Statement of Executive Compensation” below).
- (3) Mr. Löebenber holds these shares indirectly through his company JRC Pharmaceuticals Inc.
- (4) Mr. Probst also holds options to purchase 200,000 Common Shares (see “Statement of Executive Compensation” below).
- (5) Mr. Thoresen holds options to purchase 250,000 Common Shares (see “Statement of Executive Compensation” below).
- (6) Member of Audit Committee.
- (7) Mr. Damouni holds these shares indirectly through his company Silvergate Capital Partners.

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.

Director and Nominee Director Biographies

Hugh Rogers (Age 41) Chief Executive Officer and Director

Mr. Rogers is an entrepreneur and lawyer with private and public start-up experience in a range of industries and operational roles. Recent work has focused on public-listings and corporate restructuring in the life science and energy industries. From May 2017 to July 2017, Mr. Rogers was CEO and director of Dagobah Ventures Ltd., which subsequently acquired Clear Blue Technologies International Inc., an off-grid alternative energy company, through a share exchange, TSX Venture Exchange (“TSX-V”) listing transaction and concurrent financing. He continues to sit on the board as an independent director. In September 2018, Mr. Rogers took the role of Interim Chairman of 3D Signatures Inc., a TSX-V medical diagnostic company, while spearheading a shareholder-led corporate reorganization and refinancing which is expected to be complete in Q1 2019. From February 2017 to December 2018, Mr. Rogers was a director of RepliCel Life Sciences Inc., a TSX-V listed autologous cell therapy company, as it underwent a successful corporate restructuring and the completion of a strategic investment and international technology licensing agreement. From March 2015 to October 2017 he was CEO and director of Coronado Resources Ltd., a TSX-V listed natural gas co-generation company, which underwent a corporate reorganization and the disposition of distressed assets. Mr. Rogers has held several other independent board and management positions with exchange listed issuers. He holds a Bachelor of Science degree and LLB degree. He is a member in good standing of the Law Society of British Columbia.

Raimar Löebenber (Age 55) – Director

Dr. Löebenber holds a BS in pharmacy from the Johannes Gutenberg-University, Mainz, Germany and a PhD in pharmaceuticals from the Johann Wolfgang Goethe-University, Frankfurt, Germany. His doctoral work was focused on nanoparticle drug delivery. Dr. Löebenber then joined Dr. Dressman’s lab at Goethe-University to investigate dissolution behavior in biorelevant dissolution media, followed work at Dr. Amidon’s lab in Ann Arbor, Michigan to investigate different aspects of oral drug administration, including computer simulations. He joined the University of Alberta in 2000 where he is the founder and director of the Drug Development and Innovation Centre, Faculty of Pharmacy and Pharmaceutical Sciences. Dr. Löebenber’s research interests are in biopharmaceuticals to predict the oral performance of drugs and botanicals and inhalable nanoparticles to treat lung diseases such as lung cancer, tuberculosis or leishmaniasis. He is a cofounder of RS Therapeutics Inc., a foam-based topical drug delivery company.

Dr. Löebenber’s recent notable positions include: president of the Canadian Society for Pharmaceutical Sciences 2014 to 2015; vice chair of the United States Pharmacopeia Dietary Supplement Expert Committee 2016 to 2017; current member of the United States Pharmacopeia Dietary Supplement Expert Committee; current vice chair of the Specialty Committee of Traditional Chinese Medicine in Pharmaceuticals of the World Foundation of Chinese Medicine Science; and current member of the Health Canada Scientific Advisory Committee on Pharmaceutical Sciences and Clinical Pharmacology and the Scientific Advisory Panel on Opioid Analgesic Abuse.

Wolfgang Probst (Age 40) – Director

Mr. Probst is an experienced management and financial consultant based in Bavaria, Germany. His experience includes management consulting experience as branch head working with private high-net worth clients and corporations followed by the role of CFO for a European-based photovoltaic company where he established operations in Cypress, Greece, and Italy. In 2011, Mr. Probst started ProFinvest, a management consulting firm focused on small to medium-sized companies where he remains Deputy Chairman. In 2020, he assumed the Managing Director position of Bunker Pflanzenextrakte GmbH.

Per S. Thoresen (Age 67) - Director

Mr. Thoresen is an experienced leader with an impressive track record in a wide range of executive management roles in the pharmaceutical industry. He has 25 years’ experience including executive roles with major international European and Asian-based pharmaceutical companies and has more recently led a number of successful ventures in the pharmaceutical manufacturing, nutraceutical and other industry sectors. From 2003 to 2014, Mr. Thoresen was the managing director of Nycomed Pharma AS acquired by Takeda Pharmaceutical Company Limited in 2011 as part of an acquisition transaction with a total value of approximately USD \$14B.

Mr. Thoresen holds a law degree from the top-ranked University of Oslo and core competencies in strategy and organizational development, operational execution, and industry and government relations. He is an experienced chairman and board member of numerous European industry associations and companies and is the co-founder and current chairman of Curida AS, a Norwegian-based contract development manufacturing organization focused on liquid pharmaceutical production.

Peter Damouni (Age 43) – Director Nominee

Mr. Damouni is an entrepreneur and financier with over 18 years of experience in investment banking and capital markets including more than 10 years as a director or an officer of a number of private and public companies listed on the TSX, the TSXV and LSE.

Throughout his career, Mr. Damouni has taken a lead role in equity and debt financings. His expertise on financing, restructuring, strategy development and execution, mergers and acquisitions has been instrumental in creating significant value for shareholders in the consumer, natural resources, technology and life sciences sectors.

Mr. Damouni is a graduate of McGill University. He is a Canadian and British citizen, residing in the United Kingdom.

Cease Trade Orders and Bankruptcies

No proposed director is, as at the date of this Information Circular, or has been, within ten (10) years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company in respect of which the Information Circular is being prepared) that:

- (i) was subject to a cease trade or similar order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (ii) was subject to a cease trade or similar order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director is, as at the date of this Information Circular, or has been within ten (10) years before the date of this Information Circular, a director or executive officer of any company (including the Company in respect of which the Information Circular is being prepared) 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.

No director has, within the past ten (10) years, 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.

Penalties and Sanctions

To the Company's knowledge, no existing or proposed director, officer or promoter of the Company, or a securityholder anticipated to hold sufficient securities of the Company to affect materially the control of the Company, has:

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body that would be likely to be considered important to a reasonable securityholder making a decision in regard to the Company.

APPOINTMENT OF AUDITOR

Davidson & Company LLP, Chartered Professional Accountants, of 609 Granville Street, 12th Floor, Vancouver, British Columbia, V7Y 1G6 will be nominated at the Meeting for appointment as auditor of the Company. Approval of the appointing of the auditor will require the affirmative votes of the holders of note less than half of the votes

cast in respect thereof by Shareholders present in person or by proxy at the Meeting. **Unless otherwise directed, the management designees named in the accompanying proxy intend to vote in favor of the appointment of Davidson & Company LLP, Chartered Accountants, as auditors of the Company for the ensuing year.**

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators (“**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, as set forth below:

The Audit Committee’s Charter

The audit committee has a charter. A copy of the Audit Committee Charter is attached as Schedule E to the Company’s Listing Statement dated July 25, 2019 and filed at www.Sedar.com on August 2, 2019.

Composition of the Audit Committee

The Board has established an Audit Committee. The primary function of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities with respect to the following areas: (i) the Company’s external audit function; (ii) internal control and management information systems; (iii) the Company’s accounting and financial reporting requirements; (iv) the Company’s compliance with law and regulatory requirements; (v) the Company’s risks and risk management policies; and (vi) such other functions as are delegated to it by the Board. Specifically, with respect to the Company’s external audit function, the Audit Committee assists the Board in fulfilling its oversight responsibilities relating to: (i) the quality and integrity of the Company’s financial statements; (ii) the independent auditors’ qualifications; and (iii) the performance of the Company’s independent auditors.

The Audit Committee’s primary duties and responsibilities are to:

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

Management, the Audit Committee and the Board meet via conference call on a quarterly basis to discuss the Company’s financial statements and related financial information.

As at June 23, 2021, the members of the Company’s Audit Committee were comprised of the following directors: Hugh Rogers, Raimar Löebenber and Wolfgang Probst. Messrs. Rogers and Probst are not independent as they are officers of the Company. Raimar Löebenber is not considered independent by virtue of his shareholdings in the Company.

Relevant Education and Experience

In addition to each member’s general business experience, the education and experience of each audit committee member is set out in “*Election of Directors - Nominees*” above.

Audit Committee Oversight

Since the commencement of the Company’s most recently completed financial year, the Audit Committee has not made a recommendation to the Board to nominate or compensate an external auditor that has not been adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company’s most recently completed financial year, the Company’s auditors, Davidson & Company LLP, Chartered Professional Accountants, have not provided any material non-audit services, therefore the Company has not relied on any exemption in s. 2.4 of NI 52-110.

Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable by the Audit Committee, on a case by case basis.

External Auditor Service Fees (By Category)

The Audit Committee has reviewed the nature and amount of the non-audited services provided to the Company to ensure auditor independence. Fees incurred with Davidson & Company LLP, Chartered Professional Accountants, for audit and non-audit services in the fiscal years ended December 31, 2020 and 2019 are outlined in the following table

Nature of Services	Fees Paid in Year Ended December 31, 2020	Fees Paid in Year Ended December 31, 2019
Audit Fees ⁽¹⁾	\$70,854	\$70,000
Audit-Related Fees ⁽²⁾	\$Nil	Nil
Tax Fees ⁽³⁾	\$7,600	\$7,600
All Other Fees ⁽⁴⁾	\$Nil	Nil
	\$78,454	\$77,600

Notes:

- (1) **"Audit Fees"** include 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 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 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.

Exemption

The Company is a "venture issuer" as defined in NI 52-110 and is relying upon the exemption in s. 6.1 of NI 52-110 concerning Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE

General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - Corporate Governance Guidelines provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**") prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

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 Board's opinion, be reasonably expected to interfere with the exercise of a director's independent judgment.

The Board is currently comprised of four directors, Hugh Rogers, Raimar Löbenberg, Wolfgang Probst and Per S. Thoresen. Mr. Thoresen is an independent member of the Board. The non-independent members of the Board are: Hugh Rogers, Chief Executive Officer of the Company; Wolfgang Probst, Chief Operating Officer of the Company and also Managing Director of the following subsidiaries of the Company: Bunker Pflanzenextrakte

GmbH, SCUR Alpha 1108 GmbH, XP Diagnostics GmbH and Vektor Vermogens und Grundbesitze. Raimar Löebenbergs is considered by the Board to be "non-independent" by virtue of his shareholdings in the Company.

The Board facilitates its exercise of independent supervision over the Company's management through frequent discussions with management and regular meetings of the Board. The Company is currently taking active steps to seek independent directors to sit on the Board in the future.

Directorships

The following directors are board members of other reporting issuers as follows:

Name of Director	Name of Reporting Issuer	Exchange
Hugh Rogers	Telo Genomics Corp.	TSXV
Raimar Löebenbergs	Defence Therapeutics Inc.	CSE
Per Thoresen	QuiaPEG Pharmaceuticals	Nasdaq First Growth, Stockholm
Peter Damouni	Mason Graphite Inc.	TSXV
	Arizona Gold Corp.	TSX
	Arena Minerals Inc.	TSXV
	Chesterfield Resources Plc	LSE
	Empire Metals Corp.	LSE
	Gatling Exploration Inc.	TSX

Orientation and Continuing Education

While the Company does not have formal orientation and training programs, new directors are provided with access to publicly filed documents of the Company, technical reports, internal financial information, and management and technical experts and consultants.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction.

Nomination of Directors

The Board is responsible for identifying individuals believed to be qualified to become board members, consistent with criteria approved by the Board, and to nominate to stand for election at the Company's annual meeting of shareholders or, if applicable, at a special meeting of the shareholders. In case of vacancy in the office of a director (including a vacancy created by an increase in the size of the Board), the Board shall fill each such vacancy either through appointment by the Board or through election by shareholders. In recommending candidates, the Board shall take into consideration the opinions of management of the Company, the criteria approved by the Board and such other factors as it deems appropriate. These factors shall include judgment, skill, integrity, independence, diversity, experience with business and organizations of comparable size, the interplay of a candidate's experience with the experience of other Board members, willingness to commit the necessary time and energy to serve as director, and a genuine interest in the Company's business, and the extent to which a candidate would be a desirable addition to the Board or any committees of the Board.

Compensation

The Board conducts annual reviews with regard to directors' and officers' compensation to ensure development of a compensation strategy that properly aligns the interests of directors and officers with the long-term interests of the Company and its shareholders.

Other Board Committees

The Audit Committee is the only Board Committee of the Company.

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.

STATEMENT OF EXECUTIVE COMPENSATION

General

The following information is provided as required under Form 51-102F6V – *Statement of Executive Compensation*, for Venture Issuers, as such term is defined in National Instrument 51-102.

For the purposes of this Statement of Executive Compensation:

“**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;

“**NEO**” or “**named executive officer**” 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 (“**CEO**”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (“**CFO**”), including an individual performing functions similar to a CFO;
- (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 \$150,000, for that financial year;
- (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

Director and NEO Compensation, Excluding 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 for the two most recently completed financial years ended December 31, 2020 and December 31, 2019. Options and compensation securities are disclosed under the heading “Stock Options and Other Compensation Securities”.

During the financial year ended December 31, 2020, based on the definition above, the NEOs of the Company were: Hugh Rogers, Chief Executive Officer and Director, Chris Ross, Chief Financial Officer, and Wolfgang Probst, Chief Operating Officer and Director. The Directors of the Company who was not NEOs during the financial year ended December 31, 2020 were Raimar Löbenberg and Per S. Thoresen.

During the financial year ended December 31, 2019, based on the definition above, the NEOs of the Company were: Hugh Rogers, Chief Executive Officer and Director, Chris Ross, Chief Financial Officer, and Wolfgang Probst, Chief Operating Officer and Director. The Director of the Company who was not a NEO during the financial year ended December 31, 2019 was Raimar Löbenberg.

Table of Compensation, Excluding Compensation Securities in Financial Years ended December 31, 2020 and December 31, 2019

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Hugh Rogers ⁽¹⁾ CEO and Director	2020	\$180,000	Nil	Nil	Nil	Nil	\$180,000
	2019	\$180,000	Nil	Nil	Nil	Nil	\$180,000
Christopher Ross ⁽²⁾ CFO	2020	\$150,000	Nil	Nil	Nil	\$5,600 ⁽³⁾	\$155,600
	2019	\$150,000	Nil	Nil	Nil	Nil	\$150,000
Wolfgang Probst ⁽⁴⁾ COO and Director	2020	\$183,508	Nil	Nil	Nil	Nil	\$183,508
	2019	\$178,197	Nil	Nil	Nil	Nil	\$178,197
Raimar Löbenberg ⁽⁵⁾ Director	2020	\$60,000	Nil	Nil	Nil	Nil	\$60,000
	2019	\$60,000	Nil	Nil	Nil	Nil	\$60,000
Per S. Thoresen ⁽⁶⁾ Director	2020	\$13,323	Nil	Nil	Nil	Nil	\$13,323
	2019	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Mr. Rogers was appointed Chief Executive Officer of the Company on December 12, 2017.
- (2) Mr. Ross was appointed Chief Financial Officer of the Company on September 20, 2018.
- (3) Professional fees paid to a Company controlled by the Chief Financial Officer.
- (4) Mr. Probst was appointed to the board of directors on December 11, 2018.
- (5) Mr. Löbenberg was appointed to the board of directors on December 11, 2018.
- (6) Mr. Thoresen was appointed to the board of directors on November 3, 2020.

Stock Options and Other Compensation Securities

The Company has in place a 10% “rolling” stock option plan (the “**Option Plan**”) approved by the board of directors effective November 28, 2018 and most recently approved by Shareholders at the Company’s annual general meeting on May 20, 2020. The Option Plan is a “rolling” plan which allows the Company to grant stock options (“**Options**”) to a maximum of 10% of the issued and outstanding Common Shares, from time to time. As at the date of this Circular, there were 4,745,000 Options outstanding under the Option Plan. See disclosure under heading “Securities Authorized for Issuance Under Equity Compensation Plans” below.

The following table discloses all compensation securities outstanding as at December 31, 2020.

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 (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date (mm/dd/yy)
Hugh Rogers CEO and Director	Options	200,000	08/07/19	\$1.25	\$1.23	\$1.85	08/07/24
	Options	650,000 ⁽¹⁾	12/20/18	\$0.50	N/A	\$1.85	12/20/23
Christopher Ross CFO	Options	200,000	08/07/19	\$1.25	\$1.23	\$1.85	08/07/24
	Options	350,000 ⁽¹⁾	12/20/18	\$0.50	N/A	\$1.85	12/20/23
Wolfgang Probst Director	Options	200,000	08/07/19	\$1.25	\$1.23	\$1.85	08/07/24
Per S. Thoresen Director	Options	250,000	11/01/20	\$1.80	\$1.80	\$1.85	11/01/25

Notes:

(1) 25% of the Options vest every six months from date of grant and fully vest after 24 months from date of grant

Exercise of Compensation Securities by NEOs and Directors

There were no compensation securities exercised by any of the NEOs or directors of the Company during the financial year ended December 31, 2020:

Stock Option Plans and Other Incentive Plans

10% Rolling Stock Option Plan (Option-Based Awards)

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 Option Plan. Options may be 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.

The Option Plan is administered by the Board. In determining the number of incentive Options to be granted to the NEOs, the Board has regard to several considerations including previous grants of Options and the overall number of outstanding Options relative to the number of outstanding Common Shares, as well as the degree of effort, time, responsibility, ability, experience and level of commitment of the executive officer.

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

- (i) the maximum number of Options which may be granted to any one holder under the Option Plan within any 12 month period shall be 5% of the number of issued and outstanding Common Shares (unless the Company has obtained disinterested shareholder approval if required by applicable laws);
- (ii) if required by applicable laws, disinterested shareholder approval is required to the grant to related persons, within a 12 month period, of a number of Options which, when added to the number of outstanding Options granted to related persons within the previous 12 months, exceed 10% of the issued Common Shares;

- (iii) the expiry date of an Option shall be no later than the tenth anniversary of the grant date of such Option;
- (iv) the maximum number of Options which may be granted to any one consultant within any 12 month period must not exceed 2% of the number of issued and outstanding Common Shares;
- (v) the maximum number of Options which may be granted within any 12 month period to employees or consultants engaged in investor relations activities must not exceed 2% of the number of issued and outstanding Common Shares and such Options must vest in stages over 12 months with no more than 25% of the Options vesting in any three month period;
- (vi) the exercise price of any Option issued under the Stock Option Plan shall not be less than the Market Value (as defined in the Option Plan) of the Common Shares as of the grant date; and
- (vii) the Board, or any committee to whom the Board delegates, may determine the vesting schedule for any Option.

Refer to heading below "PARTICULARS OF MATTERS TO BE ACTED UPON – Continuation of Option Plan". A copy of the Option Plan will be available for inspection at the Meeting.

Restricted Share Unit Plan (Share-Based Awards)

The board of the directors of the Company adopted a Restricted Share Unit Plan dated effective June 23, 2021 (the "**RSU Plan**"). The purpose of the RSU Plan is to promote and advance the interests of the Company by providing directors, officers, employees and consultants of the Company with an additional incentive through the opportunity to receive bonuses in the form of Common Shares. The potential of receiving Common Shares also increases the Company's ability to attract, retain and motivate directors, officers, employees, and consultants.

The following is a summary of the material terms of the RSU Plan:

Administration

The RSU Plan shall be administered by the Board, which will have the full and final authority to provide for the granting, vesting, settlement and the method of settlement of RSUs granted thereunder. RSUs may be granted to directors, officers, employees or consultants of the Company, as the Board may from time to time designate. The Board has the right to delegate the administration and operation of the RSU Plan to a committee and/or any member of the Board.

Number of Common Shares Reserved

Subject to adjustment as provided for in the RSU Plan, the aggregate number of Common Shares which will be available for issuance under the RSU Plan will not, when combined with Common Shares reserved for issuance pursuant to other share compensation arrangements (including the Option Plan) exceed 20% of the number of Common Shares which are issued and outstanding on the particular date of grant. If any RSU expires or otherwise terminates for any reason without having been exercised in full, the number of Common Shares in respect of such expired or terminated RSU shall again be available for the purposes of granting RSUs pursuant to the RSU Plan.

Granting, Settlement and Expiry of RSUs

Under the RSU Plan, eligible persons may (at the discretion of the Board) be allocated a number of RSUs as the Board deems appropriate, with vesting provisions also to be determined by the Board. Upon vesting, subject to the provisions of the RSU Plan, the RSU holder may settle its RSUs during the settlement period applicable to such RSUs, provided that no expiry date or any vesting date is a date that is more than three years from the Grant Date (as such term is defined in the RSU Plan). A RSU holder shall be entitled to receive one Common Share for each vested RSU or, at the sole option of the Company, a cash payment equal to the number of RSUs vested, multiplied by the market price of Common Shares on the redemption date.

Termination

Except as otherwise determined by the Board:

- (a) all RSUs held by the RSU holder (whether vested or unvested) shall terminate automatically on the date which the RSU holder ceases to be eligible to participate in the RSU Plan or otherwise on such date on which the Company terminates its engagement of the RSU holder (the "RSU Holder Termination Date") for any reason other than as set forth in paragraph (b) and (c) below;
- (b) in the case of a termination of the RSU holder's service by reason of (A) termination by the Company or any subsidiary of the Company other than for cause, or (B) the RSU holder's death or disability, the RSU holder's unvested RSUs shall vest automatically as of such date, and on the earlier of the original expiry date and any time during the ninety (90) day period commencing on the date of such termination of service (or, if earlier, the RSU Holder Termination Date), the RSU holder (or their executor or administrator, or the person or persons to whom the RSUs are transferred by will or the applicable laws of descent and distribution) will be eligible to request that the Company settle their vested RSUs. Where, prior to the 90th day following such termination of service (or, if earlier, the RSU Holder Termination Date) the RSU holder fails to elect to settle a vested RSU, the RSU holder shall be deemed to have elected to settle such RSU on such 90th day (or, if earlier, the RSU Holder Termination Date) and to receive Common Shares in respect thereof;
- (c) in the case of a termination of the RSU holder's services by reason of voluntary resignation, only the RSU holder's unvested RSUs shall terminate automatically as of such date, and any time during the ninety (90) day period commencing on the date of such termination of service (or, if earlier, the RSU Holder Termination Date), the RSU holder will be eligible to request that the Company settle their vested RSUs. Where, prior to the 90th day following such termination of service (or, if earlier, the RSU Holder Termination Date) the RSU holder fails to elect to settle a vested RSU, the RSU holder shall be deemed to have elected to settle such RSU on such 90th day (or, if earlier, the RSU Holder Termination Date) and to receive Common Shares in respect thereof;
- (d) for greater certainty, where a RSU holder's employment, term of office or other engagement with the Company terminates by reason of termination by the Company or any subsidiary of the Company for cause then any RSUs held by the RSU holder (whether unvested or vested) at the RSU Holder Termination Date, immediately terminate and are cancelled on the RSU Holder Termination Date or at a time as may be determined by the Board, in its discretion;
- (e) a RSU holder's eligibility to receive further grants of RSUs under the RSU Plan ceases as of the earliest of the date the RSU holder resigns from or terminates its engagement with the Company or any subsidiary of the Company and the date that the Company or any subsidiary of the Company provides the RSU holder with written notification that the RSU holder's employment, term of office or engagement, as the case may be, is terminated, notwithstanding that such date may be prior to the RSU Holder Termination Date; and
- (f) for the purposes of the RSU Plan, a RSU holder shall not be deemed to have terminated service or engagement where the RSU holder: (i) remains in employment or office within or among the Company or any subsidiary of the Company or (ii) is on a leave of absence approved by the Board.

Refer to heading below "PARTICULARS OF MATTERS TO BE ACTED UPON – *Approval of RSU Plan*". A copy of the RSU Plan is attached as Schedule A to this Information Circular and will be available for inspection at the Meeting.

Employment, Consulting and Management Agreements

The Company entered into the following employment agreements with the following NEOs of the Company:

- (i) Employment Agreement between Hugh Rogers and the Company (the “**Rogers Employment Agreement**”); and
 - (ii) Employment Agreement between Christopher Ross and the Company (the “**Ross Employment Agreement**”);
- (together, the “**Employment Agreements**”).

The Employment Agreements provide for remuneration of the above listed individuals with respect to their respective roles with the Company and its subsidiaries.

Pursuant to the Rogers Employment Agreement, Hugh Rogers will be paid a gross annual salary of \$180,000 for his role with the Company and its subsidiaries. Mr. Rogers was not issued any stock options in 2020 and his current gross annual salary is \$216,000.

Pursuant to the Ross Employment Agreement, Christopher Ross will be paid a gross annual salary of \$150,000 for his role with the Company and its subsidiaries. Mr. Ross was not issued any stock options in 2020 and his current gross annual salary is \$186,000.

The Employment Agreements also provide for payments to be made by the Company in the event of termination of the Executive Agreements by the Company without cause or following a change of control, the details of which are summarized below.

Meaning of “Cause”, “Change of Control” and “Good Reason”

In the Employment Agreements, “**Cause**” means the occurrence of any of the following:

- (a) an act of fraud or dishonesty or unlawful conduct by or involving the Executive which results in any loss to the Company;
- (b) a violation of the code of conduct or other policies of the Company which is deemed to be material by the Company in its sole reasonable discretion;
- (c) willful neglect of the Executive’s duties;
- (d) the Executive’s failure to perform the Executive’s duties in a competent and diligent manner after the Company has provided the Executive with thirty (30) days’ written notice of the performance deficiency and the Executive has failed to cure such deficient performance—unless the Executive has already been given notice and opportunity to cure regarding any performance deficiency whatsoever during the same calendar year, in which case the Company may terminate the Executive’s employment for Cause without first providing notice and opportunity to cure;
- (e) conduct of the Executive that is reasonably determined by the board of directors of the Company to be detrimental to the business of the Company, and which the Executive persists in after being instructed by the Company to cease such conduct.

In the Employment Agreements, “**Change of Control**” means:

- (a) the acquisition, directly or indirectly, by any person or group of persons acting jointly or in concert, as such terms are defined in the Securities Act (British Columbia, Canada), of common shares of the Company which, when added to all other common shares of the Company at the time held directly or indirectly by such person or persons acting jointly or in concert, constitutes for the first time in the aggregate 30% or more of the outstanding common shares of the Company and such shareholding exceeds the collective shareholding of the current directors of the Company, excluding any directors acting in concert with the acquiring party; or

- (b) the removal, by extraordinary resolution of the shareholders of the Company, of more than 51% of the then incumbent directors of the Company or the election at a meeting of shareholders of a majority of directors to the board of directors of the Company who were not management nominees for election as directors at such meeting; or
- (c) consummation of a sale of all or substantially all of the assets of the Company; or
- (d) the consummation of a reorganization, plan of arrangement, merger or other transaction which has substantially the same effect as (a) (b) or (c) above.

In the Employment Agreements, “**Good Reason**” means the occurrence of any of the following events and the Company’s failure to cure any of the following after thirty days’ written notice from the Executive:

- (a) the assignment by the Company to the Executive, without the Executive’s consent, of any substantial new or different duties inconsistent with the Executive’s positions, duties, responsibilities and status with the Company immediately prior to such change in assigned duties;
- (b) a material reduction in the Executive’s responsibilities, without the Executive’s consent, except as a result of the Executive’s death or disability;
- (c) a reduction by the Company in the Executive’s compensation not agreed to by the Executive; or
- (d) a material change in the terms of the Executive’s participation in benefits under any incentive plan, the effect of which would be to materially reduce the total value, in the aggregate, of the benefit to the Executive under the incentive plan.

Termination by the Company on a Change of Control

If within 12 months following a Change of Control (or in the case of the Rogers Employment Agreement or the Ross Employment Agreement, within the 2 year term of such Employment Agreement), an Employment Agreement is terminated by the Company other than for Cause, or such Employment Agreement is terminated by the Executive with Good Cause at any time within six (6) months after a Change of Control, in either case, the respective Executive will receive a termination payment in an amount equal to the following:

- (i) 24 months of the Executive’s then current monthly salary, in the case of Hugh Rogers;
- (ii) 24 months of the Executive’s then current monthly salary, in the case of Christopher Ross

Termination by the Company Without Cause

The Company may terminate the Employment Agreements and the engagement of the Executives without Cause at any time by notice in writing, and the Executives may terminate their respective Employment Agreement for Good Reason on two weeks’ written notice. In either event, the Company shall pay the respective Executive:

- (i) 24 months of the Executive’s then current monthly salary, in the case of Hugh Rogers;
- (ii) 24 months of the Executive’s then current monthly salary, in the case of Christopher Ross

Termination by the Company for Cause

If the Company terminates the Executive Agreement with Cause, the Executive is not entitled to any termination payment from the Company.

Other than as set out in this Circular, the Company had no agreements with its NEOs concerning severance payments of cash or equity compensation as a result of termination of their arrangement with the Company or as a result of a change of control of the Company.

The Company entered into the following employment agreement with the following NEO of the Company:

- (i) Employment Agreement between Wolfgang Probst and the Company’s wholly owned subsidiary, Bunker Pflanzenextrakte GmbH (the “**Probst Employment Agreement**”); and

Pursuant to the Probst Employment Agreement, Wolfgang Probst will be paid a gross annual salary of €120,000 for his role with the Company and its subsidiaries. Mr. Probst's current annual gross salary is €144,000.

Should the employment relationship be terminated with due notice by the Company during the fixed term period of employment, the individual shall be entitled to receive a severance payment in the amount of the gross salary which would have otherwise have been accrued between the effective period of the notice and December 31, 2021.

Oversight and Description of Director and NEO Compensation

The Board does not have a compensation committee or a formal compensation policy. The Company relies solely on the directors to determine the compensation of the NEOs. In determining compensation, the directors consider industry standards and the Company's financial situation, but the Company does not have any formal objectives or criteria. The performance of each executive officer is informally monitored by the directors, having in mind the business strengths of the individual and the purpose of originally appointing the individual as an officer.

In establishing compensation for executive officers, the Board as a whole seeks to accomplish the following goals:

- To recruit and subsequently retain highly qualified executive officers by competitive offering overall compensation;
- To motivate executives to achieve important corporate and personal performance objectives and reward them when such objectives are met; and
- To align the interests of executive officers with the long-term interests of shareholders through participation in the Company's Stock Option Plan.

When considering the appropriate executive compensation to be paid to our officers, the Board have regard to a number of factors including: (i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Company's shareholders; (iv) rewarding performance, both on an individual basis and with respect to operations generally; and (v) available financial resources.

The Board will consider executive bonus compensation dependent upon the Company meeting its strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses.

Other than as disclosed, the only arrangements the Company had, standard or otherwise, pursuant to which the Company compensated directors for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as a consultant or expert during the most recently completed financial year or subsequently, are by (i) the issuance of incentive stock options; and (ii) reimbursement for out-of-pocket expenses incurred on behalf of the Company.

Pension Disclosure

The Company currently does not provide pension plan benefits for NEOs, directors or employees.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table sets out its equity compensation plan information as at the end of the Company's financial year ended December 31, 2020.

	Number of securities to be issued upon exercise of outstanding options,	Weighted-average exercise price of outstanding options	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	4,525,000	\$1.58	1,709,902
Equity Compensation plans not approved by securityholders.	-	N/A	-
Total	4,525,000	\$1.58	1,709,902

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than as set out in this Information Circular, 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 of the end of the financial year end December 31, 2020 or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than set out in this Information Circular, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during financial year ended December 31, 2020.

MANAGEMENT CONTRACTS

Other than as set out in this Information Circular, 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 NEOs of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Presentation to the Shareholders of the annual audited financial statements of the Company for the financial year ended December 31, 2020;
2. Fixing the Number of Directors– see “*Election of Directors*” above;
3. Election of Directors – see “*Election of Directors*” above;
4. Appointment of Auditor – see “*Appointment of Auditor*” above;
5. Approval of the Option Plan – see “*Continuation of Option Plan*” below; and
6. Approval of the RSU Plan – see “*Approval of RSU Plan*” below.

CONTINUATION OF OPTION PLAN

On November 28, 2018 the Board approved the adoption of the form of Option Plan. At the Meeting, shareholders will be asked to ratify and approve the Option Plan for continuation until the next annual general meeting of the Company.

The Option Plan is described in more detail, including the material terms of the Plan, above, see *Statement of Executive Compensation – Stock Option Plans and Other Incentive Plans*.

The Board is of the view that the Option Plan provides the Company with the flexibility to attract and maintain the services of executives, employees and other service providers in competition with other companies in the industry. Accordingly, at the Meeting, shareholders will be asked to approve the following ordinary resolution, with or without variation:

“RESOLVED as an ordinary resolution that the Company’s Option Plan dated for reference November 28, 2018, be and is hereby ratified and approved for continuation until the next annual general meeting of the Company.”

An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast on the resolution in person or by proxy. A copy of the Option Plan will be available for inspection by any shareholder at the Meeting. A copy of the Option Plan is filed under the Company’s SEDAR profile at www.sedar.com.

The Board recommends shareholders vote in favour of ratification and approval of the Option Plan.

In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote in favour of the above ordinary resolution. An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

APPROVAL OF RSU PLAN

Management of the Company is seeking shareholder approval at the Meeting to ratify, confirm and approve the adoption of the Company’s RSU Plan.

RSU Plan Resolution

At the Meeting, the shareholders will be asked to consider and, if deemed advisable, to pass an ordinary resolution to ratify and approve the RSU Plan, with or without variation, as follows:

“RESOLVED, as an ordinary resolution of the shareholders of the Company, that:

- (1) the Company’s RSU Plan dated for reference June 23, 2021, is hereby ratified, confirmed and approved; and
- (2) any one director or officer of the Company be and is hereby authorized and directed to perform all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to this resolution. including, without limitation, making any changes to the RSU Plan required by applicable securities regulatory authorities and to complete all transactions in connection with the administration of the RSU Plan.”

An ordinary resolution requires a majority of the votes cast at the Meeting of the Company’s shareholders, in person or represented by proxy.

The Board unanimously recommends shareholders vote FOR the above resolution approving the RSU Plan Resolution.

Proxies received in favour of management will be voted in favour of the RSU Plan Resolution unless the shareholder has specified in the Proxy that his or her Common Shares are to be voted against such resolution.

A copy of the RSU Plan is attached as Schedule A to this Information Circular. The RSU Plan will also be will also be available for inspection at the Meeting.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found in the Company's audited financial statements for fiscal year ended December 31, 2020, the report of the auditor and the related management's discussion and analysis thereon, may be obtained from SEDAR at www.sedar.com and upon request from the Company at info@xphyto.com or Tel.: 780-818-6422. These financial statements are being tabled at the Meeting. 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 security holder of the Company, who requests a copy of any such document.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DATED at Vancouver, British Columbia, June 23, 2021.

ON BEHALF OF THE BOARD

"Hugh Rogers"

Hugh Rogers
Chief Executive Officer

SCHEDULE A

XPHYTO THERAPEUTICS CORP.

RESTRICTED SHARE UNIT PLAN

EFFECTIVE AS OF JUNE 23, 2021

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RESTRICTED SHARE UNIT PLAN

Article 1 PURPOSE AND INTERPRETATION

Section 1.1 Purpose

The purpose of the Plan is to promote and advance the interests of the Company by (i) providing Eligible Persons with additional incentive through an opportunity to receive bonuses in the form of Common Shares of the Company, (ii) encouraging stock ownership by such Eligible Persons, (iii) increasing the proprietary interest of Eligible Persons in the success of the Company, and (iv) increasing the ability to attract, retain and motivate Eligible Persons.

Section 1.2 Definitions

For the purposes of this Plan, the following terms shall have the following meanings:

- (a) “**Account**” means a notional account maintained for each Participant on the books of the Company which will be credited with Restricted Share Units and Dividend RSUs, in accordance with the terms of the Plan;
- (b) “**Affiliate**” means any person that controls or is controlled by the Company or that is controlled by the same person that controls the Company;
- (c) “**Affiliated Company**” means a company that is a subsidiary of another company or if two or more companies are subsidiaries of the same company or two or more companies are controlled by the same person or company;
- (d) “**Associate**” has the meaning ascribed to that term in Section 2.22 of NI 45-106;
- (e) “**Applicable Law**” mean any applicable law, including without limitation: (i) the BCBCA; (ii) Applicable Securities Laws; (iii) the ITA; (iv) any other applicable corporate, securities, tax or other laws, statutes, rules, requirements or regulations, whether federal, provincial, state, local or foreign; and (v) Stock Exchange Policy;
- (f) “**Applicable Securities Law**” means the BCSA and the equivalent thereof in each province and territory of Canada in which the Company is a “reporting issuer” or the equivalent thereof, together with the regulations, rules and blanket orders of the securities commission or similar regulatory authority in each of such jurisdictions;
- (g) “**BCBCA**” means the *Business Corporations Act* (British Columbia), together with the regulations thereto, as may be amended from time to time. Any reference to any section of the BCBCA shall also be a reference to any successor provision promulgated thereunder;
- (h) “**BCSA**” means the *Securities Act* (British Columbia), together with the regulations thereto, as may be amended from time to time. Any reference to any section of the BCSA shall also be a reference to any successor provision promulgated thereunder;
- (i) “**Black-Out Period**” means a period when the Participant is prohibited from trading in the Company’s securities, including the Common Shares, pursuant to Applicable Securities Laws or the policies of the Company;

- (j) “**Board**” means the board of directors of the Company or such delegate as referred to by the term in Section 3.1(1);
- (k) “**Business Day**” means any day other than a Saturday, Sunday or a statutory or civic holiday in the City of Vancouver, British Columbia, on which the Stock Exchange is open for trading;
- (l) “**Cause**” means:
 - (i) if the Participant has a written agreement with the Company or a subsidiary of the Company in which cause is defined, “cause” as defined therein; or
 - (ii) if the Participant has no written agreement with the Company or a subsidiary of the Company in which cause is defined,
 - (A) in the case of employee, director or officer Participants: (I) the inability of the Participant to perform their duties due to a legal impediment such as an injunction, restraining order or other type of judicial judgment, decree or order entered against the Participant; (II) the failure of the Participant to follow the Company’s reasonable instructions with respect to the performance of their duties; (III) any material breach by the Participant of their obligations under any code of ethics, any other code of business conduct or any lawful policies or procedures of the Company; (IV) excessive absenteeism, flagrant neglect of duties, serious misconduct, or conviction of crime or fraud; and (V) any other act or omission of the Participant which would in law permit an employer to, without notice or payment in lieu of notice, terminate the employment of an employee;
 - (B) in the case of Consultant Participants, for any reason, upon one (1) week’s notice, provided there is no conflict with Applicable Law;
- (m) “**Certificate**” has the meaning given to that term in Section 3.1(3);
- (n) “**Change of Control Event**” means:
 - (i) the acquisition of a sufficient number of voting securities in the capital of the Company so that the acquiror, together with Persons or Entities acting jointly or in concert with the acquiror, becomes entitled, directly or indirectly, to exercise more than 50% of the voting rights attaching to the outstanding voting securities in the capital of the Company (provided that, prior to the acquisition, the acquiror was not entitled to exercise more than 50% of the voting rights attaching to the outstanding voting securities in the capital of the Company);
 - (ii) the completion of a consolidation, merger, arrangement or amalgamation of the Company with or into any other entity whereby the voting securityholders of the Company immediately prior to the consolidation, merger, arrangement or amalgamation receive less than 50% of the voting rights attaching to the outstanding voting securities of the consolidated, merged, arranged or amalgamated entity;
 - (iii) the complete liquidation or dissolution of the Company or the completion of a sale, lease, exchange or other transfer (in one transaction or a series of transactions) whereby all or substantially all of the Company’s undertakings and assets become

the property of any other entity and the voting securityholders of the Company immediately prior to the sale hold less than 50% of the voting rights attaching to the outstanding voting securities of that other entity immediately following that sale; or

- (iv) an occurrence when a majority of the directors elected at any annual or extraordinary general meeting of shareholders of the Company are not individuals nominated by the Company's then-incumbent Board;
- (o) "**Common Shares**" means the common shares in the share capital of the Company;
- (p) "**Company**" means XPhyto Therapeutics Corp., a company incorporated under the laws of British Columbia;
- (q) "**Consultant**" has the meaning ascribed to that term in Section 2.22 of NI 45-106;
- (r) "**control**" has the meaning ascribed to that term in Section 1.4 of NI 45-106;
- (s) "**Controlled Company**" means a company controlled by another person or company or by two or more companies;
- (t) "**Disability**" means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, and which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment that the Board, acting reasonably, determines constitutes a disability;
- (u) "**Dividend RSUs**" means a bookkeeping entry credited to a Participant's Account equivalent in value to the dividend, if any, paid on a Common Share in accordance with Section 4.2 of the Plan;
- (v) "**Eligible Person**" means:
 - (i) any director, officer, or employee of the Company or any Affiliate;
 - (ii) subject to confirmation of the receipt of independent tax advice having been obtained by the recipient Consultant, any Consultant of the Company or any Affiliate; and
 - (iii) subject to confirmation of the receipt of independent tax advice having been obtained by the recipient Personal Holding Company, any Personal Holding Company of any of the persons listed in Section 1.2(v)(i) above;who is designated by the Board as eligible to participate in the Plan;
- (w) "**Expiry Date**" means the expiry date set out by the Board on the date of approval of a grant and as described in the applicable Certificate (which for greater certainty may vary between RSUs granted from time to time), following which an RSU is expired and is thereafter incapable of settlement, and is of no value whatsoever, provided however that in no event shall an Expiry Date be a date that is more than three years from the Grant Date;
- (x) "**Grant Date**" means any date determined from time to time by the Board as a date on which a grant of RSUs will be made to one or more Eligible Persons under this Plan;

- (y) “**ITA**” means the *Income Tax Act* (Canada) and any regulations thereunder, each as amended from time to time. Any reference to any section of the ITA shall also be a reference to any successor provision and any regulation promulgated thereunder;
 - (z) “**Investor Relations Activities**” means any activities, by or on behalf of the Company or Shareholder, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:
 - (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company
 - (A) to promote the sale of products or services of the Company, or
 - (B) to raise public awareness of the Company,that cannot reasonably be considered to promote the purchase or sale of securities of the Company;
 - (ii) activities or communications necessary to comply with the requirements of:
 - (A) Applicable Securities Laws;
 - (B) Stock Exchange requirements, including Stock Exchange Policy, or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Company;
 - (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
 - (A) the communication is only through the newspaper, magazine or publication, and
 - (B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
 - (iv) activities or communications that may be otherwise specified by the Stock Exchange;
- (aa) “**Market Price**” means, unless otherwise required by Applicable Law or by any applicable accounting standard for the Company’s desired accounting for RSU Awards, with respect to any particular date, the last available closing market price of the Common Shares on the Stock Exchange. In the event that the Common Shares are not listed and posted for trading on any Stock Exchange, the Market Price shall be the fair market value of such Common Shares as determined by the Board in its discretion;
 - (bb) “**NI 45-106**” means National Instrument 45-106 - *Prospectus Exemptions*, as may be amended from time to time. Any reference to any section of the NI 45-106 shall also be a reference to any successor provision promulgated thereunder.
 - (cc) “**Outstanding Issue**” means the number of Common Shares that are outstanding (on a non-diluted basis) immediately prior to the Common Share issuance or grant of RSUs in question, as applicable;

- (dd) **“Participant”** means an Eligible Person to whom RSUs have been granted and are outstanding;
- (ee) **“Personal Holding Company”** means a personal holding company that is either wholly owned, or controlled by, any director, executive officer or employee of the Company or an Affiliated Entity, and the shares of which are held directly or indirectly by any such person or the person’s spouse, minor children and/or minor grandchildren;
- (ff) **“Person”** or **“Entity”** means an individual, natural person, company, government or political subdivision or agency of a government, and where two or more persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity;
- (gg) **“Plan”** means this Restricted Share Unit plan of the Company, as amended from time to time;
- (hh) **“Related Entity”** means a Person that is controlled by the Company. For the purposes of this Plan, a Person (first person) is considered to control another Person (second person) if the first Person, directly or indirectly, has the power to direct the management and policies of the second person by virtue of
 - (i) ownership of or direction over voting securities in the second Person,
 - (ii) a written agreement or indenture,
 - (iii) being the general partner or controlling the general partner of the second Person, or
 - (iv) being a trustee of the second Person;
- (ii) **“Related Person”** means:
 - (i) a Related Entity of the Company;
 - (ii) a partner, director or officer of the Company or Related Entity;
 - (iii) a promoter of or Person who performs Investor Relations Activities for the Company or Related Entity; and
 - (iv) any Person that beneficially owns, either directly or indirectly, or exercises voting control or direction over at least 10% of the total voting rights attached to all voting securities of the Company or Related Entity.
- (jj) **“Reporting Insider”** means a reporting insider as defined under National Instrument 55-104 – *Insider Reporting Requirements*, as may be amended from time to time;
- (kk) **“Restricted Share Unit”** or **“RSU”** means a bookkeeping entry equivalent in value to a Common Share credited to a Participant’s Account and representing the right of a Participant to whom a grant of such restricted share units is made to receive one Common Share (or, pursuant to Section 4.3, an amount of cash equal to the Market Value thereof), pursuant and subject to the terms and conditions set forth in this Plan and in the applicable Certificate;

- (ll) “**RSU Award**” means the number of RSUs determined by the Board to be awarded to the Participant and credited to a Participant’s Account, as evidenced by a Certificate;
- (mm) “**Settlement Date**” means the Business Day during the Settlement Period on which a Participant elects to settle an RSU in accordance with Section 4.3;
- (nn) “**Settlement Notice**” has the meaning set out in Section 4.3;
- (oo) “**Settlement Period**” means the period starting on the Vesting Date and ending on the Expiry Date;
- (pp) “**Shareholder**” means a holder of a Common Share in the capital of the Company;
- (qq) “**Share Compensation Arrangement**” means any stock option, stock option plan, employee stock purchase plan, restricted share unit, or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guarantee or otherwise including, without limitation, this Plan;
- (rr) “**Stock Exchange**” means the Canadian Securities Exchange or if the Common Shares are not listed on the Canadian Securities Exchange, any stock exchange on which the Common Shares are listed or traded, as determined by the Board;
- (ss) “**Stock Exchange Policy**” means the rules and policies of the Stock exchange, as may be amended from time to time;
- (tt) “**subsidiary**” means a person or company that is:
 - (i) controlled directly or indirectly by:
 - (A) that other, or
 - (B) that other and one or more persons or companies each of which is controlled by that other, or
 - (C) two or more persons or companies, each of which is controlled by that other; or
 - (ii) a subsidiary of a person or company that is the other’s subsidiary;
- (uu) “**Termination Date**” means the date on which a Participant ceases to be an Eligible Person or otherwise on such date on which the Company terminates its engagement of the Participant. For greater certainty, in the case of a Participant whose employment or term of office with the Corporation or any Subsidiary Company terminates in the circumstances set out in Section 4.4(1)(a), Section 4.4(1)(b) or Section 4.4(1)(c), the date that is designated by the Corporation or any Subsidiary Company, as the last day of the Participant’s employment or term of office with the Corporation or such Subsidiary Company, provided that in the case of termination of employment or term of office by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given, and “Termination Date” specifically does not include any period of reasonable notice that the Corporation or any Subsidiary Company may be required at law to provide to the Participant; and

(vv) “**Vesting Date**” means the date on which an RSU is vested for the purposes of the Plan.

Section 1.3 Interpretation

Words importing the singular number only shall include the plural and vice versa and words importing the masculine shall include the feminine.

Section 1.4 Headings

The headings of all Articles, Sections, and paragraphs in the Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of the Plan.

Section 1.5 References to this RSU Plan

The words “herein”, “hereby”, “hereunder”, “hereof” and similar expressions mean or refer to the Plan as a whole and not to any particular article, Section, paragraph or other part hereof.

Section 1.6 Canadian Funds

Unless otherwise specifically provided, all references to dollar amounts in the Plan are references to lawful money of Canada.

Article 2 SHARE CAPITAL

Section 2.1 Shares Reserved

- (1) Subject to adjustment under Section 5.3(1), the securities that may be acquired by Participants pursuant to RSUs granted under this Plan shall consist of authorized but unissued Common Shares.
- (2) The Company shall at all times during the term of this Plan ensure that the number of Common Shares it is authorized to issue shall be sufficient to satisfy the requirements of RSUs granted under this Plan.
- (3) The aggregate maximum number of Common Shares made available for issuance under the Plan, including any other Share Compensation Arrangements, subject to adjustment under Section 5.3(1), shall be determined from time to time by the Board, but in any case, shall not exceed 20% of the Outstanding Issue from time to time, subject to adjustments as provided in the Plan.
- (4) The Plan shall be a “rolling plan” and therefore when RSUs are cancelled (whether or not upon payment with respect to vested RSUs) or terminated, Common Shares shall automatically be available for issuance pursuant to RSUs granted under the Plan.

Section 2.2 Limits on RSU Grants

- (1) The Company shall only grant RSU Awards under this Plan in accordance with Section 3.2 hereof. For greater certainty, all RSU Awards granted under the Plan which may be denominated or settled in Common Shares, and all such Common Shares issued under the Plan, will be issued pursuant to the prospectus and registration requirements of Applicable Securities Laws or an exemption from such prospectus and registration requirements.
- (2) The Company shall only grant RSU Awards under this Plan in compliance with Section 2.24 of NI 45-106. Until such time as the Corporation obtains shareholder approval of this RSU Plan and other Share

Compensation Arrangements in accordance with section 2.24 of NI 45-106, such compliance shall be evidenced by a Compliance Certificate executed by the Company, in substantially the form attached hereto as Schedule “B”, as may be amended by the Board from time to time.

(3) The maximum number of listed securities of the Company (either issued directly or issuable on settlement of any RSUs or other convertible securities) which may be granted within any 12 month period to Persons engaged in Investor Relations Activities for the Company must not exceed 1% of the Outstanding Issue.

Article 3 ADMINISTRATION

Section 3.1 General

(1) This Plan shall be administered by the Board, in its discretion. Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate (to the extent permitted by Applicable Law) the administration and operation of this Plan, in whole or in part, to a committee of the Board and/or to any member of the Board. Any delegation pursuant to this Section 3.1 shall be documented in a resolution of the Board.

(2) Subject to the terms and conditions set forth herein and Applicable Law, the Board is authorized to provide for the granting, vesting, settlement and method of settlement of RSUs, all on such terms (which may vary between RSUs granted from time to time) as it shall determine. In addition, the Board shall have the authority to:

- (a) select any directors, officers, employees or Consultants of the Company or subsidiary of the Company to participate in this Plan; provided that RSUs granted to any Participant shall be approved by the Shareholders if the rules of the Stock Exchange require such approval;
- (b) construe and interpret this Plan and all agreements entered into hereunder;
- (c) prescribe, amend and rescind rules and regulations relating to this Plan; and
- (d) make all other determinations necessary or advisable for the administration of this Plan. All determinations and interpretations made by the Board shall be binding on all Participants and on their legal, personal representatives and beneficiaries.

(3) An RSU Award shall be evidenced by an Restricted Share Unit Grant Agreement Certificate (“**Certificate**”), in substantially the form attached hereto as Schedule “A”, as may be amended by the Board from time to time. Each such Certificate shall include the following terms and conditions and such additional terms and conditions (in either case not inconsistent with the provisions of the Plan and such provisions of the Plan shall prevail in the event of a conflict between the Plan and a Certificate or any other communications) as the Board shall determine, in its discretion:

- (a) the number of RSUs subject to the RSU Award to be credited to the Participant’s Account;
- (b) the Grant Date;
- (c) the Vesting Date or Vesting Dates applicable to the RSUs subject to the RSU Award;
- (d) the Settlement Period and Expiry Date applicable to an RSU subject to the RSU Award;

- (e) the nature and duration of the restrictions, if any, to be imposed upon the sale or other disposition of Common Shares acquired upon settlement of the RSU;
- (f) the nature of the events, if any, and the duration of the period in which any Participant's rights in respect of Common Shares acquired upon settlement of an RSU may be forfeited; and
- (g) such other terms, conditions and limitations permitted by and not inconsistent with this Plan as the Board may determine.

(4) No member of the Board (or person acting under delegated authority) nor the Company, will be liable for any action or determination taken or made in the administration, interpretation, construction or application of this Plan, any Certificate or any RSU issued pursuant to this Plan, or otherwise in any way in respect of any Participant's participation in this Plan or the holding or settlement of RSUs. To the fullest extent permitted by Applicable Law, the Company shall indemnify and save harmless, and shall advance and reimburse the expenses of, each Person made, or threatened to be made, a party to any action or proceeding in respect of the Plan by reason of the fact that such Person is or was a member of the Board or is or was a member of the committee responsible for administering and operating the Plan in respect of any claim, loss, damage or expense (including legal fees) arising therefrom.

Section 3.2 Compliance with Legislation

(1) The Plan, the terms of the issue or grant and the settlement of RSUs hereunder and the Company's obligation to sell and deliver Common Shares upon settlement of RSUs shall be subject to all Applicable Laws and to such approvals by any regulatory or governmental agency as may, in the opinion of counsel to the Company, be required. The Company shall not be obliged by any provision of the Plan or the grant of any RSU hereunder to issue or sell Common Shares in violation of such laws, rules and regulations or any condition of such approvals.

(2) No RSU shall be granted and no Common Shares issued or sold thereunder where such grant, issue or sale would require registration of the Plan or of Common Shares under the securities laws of any foreign jurisdiction and any purported grant of any RSU or issue or sale of Common Shares hereunder in violation of this provision shall be void.

(3) The Company shall have no obligation to issue any Common Shares pursuant to the Plan unless such Common Shares shall have been duly listed, upon official notice of issuance, with the Stock Exchange. Common Shares issued and sold to Participants pursuant to the settlement of RSUs may be subject to restrictions or limitations on sale or resale under Applicable Securities Laws.

(4) If Common Shares cannot be issued to a Participant upon the settlement of an RSU due to legal or regulatory restrictions, the obligation of the Company to issue such Common Shares under the Plan shall terminate, at no cost to the Company nor obligation to otherwise compensate a Participant in any way.

Section 3.3 Miscellaneous

(1) Nothing contained herein shall prevent the Board from adopting other or additional compensation arrangements, subject to any required Shareholder or Stock Exchange approval.

(2) Nothing contained in the Plan nor in any RSU granted hereunder shall be deemed to give any Participant any interest or title in or to any Common Shares of the Company or any rights as a Shareholder or any other legal or equitable right against the Company whatsoever other than as set forth in the Plan and pursuant to the settlement of any RSU.

(3) The Plan does not give any Participant or any employee of the Company or any of its Affiliated Companies or Controlled Companies or subsidiaries the right or obligation to continue to serve as a Consultant, director, officer or employee of, or be engaged by, as the case may be, the Company or any of its Affiliated Companies or Controlled Companies or subsidiaries. The awarding of RSUs to any Eligible Person is a matter to be determined solely in the discretion of the Board. The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issue of any Common Shares or any other securities in the capital of the Company or any of its subsidiaries other than as specifically provided for in the Plan.

(4) The existence of any RSUs shall not affect in any way the right or power of the Company or its Shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company or to create or issue any bonds, debentures, shares or other securities of the Company or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

(5) No fractional Common Shares shall be issued upon the settlement of RSUs granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Common Share upon the settlement of an RSU, or from an adjustment pursuant to Section 5.3(1) such Participant shall only have the right to receive the next lowest whole number of Common Shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

Article 4 **RESTRICTED SHARE UNITS**

Section 4.1 Granting of RSUs

(1) Where the Board determines to grant an RSU Award to an Eligible Person under the terms and conditions applicable to such RSU Award, the Company shall deliver to the Eligible Person a Certificate, containing the terms and condition applicable to such RSU Award.

(2) On the grant of an RSU Award, the Company will credit the Participant's Account with the number of RSUs granted to such Participant under the terms of the RSU Award.

(3) The grant of an RSU Award shall entitle the Participant to the conditional right to receive for each RSU credited to the Participant's Account, at the election of the Company, either one Common Share or an amount in cash, net of applicable taxes and contributions to government sponsored plans, as determined by the Board, equal to the Market Price of one Common Share for each RSU credited to the Participant's Account on the Settlement Date, subject to the conditions set out in the Certificate and in the Plan, and subject to all other terms of this Plan.

(4) An Eligible Person may receive an RSU Award on more than one occasion under the Plan and may receive separate RSU Awards on any one occasion.

(5) RSUs granted under this Plan to an Eligible Person in a calendar year will (subject to any applicable terms and conditions) represent a right to a bonus or similar award to be received for services rendered by such Eligible Person to the Company or an Affiliate, as the case may be, in the fiscal year ending in, coincident with or before such calendar year, subject to any other determination by the Company.

Section 4.2 Dividends

- (1) Unless the Board determines otherwise, additional RSUs (“**Dividend RSUs**”) will be credited to a Participant’s Account where the Company declares and pays a dividend 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 they been holding such number of 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.
- (2) Dividend RSUs credited to a Participant’s Account shall vest and be settled in the same manner and on the same date as the RSUs to which they relate.

Section 4.3 Settlement of Restricted Share Units

- (1) Subject to the provisions of the Plan and in particular Section 4.4 and Section 5.2 and any vesting limitations imposed by the Board in its sole unfettered discretion at the time of grant, RSUs subject to an RSU Award may be settled by a Participant during the Settlement Period applicable to the RSU by delivery to the Company of a notice (the “**Settlement Notice**”) in a form attached to the Certificate. As soon as practicable following the receipt of the Settlement Notice, RSUs will be settled by the Company through the delivery by the Company of such number of Common Shares equal to the number of RSUs then being settled or, at the Company’s election, an amount in cash, net of applicable taxes and contributions to government sponsored plans, equal to the Market Price at the Settlement Date of one Common Share for each RSU then being settled. Where, prior to the Expiry Date, a Participant fails to elect to settle an RSU, the Participant shall be deemed to have elected to settle such RSUs on the day immediately preceding the Expiry Date.
- (2) Notwithstanding the foregoing, if the Company elects to issue Common Shares in settlement of RSUs:
 - (a) the Company may arrange for such number of the Common Shares to be sold as it deems necessary or advisable to raise an amount at least equal to its determination of such applicable taxes, with such amount being withheld by the Company; or
 - (b) the Company may elect to settle for cash such number of RSUs as it deems necessary or advisable to raise funds sufficient to cover such withholding taxes with such amount being withheld by the Company; or
 - (c) the Company may, as a condition of settlement in the form of Common Shares, require the Participant to pay the applicable taxes as determined by the Company or make such other arrangement acceptable to the Company in its discretion (if at all) as it deems necessary or advisable.
- (3) Subject to the terms of the Plan, as soon as practicable after receipt of any of the amount, undertaking or election listed in Section 4.3(2), the Company will forthwith cause the transfer agent and registrar of the Common Shares to deliver to the Participant a certificate or certificates in the name of the Participant or a statement of account, at the discretion of the Company, representing in the aggregate Common Shares issued to the Participant.
- (4) Notwithstanding any other provision of the Plan:
 - (a) no RSU shall be capable of settlement after the Expiry Date, provided, however, that if the Expiry Date in respect of an RSU falls on a date upon which such Participant is prohibited

from exercising such RSU due to a Black-Out Period or other trading restriction imposed by the Company, then the Expiry Date of such RSU shall be automatically extended to the tenth (10th) Business Day following the date the relevant Black-Out Period or other trading restriction imposed by the Company is lifted, terminated or removed. The foregoing extension applies to all RSUs regardless of the Grant Date and shall not be considered an extension of the term thereof as otherwise referred to in the Plan. In addition, the Participant acknowledges that such as extension may result in less favourable tax consequences to the Participant than if the RSUs had been settled on the original Expiry Date;

- (b) the Settlement Period shall be automatically reduced in accordance with Section 4.4 upon the occurrence of any of the events referred to therein; and
- (c) no RSU in respect of which Shareholder approval is required under the rules of the Stock Exchange shall be settled until such time as such RSU has been so approved.

Section 4.4 Termination of Service

- (1) Except as otherwise determined by the Board:
 - (a) all RSUs held by the Participant (whether vested or unvested) shall terminate automatically on the Termination Date for any reason other than as set forth in paragraph (b) and (c) below;
 - (b) in the case of a termination of the Participant's service by reason of (A) termination by the Company or any subsidiary of the Company other than for Cause, or (B) the Participant's death or Disability, the Participant's unvested RSUs shall vest automatically as of such date, and on the earlier of the original Expiry Date and any time during the ninety (90) day period commencing on the date of such termination of service (or, if earlier, the Termination Date), the Participant (or their executor or administrator, or the person or persons to whom the Participant's RSUs are transferred by will or the applicable laws of descent and distribution) will be eligible to request that the Company settle their vested RSUs. Where, prior to the 90th day following such termination of service (or, if earlier, the Termination Date) the Participant fails to elect to settle a vested RSU, the Participant shall be deemed to have elected to settle such RSU on such 90th day (or, if earlier, the Termination Date) and to receive Common Shares in respect thereof;
 - (c) in the case of a termination of the Participant's services by reason of voluntary resignation, only the Participant's unvested RSUs shall terminate automatically as of such date, and any time during the ninety (90) day period commencing on the date of such termination of service (or, if earlier, the Termination Date), the Participant will be eligible to request that the Company settle their vested RSUs. Where, prior to the 90th day following such termination of service (or, if earlier, the Termination Date) the Participant fails to elect to settle a vested RSU, the Participant shall be deemed to have elected to settle such RSU on such 90th day (or, if earlier, the Termination Date) and to receive Common Shares in respect thereof;
 - (d) for greater certainty, where a Participant's employment, term of office or other engagement with the Company terminates by reason of termination by the Company or any subsidiary of the Company for Cause then any RSUs held by the Participant (whether unvested or vested) at the Termination Date, immediately terminate and are cancelled on the Termination Date or at a time as may be determined by the Board, in its discretion;

- (e) a Participant's eligibility to receive further grants of RSUs under this Plan ceases as of the earliest of the date the Participant resigns from or terminates its engagement with the Company or any subsidiary of the Company and the date that the Company or any subsidiary of the Company provides the Participant with written notification that the Participant's employment, term of office or engagement, as the case may be, is terminated, notwithstanding that such date may be prior to the Termination Date; and
- (f) for the purposes of the Plan, a Participant shall not be deemed to have terminated service or engagement where: (i) the Participant remains in employment or office within or among the Company or any subsidiary of the Company or (ii) the Participant is on a leave of absence approved by the Board.

Section 4.5 Non-transferability of RSUs

- (1) RSUs shall not be transferable or assignable by the Participant otherwise than by will or the laws of descent and distribution, and shall be exercisable during the lifetime of a Participant only by the Participant and after death only by the Participant's legal representative.

Article 5 **TERMINATION, AMENDMENTS AND ADJUSTMENTS**

Section 5.1 Amendment and Termination

- (1) The Board may amend, suspend or terminate the Plan or any portion thereof at any time in accordance with applicable law, and subject to any required regulatory approval.
- (2) No such amendment, suspension or termination shall alter or impair any RSUs or any rights pursuant thereto granted previously to any Participant without the consent of such Participant.
- (3) If the Plan is terminated, the provisions of the Plan and any administrative guidelines, and other rules and regulations adopted by the Board and in force at the time of the Plan termination shall continue in effect during such time as an RSU or any rights pursuant thereto remain outstanding.
- (4) With the consent of the affected Participant, the Board may amend or modify any outstanding RSU in any manner to the extent that the Board would have had the authority to initially grant such award as so modified or amended, including without limitation, to change the date or dates as of which the RSU becomes exercisable, subject to the prior approval of the Stock Exchange where necessary.

Section 5.2 Change of Control

- (1) Notwithstanding any other provision of this Plan, in the event of an actual or potential Change of Control Event, 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 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.

(2) The determination of the Board in respect of any such Change of Control Event shall for the purposes of this Plan be final, conclusive and binding.

Section 5.3 Adjustments

(1) If 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 Stock Exchange where necessary, appropriate substitution or adjustment in

- (a) the number or kind of Common Shares or other securities reserved for issuance pursuant to the Plan, and
- (b) the number and kind of Common Shares or other securities subject to unsettled and outstanding RSUs granted pursuant to the Plan;

provided, however, that no substitution or adjustment shall obligate the Company to issue fractional RSUs or shares. If the Company is reorganized, amalgamated with another company or consolidated, the Board shall make such provisions for the protection of the rights of Participants as the Board in its discretion deems appropriate.

(2) For greater certainty, no amount will be paid to, or in respect of, a Participant under the Plan or pursuant to any other arrangement, and no additional RSUs, Common Shares or other securities of the Company will be granted to a Participant to compensate the Participant for any downward fluctuations in the Market Price of a Common Share nor will any other form of benefit, cash or otherwise, be conferred upon, or in respect of, a Participant for such a purpose.

Article 6 **GENERAL**

Section 6.1 Effective Date

The Plan shall be effective upon the approval of the Plan by the Board.

Section 6.2 Notice

Any Notice required to be given by this Plan shall be in writing and shall be given by registered mail, postage prepaid, or delivered by courier or by electronic transmission addressed, if to the Company, to the operations office of the Company in Vancouver, British Columbia, Attention: CFO; or if to a Participant, to such Participant at their address as it appears on the books of the Company or in the event of the address of any such Participant not so appearing, then to the last known address of such Participant; or if to any other person, to the last known address of such person.

Section 6.3 Tax Withholdings

The Company shall be entitled to withhold such number of Common Shares or amount of cash payable to a Participant, either under this Plan or otherwise, or make such other arrangement as are contemplated under Section 4.3(2), as it may deem necessary or advisable so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local law relating to the withholding or remittance of tax or other relevant amounts. It is the responsibility of the Participant to complete and file any tax returns which may be required within the periods specified under applicable laws

as a result of the Participant's participation in the Plan. The Company shall not be responsible for any tax consequences to a Participant as a result of the Participant's participation in the Plan.

Section 6.4 Rights of Participants

No person entitled to settle any RSU granted under this Plan shall have any of the rights or privileges of a Shareholder in respect of any Common Shares issuable upon settlement of such RSU until such Common Shares have been issued to such person. Subject to Section 4.2 and Section 5.3, no holder of any RSUs shall be entitled to receive, and no adjustment shall be made for, any dividends, distributions or any other rights declared for Shareholders for which the record date is prior to the date on which Common Shares are issued in satisfaction of a Participant's RSUs.

Section 6.5 Right to Funds

- (1) Neither the establishment of this Plan nor the granting of RSUs under this Plan shall be deemed to create a trust.
- (2) Amounts payable to any Participants under this Plan shall be a general, unsecured obligation of the Company.
- (3) The right of the Participant to receive payment pursuant to this Plan shall be no greater than the right of other unsecured creditors of the Company.

Section 6.6 Right to Issue Other Shares

The Company shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, issuing further Common Shares, varying or amending its share capital or corporate structure or conducting its business in any way whatsoever.

Section 6.7 Successors and Assigns

The Plan shall be binding on all successors and assigns of the Company and a Participant, including without limitation, the legal representatives of such Participant or any receiver or trustee in bankruptcy or representative of the Participant's creditors.

Section 6.8 Funding of the Plan

The Plan shall be unfunded. No funds will be set aside to guarantee the payment of RSUs, which will remain an unfunded liability recorded on the books of the Company.

Section 6.9 No Representation or Warranty

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

Section 6.10 Governing Law

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

Section 6.11 Severability

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

**SCHEDULE “A”
RESTRICTED SHARE UNIT AGREEMENT CERTIFICATE**

TO: [Name of Participant] (the “Participant”)

Dear ●

Xphyto Therapeutics Corp. (the “Company”) hereby confirms a grant of restricted share units (“RSUs”) described in the table below to the Participant pursuant to the Company’s Restricted Share Unit Plan (the “RSU Plan”), as amended from time to time. The RSU Plan is incorporated herein by reference and made a part of this letter agreement. Capitalized terms not otherwise defined herein shall have the same meanings as in the RSU Plan.

Each RSU granted to the Participant named herein represents the right of the Participant to receive one common share in the share capital of the Company (an “RSU Share”) or, at the Company’s election, an amount in cash, net of applicable taxes and contributions to government sponsored plans, equal to the Market Price of one RSU Share for each RSU then being settled, on the date(s) or pursuant to the terms specified below. Upon each Vesting Date, the Participant may deliver a written notice in the form attached hereto as Appendix “1” specifying the number of RSUs to be denominated or settled, in the Company’s discretion, in Common Shares or cash.

Provided that no Expiry Date or any Vesting Date is a date that is more than three years from the Grant Date, and subject to any further vesting conditions noted herein or the RSU Plan, the following number of RSUs are awarded with the following Grant Date(s), Expiry Date(s) and Vesting Date(s):

No. of RSUs	Grant Date	Vesting Date	Expiry Date

[Any additional vesting conditions added here]

The Participant hereby acknowledges and consents that:

1. The Participant has received a copy of the RSU Plan and has read, understands and agrees to be bound by the provisions of the RSU Plan, including provisions relating to the tax treatment, tax withholding obligations and tax reassessment risks that apply or may apply in certain circumstances;
2. The Participant is, under the terms and conditions of the RSU Plan, a bona fide Eligible Person, entitled to receive RSUs under the RSU Plan and Applicable Law;
3. The RSUs granted hereunder shall vest, be redeemed and terminate in accordance with the provisions set out in this Agreement and the provisions of the RSU Plan;

4. RSU Shares will be subject to restrictions on disposition for a period of four (4) months from the Grant Date and, if issued before the date that is four (4) months after the Grant Date, will be legended accordingly and, in any event, will comply with the restrictions on disposition of Applicable Securities Laws and Stock Exchange Policy;
5. If the Participant is, or becomes, a resident of the United States of America, the Participant will (and it shall be a condition of the redemption of the Participant's RSUs) that the Participant will execute such additional certificate of representation that may be reasonably required by the Company; and
6. The Participant acknowledges and consents to the Company collecting the Participant's personal information for the purposes of this Certificate; retaining the personal information for as long as permitted or required by Applicable Law or business practices; and providing to various governmental and regulatory authorities, as may be required by Applicable Securities Laws, Stock Exchange rules, including Stock Exchange Policy, and the rules of the Investment Industry Regulatory Organization of Canada (IIROC) or to give effect to this agreement any personal information provided by the Participant.

DATED _____, 20____.

XPHYTO THERAPEUTICS CORP.

Per: _____
Authorized Signatory

The undersigned hereby accepts such grant, acknowledges being a Participant under the RSU Plan, agrees to be bound by the provisions thereof and agrees that the RSU Plan will be effective as an agreement between the Company and the undersigned with respect to the RSUs granted or otherwise issued to the undersigned.

DATED _____, 20____.

Participant's Signature

Name of Participant (print)

[OR]

[NAME OF COMPANY PARTICIPANT]

By:

Authorized Signatory

Name of Authorized Signatory

APPENDIX "1"
RSU NOTICE FORM

To: The Board of Directors of Xphyto Therapeutics Corp. (the "Company")

1. The undersigned (the "**Participant**"), being the holder of restricted share units ("**RSUs**") of the Company pursuant to the RSU plan of the Company (the "**RSU Plan**"), hereby elects, in accordance with and subject to the RSU Plan and the Certificate granting the RSUs to the Participant, to acquire _____ common shares in the capital of the Company (each, an "**RSU Share**") on a basis of, and at the Company's election, either: (a) one (1) RSU Share for each vested RSU held by the RSU Holder, or (b) an amount in cash, net of applicable taxes, equal to the Market Price of one RSU Share for each vested RSU.
2. The Participant acknowledges and agrees that the issuance of the RSU Shares, if applicable, is subject to the terms and conditions of the Certificate representing the RSUs and the RSU Plan.
3. If the Company elects to denominate or settle the RSUs on the basis of RSU Shares, the Participant directs the Company to register and deliver certificates or DRS Statements evidencing the RSU Shares as follows:

4. If the Company elects to denominate or settle the RSUs on the basis of cash, the Participant directs the Company to issue and deliver a cheque as follows in respect of the portion of the RSU Shares settled in cash:

All capitalized terms not defined herein shall have the meanings attributable to such terms as in the RSU Plan.

DATED the _____ day of _____, 20__.

Signature of Witness

Signature of Participant

Name of Witness (please print)

Name of Participant (please print)

**SCHEDULE “B”
COMPLIANCE CERTIFICATE**

1. Xphyto Therapeutics Corp. (the “**Company**”) has granted or proposes to grant to _____ (the “**Recipient**”) a total of _____ restricted share units (“**RSUs**”) pursuant to the Company’s Restricted Share Unit Plan (the “**RSU Plan**”), as amended from time to time. The RSU Plan is incorporated herein by reference and made a part of this compliance certificate. Capitalized terms not otherwise defined herein shall have the same meanings as in the RSU Plan.
2. In connection with such grant, the Company confirms that, for the purposes of NI 45-106, **either** of the following apply:
3. (a) ____ The Recipient is not one of the following (a “**Specified Recipient**”): an investor relations person of the Company, an associated consultant of the Company, an executive officer of the Company, a director of the Company, or a permitted assign of those persons; or
4. (b) ____ if the Recipient is a Specified Recipient, after the grant, the number of Common Shares, calculated on a fully diluted basis,
 5. (i) reserved for issuance under stock options of the Company granted to (A) related persons does not exceed 20% of the outstanding shares of the Company, and (B) a related person does not exceed 5% of the outstanding shares of the Company; and
 6. (ii) issued within 12 months to (A) related persons does not exceed 20% of the outstanding shares of the Company, and (B) a related person and the associates of the related person does not exceed 5% of the outstanding shares of the Company.
- 7.
8. Dated _____ 20__.
- 9.
10. **XPHYTO THERAPEUTICS CORP.**
- 11.
12. _____
13. Authorized Signatory
- 14.