



**NOTICE OF ANNUAL AND SPECIAL MEETING
OF THE SHAREHOLDERS OF
MEDXTRACTOR CORP.**

- and -

MANAGEMENT INFORMATION CIRCULAR and PROXY STATEMENT

Meeting to be held on September 30, 2020

Circular dated August 21, 2020

MEDTRACTOR CORP.
Suite 1150, 707 – 7 Avenue SW
Calgary, Alberta T2P 3H6

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (“**Shares**”) of **Medtractor Corp.** (the “**Corporation**”) will be held at Suite 1150, 707 – 7th Avenue SW, Calgary, Alberta T2P 3H6 on Wednesday, September 30, 2020 at 10:00 a.m. (MST) for the following purposes:

**TO PARTICIPATE, VOTE OR SUBMIT QUESTIONS DURING THE MEETING,
PLEASE REFER TO THE FOLLOWING DIAL-IN INSTRUCTIONS:**

Dial-in Toll-Free: 1-888-433-2192
Participant Code: 8832221

The Meeting is to be held for the following purposes:

1. to receive the audited financial statements of the Corporation for the financial year-ended February 29, 2020, together with the auditors' report thereon;
2. to fix the size of the Board at four (4) members;
3. to elect the Board to serve until the next annual meeting of the Shareholders or until their successors are duly elected or appointed;
4. to appoint MNP LLP, Chartered accountants, as auditors and to authorize the board of directors to fix the auditors' remuneration;
5. to consider and, if thought advisable, to pass a resolution as set forth in the accompanying Information Circular re-approving the stock option plan for the Corporation; and
6. to transact such other business as may properly be brought before the Meeting, or any adjournment(s) thereof.

Specific details of the matters proposed to be put before the Meeting are set forth in the Information Circular, which accompanies this Notice of Meeting.

Each person who is a Shareholder of record at the close of business on **August 21, 2020** (the “**Record Date**”), will be entitled to notice of, and to attend and vote at the Meeting provided that, to the extent a Shareholder as of the Record Date transfers the ownership of any Shares after such date and the transferee of those Shares establishes that the transferee owns the Shares and demands, not later than 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Shares at the Meeting.

NOTE OF CAUTION Concerning COVID-19 Outbreak

At the date of this Notice and the accompanying Information Circular, it is the intention of the Corporation to hold the Meeting at the location stated above in this Notice. We are continuously monitoring development of current coronavirus (COVID-19) outbreak (“**COVID-19**”). In light of the rapidly evolving public health guidelines related to COVID-19, we ask shareholders to consider voting their shares by proxy and **NOT ATTEND THE MEETING IN PERSON**. Shareholders who do wish to attend the Meeting in person, should carefully consider and follow the instructions of the federal Public Health Agency of Canada: (<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>). We ask that shareholders also review and follow the instructions of any regional health authorities of the Province of Alberta, including the Alberta Health Services, and any other health authority holding jurisdiction over the areas you must travel through to attend the Meeting. Please do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 21 days immediately prior to the Meeting. All shareholders are strongly encouraged to vote by submitting their completed form of proxy (or voting instruction form) prior to the Meeting by one of the means described in the Management Information Circular accompanying this Notice.

The Corporation reserves the right to take any additional pre-cautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 outbreak, including: (i) holding the Meeting virtually or by providing a webcast of the Meeting; (ii) hosting the Meeting solely by means of remote communication; (iii) changing the Meeting date and/or changing the means of holding the Meeting; (iv) denying access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to/from outside of Canada within the 21 days immediately prior to the Meeting; and (v) such other measures as may be recommended by public health authorities in connection with gatherings of persons such as the Meeting. Should any such changes to the Meeting format occur, the Corporation will announce any and all of these changes by way of news release, which will be filed under the Corporation's profile on SEDAR at www.sedar.com. We strongly recommend you check the Corporation's profile on SEDAR prior to the Meeting for the most current information. In the event of any changes to the Meeting format due to the COVID-19 outbreak, the Corporation will **not** prepare or mail amended Meeting Proxy Materials.

THE BOARD OF DIRECTORS AND MANAGEMENT REQUEST ALL SHAREHOLDERS VOTE BY PROXY AND NOT ATTEND THE MEETING IN PERSON. THE CONFERENCE NUMBER IS PROVIDED BELOW AND IT ENABLES SHAREHOLDERS TO PARTICIPATE IN A VOICE ONLY CONFERENCE CALL.

Dial-in Toll-Free: 1-888-433-2192
Participant Code: 8832221

Calgary, Alberta
August 21, 2020

By Order of the Board of Directors
(Signed) "**James M. Durward**"
President and Chief Executive Officer

*Shareholders who are unable to attend the Meeting in person are requested to **COMPLETE AND SIGN THE ACCOMPANYING FORM OF PROXY** and forward it in the enclosed envelope to TSX Trust Company, 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1 or by fax to (416) 595-9593 not later than 10:00 a.m. (MST) on **Monday, September 28, 2020**, or 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement or any adjournment of the Meeting, in order for such proxy to be used at the Meeting, or any adjournment(s) thereof.*

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GLOSSARY OF TERMS

The following is a glossary of terms and abbreviations used frequently throughout this Information Circular.

“**ABCA**” means the *Business Corporations Act* (Alberta), including regulations promulgated thereunder.

“**Board**” means the board of Directors of the Corporation.

“**CEO**” or “**Chief Executive Officer**” means the individual who served as chief executive officer of the Corporation or acted in a similar capacity during the most recently completed financial year.

“**CFO**” or “**Chief Financial Officer**” means the individual who served as chief financial officer of the Corporation or acted in a similar capacity during the most recently completed financial year.

“**Corporation**” or “**Medx**” means **Medextractor Corp.**, a corporation existing under the ABCA.

“**CSE**” means the Canadian Securities Exchange.

“**Director**” means a member of the Board.

“**Information Circular**” means this management information circular and proxy statement dated **August 21, 2020**, including the schedules appended hereto.

“**Meeting**” means the annual and special meeting of the Shareholders to be held at **Suite 1150, 707 – 7th Avenue SW, Calgary, Alberta T2P 3H6** on **Wednesday, September 30, 2020** at 10:00 a.m. (MST) for the purposes set forth in the Notice of Meeting.

“**NI 52-110**” means National Instrument 52-110 – Audit Committees.

“**Notice of Meeting**” means the notice of the Meeting accompanying this Information Circular.

“**Options**” means stock options to purchase Shares of the Corporation granted under the Option Plan.

“**Option Plan**” means the stock option plan of the Corporation.

“**option-based award**” means an award under an equity incentive plan of options, including, for greater certainty, Options, share appreciation rights, and similar instruments that have option-like features.

“**Registrar and Transfer Agent**” means TSX Trust Company, the registrar and transfer agent of the Corporation as at the date hereof.

“**Record Date**” means **August 21, 2020**.

“**SEDAR**” means the system for electronic document analysis and retrieval at www.sedar.com.

“**Shareholder**” means a holder of Shares.

“**Share**” or “**Shares**” means common shares in the capital of the Corporation.

“**share-based award**” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, Shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

MEDTRACTOR CORP.
Suite 1150, 707 – 7 Avenue SW
Calgary, Alberta T2P 3H6

MANAGEMENT PROXY CIRCULAR
as of **August 21, 2020** (except as otherwise indicated)

Unless otherwise stated herein, all capitalized terms herein shall have the meaning set forth in the Glossary of Terms.

This Information Circular is furnished to Shareholders in connection with the solicitation of proxies by the management of the Corporation for use at the Meeting and any adjournment(s) thereof.

The Meeting has been called for the purpose of receiving the 2020 annual financial statements and auditor's report, considering and voting upon fixing the number of directors and the election of Directors, the appointment of auditor and the re-approval of the stock option plan of the Corporation. The disclosure herein is provided for the fiscal year-ended **February 29, 2020**, however, for the purposes of providing current disclosure to Shareholders, certain information is presented as at the date of the Information Circular.

This Information Circular and the accompanying Notice of Meeting and form of proxy as well as other related Meeting materials are being mailed or delivered on or about **September 8, 2020** to Shareholders of record as at **August 21, 2020**. Unless otherwise specified, all dollar amounts in this Information Circular are expressed in Canadian dollars.

GENERAL PROXY MATERIALS

FOR THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF THE CORPORATION FOR THE FINANCIAL YEAR-ENDING FEBRUARY 29, 2020 TO BE HELD ON SEPTEMBER 30, 2020.

Solicitation of Proxies

This Information Circular is furnished in connection with the solicitation of proxies by the Board for use at the Meeting and at any adjournment(s) thereof, for the purposes set forth in the accompanying Notice of Meeting.

Appointment and Revocation of Proxies

Instruments of proxy must be addressed to the Secretary of the Corporation and reach TSX Trust Company not later than 48 hours before the time for the holding of the Meeting or any adjournment(s) thereof. Only Shareholders of the Corporation at the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting unless after that date a Shareholder of record transfers its Shares and the transferee, upon producing properly endorsed certificates evidencing such Shares or otherwise establishing that he owns such Shares, requests at least 10 days prior to the Meeting that the transferee's name be included in the list of Shareholders entitled to vote, in which case, such transferee is entitled to vote such Shares at the Meeting.

An instrument of proxy shall be in writing and shall be executed by the Shareholder or his attorney authorized in writing or, if the Shareholder is a Corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

The persons named in the enclosed form of proxy are directors and/or officers of the Corporation. A Shareholder is entitled to appoint a person to attend the Meeting as the Shareholder's representative (who need not be a Shareholder of the Corporation) other than the persons designated in the form of proxy furnished by the Corporation. To exercise such right, the names of the persons designated by management should be crossed out and the name of the Shareholder's appointee should be legibly printed in the blank space required.

A proxy is revocable. The giving of a proxy will not affect a Shareholder's right to attend and vote in person at the Meeting. In addition to revocation in any other manner permitted by law, a Shareholder may revoke a proxy by instrument in writing executed by the Shareholder or such Shareholder's attorney authorized in writing, or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof, duly authorized, and deposited at the registered office of the Corporation, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment(s) thereof at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting, or any adjournment(s) thereof.

Persons Making the Solicitation

The solicitation is made on behalf of management of the Corporation. The costs incurred in the preparation and mailing of the form of proxy, the Notice of Meeting and this Information Circular will be paid by the Corporation. In addition to the mailing of these materials, proxies may be solicited by personal interviews or telephone by Directors and officers of the Corporation, who will not be remunerated therefor.

Exercise of Discretion by Proxy

The Shares represented by proxy in favour of management nominees shall be voted on any ballot at the Meeting and where the Shareholder specifies the choice with respect to any matter to be acted upon, the Shares shall be voted on any ballot in accordance with the specification so made.

In the absence of such specification, Shares will be voted in favour of the proposed resolution. The person appointed under the form of proxy furnished by the Corporation is conferred with discretionary authority with respect to amendments or variations of those matters specified in the form of proxy and Notice of Meeting. At the time of mailing of this Information Circular, management of the Corporation knows of no such amendment, variation or other matter.

Voting of Shares – Advice to Beneficial Holders of Securities

The information set forth in this section is of significant importance to many Shareholders as a substantial number of the Shareholders hold their Shares through intermediaries such as brokers and their agents or nominees and not in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of the Shares can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Shares will not be registered under the name of the Shareholder on the records of the Corporation. Such Shares will more likely be registered under the name of the Shareholder's broker or an agent or nominee of that broker. Shares held by brokers or their agents or nominees can only be voted for, or withheld from voting, or voted against any resolution upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers their agents or nominees are prohibited from voting Shares for their clients.

Applicable regulatory policy requires intermediaries and brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary and broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker (or agent or nominee thereof) is identical to the form of the proxy provided to registered Shareholders; however, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Beneficial Shareholder. **A Beneficial Shareholder receiving a proxy from an intermediary cannot use that proxy to vote Shares directly at the Meeting, rather the proxy must be returned to the intermediary well in advance of the Meeting in order to have the Shares voted. A Beneficial Shareholder may however request the intermediary to appoint the Beneficial Shareholder as a nominee of it as a proxy holder. A Beneficial Shareholder should contact the intermediary, broker or agents and nominees thereof, should it have any questions respecting the voting of the Shares.**

INFORMATION CONCERNING THE CORPORATION

Medextractor Corp. was incorporated pursuant to the *Business Corporation Act* (Alberta) on January 24, 2018. The Corporation amended its Articles of Incorporation on March 15, 2018 to remove certain restrictions applicable to private issuers.

On October 9, 2019, the Corporation received a receipt from the Alberta Securities Commission for the filing of its final non-offering long form prospectus and was listed and posted for trading on the CSE on October 24, 2019, under the symbol "MXT". The Corporation is a reporting issuer in British Columbia, Alberta and Ontario and has one wholly-owned subsidiary, 2273670 Alberta Ltd., which was incorporated under the *Business Corporations Act* (Alberta) on July 13, 2020.

The registered office of the Corporation is located at Suite 1150, 707 – 7 Avenue SW, Calgary, Alberta T2P 3H6 and its head office is located at 3632 – 13 Street SW, Calgary, Alberta T2T 3R1. The Corporation's main telephone number is (403) 689-3901.

The Corporation is a Calgary-based company that manufactures craft-scale extractors that can be used to extract essential oils and compounds from a variety of botanical materials. Growing demand is from the premium craft medical cannabis market as these growers respond to the shift toward high-purity oils and concentrates. The Corporation may also develop related products as demand becomes apparent. The ongoing worldwide cannabis legalization movement is expected to further increase demand for extracts and the Corporation has installations in multiple countries worldwide. The Corporation owns the US patent, and the Canadian Patent application, on its CO2-based extraction process.

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

Management of the Corporation is not aware of any material interest, whether direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, of any Director or executive officer of the Corporation who has held that position at any time since the beginning of the Corporation's last financial year, or of any proposed nominee for election as Director of the Corporation or any associate or affiliate of any of the foregoing, other than the election of Directors as disclosed in the section entitled "Particulars of Matters to be Acted Upon".

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Corporation is authorized to issue an unlimited number of Shares. As of **August 21, 2020**, **25,746,425** Shares were issued and outstanding, each such Share carrying the right to one vote on a ballot at the Meeting.

The Shareholders of record at the close of business on the Record Date are entitled to vote their Shares at the Meeting on the basis of one vote for each Share held, except to the extent that:

- a) such person transfers his Shares after the Record Date; and
- b) the transferee of those Shares produces properly endorsed share certificates or otherwise establishes his ownership to the Shares and makes a demand to the Registrar and Transfer Agent, not later than 10 days before the Meeting, that his or her name be included on the Shareholders' list.

To the knowledge of the Directors or executive officers of the Corporation, no persons beneficially own, directly or indirectly, or exercise control or direction over, voting securities carrying more than 10% of the voting rights attached to all issued and outstanding securities of the Corporation, other than as described below:

Name and Municipality of Residence	Type of Ownership	Number of Shares	Percentage of Shares Owned
James M. Durward, Calgary, Alberta	Direct	10,167,500	39.49%

(1) Mr. Durward is the President, Chief Executive Officer, Corporate Secretary and a Director of the Corporation.

The above information, not being within the knowledge of the Corporation, has been derived from information provided by such person or from public sources available to the Corporation.

FINANCIAL STATEMENTS

The audited financial statements of the Corporation for the year-ended **February 29, 2020**, reports of the auditor and related management discussion and analysis will be placed before the Meeting.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. A special resolution is a resolution passed by at least two-thirds of the votes cast on the resolution. If there are more nominees for election as directors or appointment of the Corporation'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.

EXECUTIVE COMPENSATION AND REMUNERATION OF DIRECTORS

Compensation Discussion and Analysis

The following compensation discussion and analysis ("CD&A") describes the significant elements of the Corporation's proposed executive compensation program, with particular emphasis on the process for determining compensation payable to the President and Chief Executive Officer, the Chief Financial Officer, and each of the two most highly compensated executive officers other than the President and Chief Executive Officer, and the Chief Financial Officer (collectively, the "Named Executive Officers" or "NEOs").

Based on compensation levels paid or issued, as the case may be, during 2020, the NEOs for the purposes of this CD&A for the year-ended **February 29, 2020**, including **as at the date of this Information Circular**, were as follows:

- James M. Durward: President, CEO and Corporate Secretary
- David D. Heighington: Chief Financial Officer (*during year-end, resigned on March 31, 2019*)
- Dwayne Vinck: Chief Financial Officer (*during the year-end, appointed on April 1, 2019*)

This CD&A reflects the current expectations of Management with respect to the Corporation's executive compensation program following the completion of the Offering. While there is no present intention to make any material changes to the Corporation's current executive compensation program, the Corporate Governance and Compensation Committee of the Board may review the Corporation's executive compensation program and, if determined appropriate, may make recommendations to the Board regarding changes to the program in light of relevant factors including the Corporation's status as a public company.

Overview

The Corporation's executive compensation program is administered by the Corporate Governance and Compensation Committee. As part of its mandate, the Corporate Governance and Compensation Committee reviews and recommends to the Board the remuneration of the NEOs. The Corporate Governance and Compensation Committee is also responsible for reviewing the Corporation's compensation policies, compensation matrix and guidelines generally. For a description of the Corporate Governance and Compensation Committee and its current members, see the Corporation's Statement of Corporate Governance Practices in "*Corporate Governance*".

Compensation Philosophy and Objectives of the Compensation Program

The Corporation's compensation program intends to seek to encourage growth in reserves, production, cash flow and earnings while focusing on achieving attractive returns on capital in order to enhance shareholder value. To achieve these objectives, the Corporation believes it is critical to create and maintain a compensation program that will attract and retain committed, highly qualified personnel by providing appropriate rewards and incentives, motivate their performance in order to achieve the Corporation's strategic objectives and align the interests of executive officers with the long-term interests of the Corporation's shareholders and enhancement in share value.

Components of Compensation

The Corporation compensates its NEOs through the following: (i) base salary; (ii) discretionary cash bonuses paid from time to time based on performance; and (iii) long-term incentive compensation comprised of grants of Options at levels which the Corporate Governance and Compensation Committee believes are reasonable in light of the performance of the Corporation.

Base Salary

Base salaries are intended to compensate each NEO's core competencies, skills, experience and contribution to the Corporation. The Corporate Governance and Compensation Committee believes that base salaries should be competitive but total compensation should be weighted toward variable, long term performance-based components.

Cash Bonus

Discretionary cash bonuses are intended to motivate and reward the accomplishment of specific business and operating objectives within a defined period. Cash bonuses are paid at the discretion of the Board on the recommendation of the Corporate Governance and Compensation Committee, based upon the achievement of certain corporate objectives. Cash bonuses awarded by the Corporate Governance and Compensation Committee are intended to be generally competitive with the market. The Corporate Governance and Compensation Committee considers the Corporation's performance during the year with respect to the qualitative goals in the context of market and economic trends and forces, extraordinary internal and market-driven events, unanticipated developments and other extenuating circumstance in making bonus determinations.

No cash bonus payments were made to the NEOs during the financial year-ended **February 29, 2020**. The Corporate Governance and Compensation Committee meets with management of the Corporation in the first quarter of each year to review the proposed yearly base bonus award target (anticipated to be determined by reference to a target percentage of base salary) and will make recommendations to the Board regarding the approval of same. Similar to the determination of base salaries, consideration will be given to the Corporation's compensation peer group when determining the final amount of any cash bonuses to be paid.

Proposed cash bonuses for NEOs, excluding the President and Chief Executive Officer, will be recommended by the President and Chief Executive Officer, reviewed by the Corporate Governance and Compensation Committee, and, if deemed appropriate, recommended to the Board for approval. Any cash bonus to be paid to the Chief Executive Officer will be determined by the Board based on recommendations received from the Corporate Governance and Compensation Committee.

Option Awards

The Corporation has adopted an incentive stock option plan which is administered by the Board. The Option Plan provides that the Board may from time to time, in its discretion, and in accordance with the CSE requirements, grant to directors, officers and technical consultants to the Corporation, non-transferable, non-assignable Options, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares. In connection with the foregoing, the number of Common Shares reserved for issuance to any one person in any twelve month period will not exceed 5% of the issued and outstanding Common Shares unless the Corporation has obtained disinterested shareholder approval in respect of such grant and meets applicable CSE requirements. In addition: (i) the number of Common Shares reserved for issuance to any one technical consultant will not exceed 2% of the issued and outstanding Common Shares; and (ii) the number of Common Shares reserved for issuance to persons providing investor relations activities will not exceed 2% of the issued and outstanding Common Shares. Subject to the following, Options must be exercised within a 90 days following cessation of the optionee's position with the Corporation, provided that if the cessation was by reason of death or disability, the Option may be exercised within a maximum period of one year after such death or disability, subject to the expiry date of such Option.

The exercise price of the Options shall be determined by the Board at the time any Option is granted. In no event shall such exercise price be lower than the exercise price permitted by the CSE. Subject to any vesting restrictions imposed by the CSE, the Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, or that no vesting restriction shall exist. As of the year-ended **February 29, 2020** and as at the date of this Information Circular, **2,100,000** Options were outstanding.

Hedging Activities

Although the Corporation has no formal hedging policy in place with respect to purchases of securities by NEOs or directors designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such individuals, to the Corporation's knowledge, no NEO or director has hedged the economic value of his direct or indirect interests in the market value of the Corporation's Common Shares so held or granted as compensation.

Risk Assessment and Oversight

The Board and Corporate Governance and Compensation Committee are keenly aware of the fact that compensation practices can have unintended risk consequences. The Corporate Governance and Compensation Committee will continually review the Corporation's compensation policies to identify any practice that might encourage an employee to expose the Corporation to unacceptable risks. At the present time, the Corporate Governance and Compensation Committee is satisfied that the current executive compensation program does not encourage the Corporation's executives to expose the business to inappropriate risk. The Corporate Governance and Compensation Committee takes a conservative approach to executive compensation rewarding individuals for the success of the Corporation once that success has been demonstrated and incenting them to continue that success through the grant of long-term incentive awards. In addition, the number of options a particular NEO is entitled to receive is limited by the Option Plan.

NEO Compensation

The following table sets forth the compensation paid by the Corporation to the NEOs during the year-ended **February 29, 2020 and as of the date of this Information Circular.**

Name and Principal Position	Year	Salary ⁽²⁾ (\$)	Share-based Awards ⁽³⁾ (\$)	Stock Option Awards ⁽¹⁾⁽⁷⁾⁽⁸⁾⁽⁹⁾ (\$)	Non-Equity Incentive Plan Compensation ⁽⁴⁾ (\$)		Pension Value (\$)	All Other Compensation (\$) ⁽⁵⁾⁽⁶⁾	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
James M. Durward ⁽¹⁰⁾ President, CEO and Corporate Secretary	2019	\$25,000	\$Nil	\$61,600	Nil	Nil	Nil	Nil	\$86,600
	2020	\$25,000	\$Nil	\$18,000	Nil	Nil	Nil	Nil	\$43,000
Dwayne Vinck ⁽¹¹⁾ Chief Financial Officer	2020	\$19,935	\$Nil	\$11,917	Nil	Nil	Nil	Nil	\$31,852
David D. Heighington ⁽⁷⁾⁽¹²⁾ Chief Financial Officer	2019	\$Nil	\$Nil	\$35,200	Nil	Nil	Nil	Nil	\$35,200
	2020	\$Nil	\$Nil	\$11,250	Nil	Nil	Nil	Nil	\$11,250

Notes:

- (1) Reflects the fair value of Options issued under the Corporation's Option Plan. The value shown is estimated to be the fair value at the grant date calculated using the Black-Scholes Option pricing model with the assumptions disclosed in the notes to the financial statements for the years ended February 29, 2020 and 2019. The aggregate of the fair value set out in the Corporation's financial statements for the year-ended February 29, 2020 was \$54,839 (Feb 28, 2019: \$132,000). The individual fair value amounts are calculated based on the pro rata number of Options held by each NEO.
- (2) Represents salary paid to NEO's for the year-ended February 29, 2020 and 2019. The Corporation did not pay salary to these individuals but will pay them on an hourly basis on such amounts as required in their respective roles.
- (3) The Corporation does not currently provide for any non-equity incentive plan compensation to NEOs.
- (4) The Corporation does not currently provide for, or contribute to, either a defined benefit plan or defined contribution plan on behalf of the NEOs.
- (5) The value of perquisites to be received by NEO's during 2020 and 2019, including property or other personal benefits provided to NEO's that are not generally available to all employees, were not (in aggregate) \$50,000 or greater or more than 10% of each NEO's annualized salaries for 2020 and 2019.
- (6) Represents compensation received by the NEOs under the compensation employee profit sharing plan.
- (7) During the year-end, 2,475,000 Options were outstanding, of which, 375,000 Options were forfeited unexercised by an officer of the Corporation who resigned on August 1, 2019.
- (8) Options terminate 90 days following the date an option holder ceases to be an officer or consultant of the Corporation.
- (9) On March 21, 2019, the Corporation and optionees agreed to modify 1,500,000 Options previously issued and additionally granted 225,000 Options to directors of the Corporation. The Options are exercisable at a price of \$0.08 per Option, expire in five years and the options vested immediately at the date of grant, being March 21, 2019. On April 1, 2019, the Corporation granted 375,000 Options to Mr. Dwayne Vinck, the Corporation's Chief Financial Officer appointed on April 1, 2019.
- (10) Appointed President, Chief Executive Officer and Corporate Secretary on January 24, 2018. During the year-end, Mr. Durward's previously issued 600,000 Options were modified to and exercise price of \$0.08 on March 21, 2019 and 100,000 Options cancelled.
- (11) Appointed Chief Financial Officer on April 1, 2019. During the year-end, Mr. Vinck held 375,000 Options at an exercise price of \$0.08. Mr. Vinck entered into a consulting agreement with the Corporation dated April 1, 2019 whereby Mr. Vinck receives \$150 per hour (plus G.S.T.) for services as the Corporation's Chief Financial Officer.
- (12) During the year-end, Mr. David D. Heighington resigned as Chief Financial Officer on March 31, 2019. Mr. Heighington was previously issued 400,000 Options, 375,000 were modified with an exercise price of \$0.08 on March 21, 2019 and 25,000 Options cancelled. Mr. Heighington's Options were forfeited unexercised.

Incentive Plan Awards - Outstanding Options

The following table sets forth information with respect to the outstanding Options granted under the Option Plan to the NEO's as at the date of **February 29, 2020 and as of the date of this Information Circular**.

Name ⁽³⁾	Number of Securities Underlying Unexercised Options ^(#) ⁽¹⁾⁽⁴⁾	Option Exercise Price ^(\$)	Option Expiration Date
James M. Durward President, CEO and Corporate Secretary	600,000	\$0.08	March 21, 2024
Dwayne Vinck ⁽²⁾ Chief Financial Officer	375,000	\$0.08	April 1, 2024

Notes:

- (1) As of the year-ended February 29, 2020, 2,100,000 Options were outstanding.
- (2) Mr. Vinck was appointed Chief Financial Officer on April 1, 2019.
- (3) During the year-ended February 29, 2020, 2,475,000 Options were issued to directors and officers of the Corporation of which, 375,000 Options were issued to a former officer who resigned on March 31, 2019 and whose Options were forfeited unexercised.
- (4) As of the date of this Information Circular, 2,100,000 Options are outstanding.

Options - Value Vested or Earned

The following table sets forth the aggregate dollar value of option-based awards that vested during the year-ended **February 29, 2020** for NEO's of the Corporation.

Name	Option-based awards - Value vested during the year ^(\$) ⁽¹⁾⁽²⁾
James M. Durward	\$18,000
Dwayne Vinck ⁽³⁾	\$11,917

Notes:

- (1) The value of option-based awards vested during the year-ended February 29, 2020 is the value that would have been realized if the options had been exercised on the vesting date and is calculated as the difference between the price of the Common Shares on the CSE on the exercise date (February 29, 2020, \$0.05 and 2019 being \$0.08, as the Corporation's Shares were listed and posted for trading on the CSE on October 24, 2019) and the stock option exercise price.
- (2) As of the year-ended February 29, 2020, 2,100,000 Options were outstanding. During the year-end, 375,000 Options were forfeited unexercised by an officer of the Corporation who resigned on March 31, 2019.
- (3) Mr. Vinck was appointed as Chief Financial Officer on April 1, 2019.

Long-Term Incentive Plans

The Corporation's only long-term incentive plan is the Option Plan. A maximum of 10% of the issued and outstanding Common Shares of the Corporation are reserved for issuance pursuant to the Option Plan. As of the year-ended February 29, 2020, 2,100,000 Options were issued and outstanding, with a weighted average exercise price of \$0.08 per Common Share. There are currently **2,100,000** issued and outstanding. The following table shows all outstanding Options **held by the directors and officers** of the Corporation as of the date of this Information Circular.

Name	Option-based Awards			
	Number of securities underlying unexercised options ^(#) ⁽²⁾	Option Exercise Price ^(\$)	Option Expiration Date	Value of unexercised in-the-money options ⁽¹⁾ ^(\$)
James M. Durward ⁽³⁾ President, CEO, Corporate Secretary and Director	600,000	\$0.08	March 21, 2024	\$24,000
Dwayne Vinck ⁽⁴⁾ Chief Financial Officer	375,000	\$0.08	April 1, 2024	\$15,000
G. Steven Price ⁽⁵⁾ Director	375,000	\$0.08	March 21, 2024	\$15,000
Dusan Kuzma ⁽⁶⁾ Director	375,000	\$0.08	March 21, 2024	\$15,000
Neil A. Runions ⁽⁷⁾ Director	375,000	\$0.08	October 9, 2024	\$15,000
TOTAL:	2,100,000			\$84,000

Notes:

- (1) Aggregate dollar amount of in-the-money unexercised stock options held as of the date of this Information Circular is calculated based on the difference between the market value of the Shares underlying the stock options as at August 21, 2020.
- (2) As of the date of this Information Circular, 2,100,000 Options are outstanding and the market price of \$0.12.
- (3) Appointed Director and Officer of the Corporation on January 24, 2018.
- (4) Appointed Officer of the Corporation on April 1, 2019.
- (5) Appointed Director of the Corporation on February 21, 2018.
- (6) Appointed Director of the Corporation on March 19, 2018.
- (7) Appointed Director of the Corporation on August 1, 2019.

Termination and Change of Control Benefits

The Corporation does not have any employment agreements in place with the Named Executive Officers. There are no change of control benefits in place other than four consulting agreements which contain termination and change of control provisions.

Director Compensation

The Corporation does not pay cash compensation (including salaries, director's fees, commissions, bonuses paid for services rendered, bonuses paid for services rendered in a previous year, and any compensation other than bonuses earned by the directors for services rendered) to the directors for services rendered as directors only. No other compensation is paid by the Corporation to directors, however, the directors may receive reimbursements for out-of-pocket expenses incurred in connection with attending Board meetings, audit committee meetings or information meetings.

Director Compensation - Option-Based Awards and Incentive Plan Compensation

The following table sets forth information with respect to outstanding Options granted to the **directors** of the Corporation (who are not also Named Executive Officers) under the Option Plan as of February 29, 2020. There are no outstanding share-based awards.

Name ⁽²⁾	Option-Based Awards			
	Number of Securities Underlying Unexercised Options (#) ⁽²⁾⁽³⁾	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) ⁽¹⁾
G. Steven Price ⁽⁵⁾	375,000	\$0.08	March 21, 2024	\$Nil
Dusan Kuzma ⁽⁶⁾	375,000	\$0.08	March 21, 2024	\$Nil
Neil A. Runions ⁽⁷⁾	375,000	\$0.08	October 9, 2024	\$Nil

Notes:

- (1) The value of option-based awards vested during the year is the value that would have been realized if the options had been exercised on the vesting date and is calculated as the difference between the price of the Shares on the CSE on the exercise date (February 29, 2020: \$0.05 and 2019: \$0.08, as the Corporation's Shares were listed and posted for trading on the CSE on October 24, 2019) and the stock option exercise price.
- (2) As of February 29, 2020, 2,100,000 Options were outstanding. During the year-end, 375,000 Options were forfeited unexercised by an officer of the Corporation who resigned on March 31, 2019.
- (3) As of the date of this Information Circular, 2,100,000 Options are outstanding.
- (4) Appointed a Director of the Corporation on January 24, 2018.
- (5) Appointed a Director of the Corporation on February 21, 2018.
- (6) Appointed a Director of the Corporation on March 19, 2018.
- (7) Appointed a Director of the Corporation on August 1, 2019.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

The purposes of the audit committee of the Corporation (the "Audit Committee") is to assist the Board's oversight of: the integrity of the Corporation's financial statements; the Corporation's compliance with legal and regulatory requirements; the qualifications and independence of the Corporation's independent auditors; and the performance of the independent auditors and the Corporation's internal audit function. NI 52-110 relating to the composition and function of audit committees applies to every CSE listed company.

Audit Committee Charter

Pursuant to NI 52-110, the Corporation is required to have a written charter which sets out the duties and responsibilities of its audit committee. The charter is attached hereto as "Schedule A".

Composition of the Audit Committee

The Audit Committee is comprised of the following members:

Name and Office if Any	Independent	Financially Literate
G. Steven Price (<i>Chairman</i>)	Yes	Yes
Neil A. Runions	Yes	Yes
Dusan Kuzma	Yes	Yes

Relevant Education and Experience

Each member of the Audit Committee has a general understanding of the accounting principles used by the Corporation to prepare its financial statements and will seek clarification from the Corporation's auditors, where required. Each member of the Audit Committee also has direct experience in understanding accounting principles for private and reporting companies, general experience in preparing, auditing, analyzing or evaluating financial statements similar to those of the Corporation, and general understanding of internal controls and the procedures for financial reporting. Each member will receive the necessary training or enrollment in the necessary continuing education course(s) to ensure that their abilities and understanding of any change in relevant accounting principles and/or financial reporting requirements are maintained at a level sufficient to provide the necessary oversight as part of their responsibilities to the Audit Committee.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year, was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (Exemptions).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services other than the general requirements under the heading "External Audit" of the Audit Committee Charter which states that the Audit Committee must pre-approve any non-audit services to the Corporation and the fees for those services.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Corporation's external auditors in the last two fiscal years for audit and non-audit related services are as follows:

Financial Year ⁽¹⁾	Audit Fees ⁽²⁾	Audit Related Fees	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
2019	\$32,750	\$Nil	\$Nil	\$Nil
2020	\$33,170	\$Nil	\$Nil	\$Nil

Notes:

- (1) Shown in the year that the fees were invoiced.
- (2) Audit fees were for professional services rendered by MNP LLP for the audit of the Corporation's February 28, 2019 and February 29, 2020 financial statements. Audit fees include fees necessary to perform the annual audit and quarterly review of the Corporation's 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, review of securities filings and statutory audits.
- (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. These include services provided to the Corporation in connection the adoption of and transition to International Financial Reporting Standards by the Corporation as its accounting principles.

Exemption

As a venture issuer within the meaning of NI 52-110, the Corporation is relying upon the exemption provided by section 6.1 of NI 52-110, which exempts venture issuers from the requirements of Part 3, *Composition of the Audit Committee* and Part 5, *Reporting Obligations* of NI 52-110.

CORPORATE GOVERNANCE

General

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

Board of Directors

Pursuant to National Instrument 58-101, a director is independent if the director has no direct or indirect relationship with the issuer which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgment. Certain directors are deemed to have a material relationship with the issuer by virtue of their position or relationship with the Corporation. The Board is currently comprised of five (5) members. Currently two (2) directors are independent. In assessing whether a director is independent for these purposes, the circumstances of each director have been examined in relation to a number of factors.

The independent members of the Board are **G. Steven Price**, **Dusan Kuzma** and **Neil A. Runions**. The non-independent member of the Board is **James M. Durward** (President, CEO and Corporate Secretary).

Directorships

Some of the existing directors of the Corporation have also been directors of other issuers who are reporting in one or more Canadian jurisdictions as follows:

Name	Name of Reporting Issuer	Exchange or Market
None	None	None

Orientation and Continuing Education

The Board is responsible for ensuring that new directors are provided with an orientation and education program, which will include written information about the duties and obligations of directors, the business and operations of the Corporation, documents from recent Board meetings, and opportunities for meetings and discussion with senior management and other directors. Directors are expected to attend all meetings of the Board and are also expected to prepare thoroughly in advance of each meeting in order to actively participate in the deliberations and decisions.

The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. The Board notes that it has benefited from the experience and knowledge of individual members of the Board in respect of the evolving governance regime and principles. The Board ensures that all directors are apprised of changes in the Corporation's operations and business.

Ethical Business Conduct

The Board is apprised of the activities of the Corporation and ensures that it conducts such activities in an ethical manner. The Board has not adopted a written code of business conduct and ethics, however, the Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to consultants, officers and directors to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary actions for violations of ethical business conduct. In particular, the Board ensures that directors exercise independent judgment in considering transactions and certain activities of the Corporation by holding in camera sessions of independent directors, when applicable, and by having each director declare his or her interest in a particular transaction and abstaining from voting on such matters, where applicable.

Nomination of Directors

The Board is largely responsible for identifying new candidates for nomination to the Board and does not have a separate nominating committee. The process by which candidates are identified is through recommendations presented to the Board, which establishes and discusses qualifications based on corporate law and regulatory requirements as well as education and experience related to the business of the Corporation.

Compensation

The Board is responsible for determining the compensation of the directors and Chief Executive Officer of the Corporation. The process by which compensation is determined is discretionary and may include an informal comparative analysis of the market for such services and recommendations presented to the Board. The Board reviews and discusses proposals received by the Chief Executive Officer of the Corporation regarding the compensation of management and the directors. The Corporation does not use benchmarking or maintain specific performance goals in determining compensation of the directors and Chief Executive Officer of the Corporation.

Other Board Committees

Compensation Committee

The corporate governance and compensation committee of the Board (the “**Corporate Governance and Compensation Committee**”) currently consists of **G. Steven Price, Dusan Kuzma** and **Neil A. Runions**. The Compensation Committee consists of two independent members of the Board and, on behalf of the Board, is responsible for director compensation, including reviewing and determining director compensation. The Compensation Committee reviews the compensation of members of the Board on an annual basis taking into account compensation paid by other issuers of similar size and activity.

Assessments

The Board and its individual directors are assessed on an informal basis continually as to their effectiveness and contribution by the independent members of the Board. The Board encourages discussion amongst the Board as to evaluation of the effectiveness of the Board as a whole and of each individual director. All directors are free to make suggestions for improvement of the practice of the Board at any time and are encouraged to do so.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table sets forth information in respect of compensation plans under which equity securities of the Corporation are authorized for issuance, as at the end of the financial year-ended **February 29, 2020**:

Plan Category	Number of securities to be issued upon exercise of outstanding Options, warrants and rights	Weighted-average exercise price of outstanding Options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	2,100,000 - Options ⁽¹⁾⁽²⁾	\$0.08 - Options	474,642 – Options
Equity compensation plans not approved by security holders	Nil	Nil	Nil
TOTAL	2,100,000 - Options⁽³⁾		474,642 – Options

Note:

- (1) Shares issuable upon exercise of outstanding Options.
- (2) During the year-ended February 29, 2020, 2,475,000 Options were outstanding of which, 375,000 Options were forfeited unexercised by an officer of the Corporation who resigned on March 31, 2019.
- (3) As at the date of this Information Circular, 2,100,000 Options are issued and outstanding. The number of Options available for future issuance is 474,642.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than as disclosed below, management of the Corporation is not aware of any indebtedness outstanding to the Corporation or its subsidiaries by Directors, officers, employees or former executive officers as at the end of the most recently completed financial year-ended **February 29, 2020** or up to the Record Date and thereafter.

At **February 29, 2020**, the Corporation acquired intangible assets including a patent application, URL website address, and all intellectual rights relating to the cannabis oil extraction technology. The Corporation issued 5,000,000 common shares for an aggregate of \$1.00, the carrying-value of the intangible assets at the time. The intangible assets were acquired from the Corporation's President, Chief Executive Officer, Director and then sole Shareholder, Mr. James M. Durward.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in the Information Circular, management of the Corporation is not aware of any material interest, direct or indirect, of any informed person of the Corporation, any proposed Director or any associate or affiliate of any informed person or proposed Director, in any transaction since the commencement of the Corporation's most recently completed financial year-ended February 29, 2020 or in any proposed transaction which has materially affected or would materially affect Corporation, other than the related part transactions referred to in the financial statements for the year-ended February 29, 2020.

MANAGEMENT CONTRACTS

Management functions of the Corporation are substantially performed by officers of the Corporation and have not been performed, to any substantial degree, by any other person with whom the Corporation has contracted. The Corporation has a management consulting contract dated April 1, 2019 between the Corporation and Mr. Dwayne Vinck, the Corporation's Chief Financial Officer.

PARTICULARS OF MATTERS TO BE ACTED UPON

Fix the Number of Directors

The Shareholders will be asked to consider a resolution fixing the number of directors to be elected at the Meeting. Management proposes that the number of directors to be elected at the Meeting be set at four (4). There are presently four (4) directors of the Corporation, each of whom retires from office at the Meeting. Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of setting the number of directors to be elected at the Meeting at four (4).

Election of Directors

The affairs of the Corporation are managed by the Directors who are elected annually for a one year term at each annual general meeting of the Shareholders and hold office until the next annual general meeting, or until their successors are duly elected or appointed or until a Director vacates his office or is replaced in accordance with the by-laws of the Corporation.

The Shareholders are entitled to elect the Directors. The persons named below have been nominated for election and have consented to such nomination.

Unless authority to vote on the election of Directors is withheld, it is the intention of the person named in the accompanying instrument of proxy to vote for the election of such nominees as Directors. If, prior to the Meeting, any vacancies occur in the slate of proposed nominees herein submitted, the persons named in the enclosed form of proxy intend to vote for the election of any substitute nominee or nominees recommended by management of the Corporation and for the remaining proposed nominees.

The following are the names, occupations, residences and number of Shares held by each of the proposed nominees for election as Directors:

Name and Municipality of Resident	Position with the Corporation and date First Elected or Appointed	Principal Occupation for the Past 5 Years	Number and Percentage of Voting Shares Beneficially Owned, Directly or Indirectly, or Controlled by the Proposed Director
James M. Durward ⁽³⁾ Calgary, Alberta	President, CEO, Corporate Secretary and Director (Jan 24, 2018)	From 2015 to present, President and sole shareholder of Critical CO2 Ltd.	10,167,500
G. Steven Price ⁽¹⁾⁽²⁾⁽³⁾ Calgary, Alberta	Director (Feb 21, 2018)	Since 1995, President of Expander Energy Inc. and Price Engineering.	1,000,000
Dusan Kuzma ⁽¹⁾⁽³⁾ Okotoks, Alberta	Director (Mar 19, 2018)	Self-employed for the past five years.	6,250
Neil A. Runions ⁽¹⁾⁽³⁾ Calgary, Alberta	Director (August 1, 2019)	Retired. Previously Managing Director of National Bank of Canada.	1,100,000

Notes:

- (1) Member of the Audit Committee.
- (2) Chairman of the Audit Committee.
- (3) Shares subject to an Escrow Agreement dated March 30, 2018, as amended on August 1, 2019 and September 16, 2019 between the Corporation, TSX Trust Company and certain shareholders of the Corporation.

Corporate Cease Trade Orders

No director of the Corporation has, within the ten years prior to the date of this Information Circular, been a director or executive officer of any company that, while such person was acting in that capacity (or after such person ceased to act in that capacity but resulting from an event that occurred while that person was acting in such capacity) was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days.

Bankruptcies

No director of the Corporation has, within the ten years preceding the date of this Information Circular, become bankrupt, been a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

Other than as disclosed below, no proposed director of the Corporation has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Mr. Vinck resigned as a Director on March 21, 2019 and resigned as Chief Financial Officer of West High Yield (W.H.Y.) Resources Ltd. (“**West High**”) on November 20, 2019. On December 20, 2018, West High announced that it had concluded a settlement agreement with the Alberta Securities Commission with respect to the resolution of certain issues arising from a news release issued on October 5, 2017. The news release pertained to a potential transaction to sell all of its mining assets to a US based company. On November 3, 2017, the company issued a news release which clarified the sale agreement to sell its assets. In the settlement, West High acknowledged that it was in breach of certain sections of the *Securities Act* (Alberta) resulting from the October 5, 2017 news release. West High agreed to pay a monetary settlement of Two Hundred Thousand Dollars and provided an undertaking to ensure that the Directors and Officers of the company are provided with training in best practices for public company governance and disclosure within one year.

Appointment of Auditor

The Shareholders will be asked at the Meeting to vote for the appointment of MNP LLP, Chartered accountants as the auditors of the Corporation, for the ensuing year and to authorize the Directors to fix their remuneration.

Unless otherwise directed, Shares representing proxies in favour of management nominees will be voted in favour of the appointment of MNP LLP as auditors of the Corporation, to hold office until the next annual general meeting of the Shareholders, or until their successors are duly elected or appointed, and to authorize the Board to fix their remuneration.

Annual Approval of Stock Option Plan

The Corporation has in place a rolling stock option plan whereby the Directors of the Corporation may allocate a maximum of 10% of the issued and outstanding Shares from time to time for issuance under the Option Plan. The Option Plan was last approved by the Shareholders on April 2, 2019. There have not been any amendments made to the Option Plan since that time, other than administrative amendments that do not affect the rights conveyed under the Option Plan.

The following summary is a brief description of the Stock Option Plan:

1. The maximum number of Common Shares that may be issued upon the exercise of the Corporation's stock options previously granted and those granted under the Stock Option Plan will be a maximum of 10% of the issued and outstanding Common Shares at the time of the grant.
2. Stock options can be issued to persons who are directors, senior officers, employees, advisory board members and consultants of, or employees of management companies providing services to, the Corporation or its subsidiaries, if any.
3. The option price of any Common Share in respect of which an option may be granted under the Stock Option Plan shall be fixed by the board of directors but shall be not less than the minimum price permitted by the CSE.
4. The number of options granted to any one individual may not exceed 5% of the outstanding listed Common Shares in any 12 month period unless the Corporation has obtained disinterested shareholder approval to exceed such limit.
5. The number of options granted to any one consultant may not exceed 2% of the Corporation's outstanding listed Common Shares in any 12 month period.
6. All options granted under the Stock Option Plan may be exercisable for a maximum of ten years from the date they are granted.
7. If the optionee ceases to be (other than by reason of death) an eligible recipient of stock options, then the stock options granted shall expire on the 90th day following the date that the option holder ceases to be eligible, subject to the terms and conditions set out in the Stock Option Plan.
8. If an optionee ceases to be an eligible recipient of stock options by reason of death, an optionee's heirs or administrators shall have until the earlier of: (a) one year from the death of the option holder; and (b) the expiry date of the stock options in which to exercise any portion of stock options outstanding at the time of death of the optionee.
9. The stock options shall expire on the 30th day after the optionee who is engaged in Investor Relations Activities for the Corporation ceases to be employed to provide Investor Relations Activities.
10. The stock options shall expire on the date on which the optionee ceases to be an eligible person by reason or termination of the optionee as an employee or consultant of the Corporation for cause (which, in the case of a consultant, includes any breach of an agreement between the Corporation and the consultant).
11. The Stock Option Plan will be administered by the Board who will have the full authority and sole discretion to grant options under the Stock Option Plan to any eligible recipient, including themselves.
12. The stock options are not assignable or transferable by an optionee.
13. The Board may, from time to time, subject to regulatory approval, amend or revise the terms of the Stock Option Plan.

Since the Option Plan is a "rolling plan", annual shareholder approval of the Option Plan is required by the CSE. In accordance with the policies of the CSE, the Corporation requests Shareholders to consider, and if thought fit, approve an ordinary resolution substantially in the form set forth below:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS THAT:

1. as an ordinary resolution, pursuant to and in compliance with the policies of the CSE and subject to regulatory approval, the Corporation’s stock option plan is hereby approved, whereby a maximum of 10% of the Shares of the Corporation will be reserved for issuance under the stock option plan, provided that the number of listed securities that may be reserved for issuance under stock options granted to any one individual or insiders of the Corporation shall not exceed five (5%) percent of the Corporation’s issued and outstanding listed securities, and the same is hereby approved;
2. the form of the stock option plan may be amended in order to satisfy the requirements or requests of any regulatory authorities, or at the discretion of the Board acting in the best interests of the Corporation without requiring further approval of the shareholders of the Corporation; and
3. any one director or officer of the Corporation be and is hereby authorized and directed, upon the Board resolving to give effect to this resolution, to take all necessary steps and proceedings, and to execute, deliver and file any and all applications, declarations, documents and other instruments and do all such other acts or things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to the provisions of this resolution.”

To be effective, the resolution must be passed by at least a majority of the votes cast at the Meeting. **Unless otherwise directed, it is intended that the Shares represented by the proxies hereby solicited will be voted in favour of the approval of the Option Plan.**

BOARD APPROVAL

The contents of this Information Circular have been approved, in substance, and its mailing has been authorized, by the Board pursuant to resolutions passed as of August 21, 2020.

ADDITIONAL INFORMATION

Additional information relating to the Corporation may be found on SEDAR at www.sedar.com. Shareholders may contact the Corporation to request copies of the Corporation's financial statements and management discussion and analysis as follows:

Medxtractor Corp.

Attention: Mr. James M. Durward
Suite 1150, 707 – 7 Avenue SW
Calgary, Alberta T2P 3H6

Financial information is provided in the Corporation's comparative financial statements and management discussion and analysis for the financial year-ended February 29, 2020.

SCHEDULE "A" – AUDIT COMMITTEE CHARTER

1.0 Purpose of the Committee

1.1 The purpose of the Audit Committee is to assist the Board in its oversight of the integrity of the Company's financial statements and other relevant public disclosures, the Company's compliance with legal and regulatory requirements relating to financial reporting, the external auditors' qualifications and independence and the performance of the internal audit function and the external auditors.

2.0 Members of the Audit Committee

2.1 At least one Member must be "financially literate" as defined under NI 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of the accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

2.2 The Audit Committee shall consist of no less than three Directors.

2.3 At least one Member of the Audit Committee shall be "independent" as defined under NI 52-110, while the Company is in the developmental stage of its business.

3.0 Relationship with External Auditors

3.1 The external auditors are the independent representatives of the shareholders, but the external auditors are also accountable to the Board of Directors and the Audit Committee.

3.2 The external auditors must be able to complete their audit procedures and reviews with professional independence, free from any undue interference from the management or directors.

3.3 The Audit Committee must direct and ensure that the management fully co-operates with the external auditors in the course of carrying out their professional duties.

3.4 The Audit Committee will have direct communications access at all times with the external auditors.

4.0 Non-Audit Services

4.1 The external auditors are prohibited from providing any non-audit services to the Company, without the express written consent of the Audit Committee. In determining whether the external auditors will be granted permission to provide non-audit services to the Company, the Audit Committee must consider that the benefits to the Company from the provision of such services, outweighs the risk of any compromise to or loss of the independence of the external auditors in carrying out their auditing mandate.

4.2 Notwithstanding section 4.1, the external auditors are prohibited at all times from carrying out any of the following services, while they are appointed the external auditors of the Company:

- (i) acting as an agent of the Company for the sale of all or substantially all of the undertaking of the Company; and
- (ii) performing any non-audit consulting work for any director or senior officer of the Company in their personal capacity, but not as a director, officer or insider of any other entity not associated or related to the Company.

5.0 Appointment of Auditors

5.1 The external auditors will be appointed each year by the shareholders of the Company at the annual general meeting of the shareholders.

5.2 The Audit Committee will nominate the external auditors for appointment, such nomination to be approved by the Board of Directors.

6.0 Evaluation of Auditors

6.1 The Audit Committee will review the performance of the external auditors on at least an annual basis, and notify the Board and the external auditors in writing of any concerns in regards to the performance of the external auditors, or the accounting or auditing methods, procedures, standards, or principles applied by the external auditors, or any other accounting or auditing issues which come to the attention of the Audit Committee.

7.0 Remuneration of the Auditors

7.1 The remuneration of the external auditors will be determined by the Board of Directors, upon the annual authorization of the shareholders at each general meeting of the shareholders.

7.2 The remuneration of the external auditors will be determined based on the time required to complete the audit and preparation of the audited financial statements, and the difficulty of the audit and performance of the standard auditing procedures under generally accepted auditing standards and generally accepted accounting principles of Canada.

8.0 Termination of the Auditors

8.1 The Audit Committee has the power to terminate the services of the external auditors, with or without the approval of the Board of Directors, acting reasonably.

9.0 Funding of Auditing and Consulting Services

9.1 Auditing expenses will be funded by the Company. The auditors must not perform any other consulting services for the Company, which could impair or interfere with their role as the independent auditors of the Company.

10.0 Role and Responsibilities of the Internal Auditor

10.1 At this time, due to the Company's size and limited financial resources, the Chief Financial Officer of the Company shall be responsible for implementing internal controls and performing the role as the internal auditor to ensure that such controls are adequate.

11.0 Oversight of Internal Controls

11.1 The Audit Committee will have the oversight responsibility for ensuring that the internal controls are implemented and monitored, and that such internal controls are effective.

12.0 Continuous Disclosure Requirements

12.1 At this time, due to the Company's size and limited financial resources, the Chief Financial Officer of the Company is responsible for ensuring that the Company's continuous reporting requirements are met and in compliance with applicable regulatory requirements.

13.0 Other Auditing Matters

13.1 The Audit Committee may meet with the external auditors independently of the management of the Company at any time, acting reasonably.

13.2 The Auditors are authorized and directed to respond to all enquiries from the Audit Committee in a thorough and timely fashion, without reporting these enquiries or actions to the Board of Directors or the management of the Company.

14.0 Annual Review

14.1 The Audit Committee Charter will be reviewed annually by the Board of Directors and the Audit Committee to assess the adequacy of this Charter.

15.0 Independent Advisers

15.1 The Audit Committee shall have the power to retain legal, accounting or other advisors to assist the Committee.

**SCHEDULE "B" – DIRECTORS', MANAGEMENT, EMPLOYEES' AND CONSULTANTS'
STOCK OPTION PLAN**

MEDTRACTOR CORP.
(the "Company")

Stock Option Incentive Plan

1. **PURPOSE**

The purpose of this Stock Option Incentive Plan is to provide an incentive to Eligible Persons to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company.

2. **DEFINITIONS**

In this Plan, the following words have the following meanings:

- (a) "Board" means the Board of Directors of the Company;
- (b) "Common Shares" means the Common Shares of the Company;
- (c) "Company" means **Medtractor Corp.**;
- (d) "Consultant" means those persons who are Optionees;
- (e) "Effective Date" means the day following the date upon which the Plan has been approved by the last to approve of the shareholders of the Company, the Board, the Exchange and any other regulatory authority having jurisdiction over the Company's securities;
- (f) "Eligible Person" means any director, officer or technical consultant (where permitted by securities laws) and their permitted assigns (as those terms are defined by National Instrument 45-106 as amended from time to time) of the Company or any affiliate of the Company;
- (g) "Exchange" means the Canadian Securities Exchange and any other stock exchange or stock quotation system on which the Common Shares trade;
- (h) "Fair Market Value" means, as of any date, the value of the Common Shares, determined as follows:
 - (i) if the Common Shares are listed on the Exchange, the Fair Market Value shall be the last closing sales price for such shares as quoted on such Exchange for the market trading day immediately prior to the date of grant of the Option, less any discount permitted by the Exchange; and
 - (ii) if the Common Shares are not listed on the Exchange, the Fair Market Value shall be determined in good faith by the Board;
- (i) "Investor Relations Activities" has the meaning set out in the policies of the Exchange;
- (j) "Option" means the option granted to an Optionee under this Plan and the Option Agreement;
- (k) "Option Agreement" means such option agreement or agreements as is approved from time to time by the Board and as is not inconsistent with the terms of this Plan;
- (l) "Option Date" means the date of grant of an Option to an Optionee;
- (m) "Option Price" is the price at which the Optionee is entitled pursuant to the Plan and the Option Agreement to acquire Option Shares;
- (n) "Option Shares" means, subject to the provisions of Article 8 of this Plan, the Common Shares which the Optionee is entitled to acquire pursuant to this Plan and the applicable Option Agreement;

- (o) “Optionee” means a person to whom an Option has been granted;
- (p) “Plan” means this Stock Option Incentive Plan; and
- (q) “Vested” means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

3. **ADMINISTRATION**

The Plan shall be administered by the Board, and subject to the rules of the Exchange from time to time and except as provided for herein, the Board shall have full authority to:

- (a) determine and designate from time to time those Eligible Persons to whom Options are to be granted and the number of Option Shares to be optioned to each such Eligible Person;
- (b) determine the time or times when, and the manner in which, each Option shall be exercisable and the duration of the exercise period;
- (c) determine from time to time the Option Price, provided such determination is not inconsistent with this Plan; and
- (d) interpret the Plan and to make such rules and regulations and establish such procedures as it deems appropriate for the administration of the Plan, taking into consideration the recommendations of management.

4. **OPTIONEES**

Optionees must be Eligible Persons who, by the nature of their jobs or their participation in the affairs of the Company, in the opinion of the Board, are in a position to contribute to the success of the Company.

5. **EFFECTIVENESS AND TERMINATION OF PLAN**

The Plan shall be effective as of the Effective Date and shall terminate on the earlier of:

- (a) the date which is ten years from the Effective Date; and
- (b) such earlier date as the Board may determine.

Any Option outstanding under the Plan at the time of termination of the Plan shall remain in effect in accordance with the terms and conditions of the Plan and the Option Agreement.

6. **THE OPTION SHARES**

The aggregate number of Option Shares reserved for issuance under the Plan and Common Shares reserved for issuance under any other share compensation arrangement granted or made available by the Company from time to time may not exceed in aggregate 10% of the Company’s Common Shares issued and outstanding at the time of grant.

7. **GRANTS, TERMS AND CONDITIONS OF OPTIONS**

Options may be granted by the Board at any time and from time to time prior to the termination of the Plan. Options granted pursuant to the Plan shall be contained in an Option Agreement and, except as hereinafter provided, shall be subject to the following terms and conditions:

(a) **Option Price**

The Option Price shall be determined by the Board, provided that such price shall not be lower than the Fair Market Value of the Option Shares on the date of grant of the Option.

(b) Duration and Exercise of Options

Except as otherwise provided elsewhere in this Plan, the Options shall be exercisable for a period, or in percentage installments over a period, to be determined in each instance by the Board, not exceeding ten years from the Option Date. The Options must be exercised in accordance with this Plan and the Option Agreement.

Except as contemplated in (c) below, no Option may be exercised by an Optionee who was an Eligible Person at the time of grant of such Option unless the Optionee shall have been an Eligible Person continuously since the Option Date. Absence on leave, with the approval of the Company, shall not be considered an interruption of employment for the purpose of the Plan.

(c) Termination

All rights to exercise Options shall terminate upon the earliest of:

- (i) the expiration date of the Option;
- (ii) the 90th day after the Optionee ceases to be an Eligible Person for any reason other than death, disability or cause, the Options shall be exercisable until the greater of 12 months after the 90th day after the Optionee ceases to be an Eligible Person for any reason other than death, disability or cause;
- (iii) the 30th day after the Optionee who is engaged in Investor Relations Activities for the Company ceases to be employed to provide Investor Relations Activities;
- (iv) the date on which the Optionee ceases to be an Eligible Person by reason or termination of the Optionee as an employee or consultant of the Company for cause (which, in the case of a consultant, includes any breach of an agreement between the Company and the consultant); or
- (v) the first anniversary of the date of death of the Optionee.

(d) Re-issuance of Options

Options which are cancelled or expire prior to exercise may be re-issued under the Plan.

(e) Transferability of Option

Options are non-transferable and non-assignable.

(f) Vesting of Option Shares

The Directors may determine and impose terms upon which each Option shall become Vested in respect of Option Shares.

(g) Other Terms and Conditions

The Option Agreement may contain such other provisions as the Board deems appropriate, provided such provisions are not inconsistent with the Plan and the requirements of the Exchange.

8. **ADJUSTMENT OF AND CHANGES IN THE OPTION SHARES**

- (a) If the Common Shares are at any time to be listed or quoted on any stock exchange or stock quotation system other than the Exchange, to the extent that there are any Options which are outstanding and unexercised at the time of such application for listing, the Option Price, the aggregate number of Option Shares, the exercise period, and any other relevant terms of such Options, and the Option Agreements in relation thereto, shall be amended in accordance with the requirements of any applicable securities regulation or law or any applicable governmental or regulatory body (including the Exchange). Subject to the requirements of the Exchange, any such amendment shall be effective upon receipt of Board approval of it, and the approval of any of the shareholders of the Company or any of the Optionees is not required to give effect to such amendment.

- (b) If the Common Shares, as presently constituted, are changed into or exchanged for a different number or kind of shares or other securities of the Company or of another Company (whether by reason of merger, consolidation, amalgamation, recapitalization, reclassification, split, reverse split, combination of shares, or otherwise) or if the number of such Common Shares are increased through the payment of a stock dividend, then there shall be substituted for or added to each Option Share subject to or which may become subject to an Option under this Plan, the number and kind of shares or other securities into which each outstanding Option Share is so changed, or for which each such Option Share is exchanged, or to which each such Option Share is entitled, as the case may be. Outstanding Options under the Option Agreements shall also be appropriately amended as to price and other terms as may be necessary to reflect the foregoing events. In the event that there is any other change in the number or kind of the outstanding Common Shares or of any shares or other securities into which such Option Shares are changed, or for which they have been exchanged, then, if the Board shall, in its sole discretion, determine that such change equitably requires an adjustment in any Option theretofore granted or which may be granted under the Plan, such adjustment shall be made in accordance with such determination.
- (c) Fractional shares resulting from any adjustment in Options pursuant to this Section 8 will be cancelled. Notice of any adjustment shall be given by the Company to each holder of an Option which has been so adjusted and such adjustment (whether or not such notice is given) shall be effective and binding for all purposes of the Plan.

9. **PAYMENT**

Subject as hereinafter provided, the full purchase price for each of the Option Shares shall be paid by certified cheque in favour of the Company upon exercise thereof. An Optionee shall have none of the rights of a shareholder in respect of the Option Shares until the shares are issued to such Optionee.

10. **SECURITIES LAW REQUIREMENTS**

No Option shall be exercisable in whole or in part, nor shall the Company be obligated to issue any Option Shares pursuant to the exercise of any such Option, if such exercise and issuance would, in the opinion of counsel for the Company, constitute a breach of any applicable laws from time to time, or the rules from time to time of the Exchange. Each Option shall be subject to the further requirement that if at any time the Board determines that the listing or qualification of the Option Shares under any securities legislation or other applicable law, or the consent or approval of any governmental or other regulatory body (including the Exchange), is necessary as a condition of, or in connection with, the issue of the Option Shares hereunder, such Option may not be exercised in whole or in part unless such listing, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Board.

11. **AMENDMENT OF THE PLAN**

- (a) The Board may amend, suspend or terminate the Plan or any portion thereof at any time, but an amendment may not be made without shareholder approval if such approval is necessary to comply with any applicable regulatory requirement.
- (b) The Board shall have the power, in the event of:
- (i) any disposition of substantially all of the assets of the Company, dissolution or any merger, amalgamation or consolidation of the Company, with or into any other Company, or the merger, amalgamation or consolidation of any other Company with or into the Company; or
 - (ii) any acquisition pursuant to a public tender offer of a majority of the then issued and outstanding Common Shares;

but subject to compliance with the rules of the Exchange, to amend any outstanding Options to permit the exercise of all such Options prior to the effectiveness of any such transaction, and to terminate such Options as of such effectiveness in the case of transactions referred to in subsection (i) above, and as of the effectiveness of such tender offer or such later date as the Board may determine in the case of any transaction described in subsection (ii) above. If the Board exercises such power, all Options then outstanding and subject to such requirements shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Board prior to the effectiveness of such transaction, and such Options shall also be deemed to have terminated as provided above.

12. **Power to Terminate or Amend Plan**

Subject to the approval of any stock exchange on which the Company's securities are listed, the Board may terminate, suspend or amend the terms of the Plan; provided, that the Board may not do any of the following without obtaining, within 12 months either before or after the Board's adoption of a resolution authorizing such action, shareholder approval, and, where required, disinterested shareholder approval, or by the written consent of the holders of a majority of the securities of the Company entitled to vote:

- (a) increase the aggregate number of Common Shares which may be issued under the Plan;
- (b) materially modify the requirements as to the eligibility for participation in the Plan which would have the potential of broadening or increasing Insider participation;
- (c) add any form of financial assistance or any amendment to a financial assistance provision which is more favourable to participants under the Plan;
- (d) add a cashless exercise feature, payable in cash or securities, which does not provide for a full deduction of the number of underlying securities from the Plan reserve; and
- (e) materially increase the benefits accruing to participants under the Plan.

However, the Board may amend the terms of the Plan to comply with the requirements of any applicable regulatory authority without obtaining shareholder approval, including:

- (a) amendments of a housekeeping nature to the Plan;
- (b) a change to the vesting provisions of a security or the Plan; and
- (c) a change to the termination provisions of a security or the Plan which does not entail an extension beyond the original expiry date.

13. **SHAREHOLDER APPROVAL**

This Plan is subject to the approval of the shareholders of the Company if required pursuant to the policies of the Exchange. Any Options granted prior to such approval, if required, are conditional upon such approval being given, and no such Options may be exercised unless and until such approval, as required, is given.

MEDTRACTOR CORP.

OPTION PLAN

OPTION AGREEMENT

This Option Agreement is entered into between **MEDTRACTOR CORP.** (the "Corporation") and the Optionholder named below pursuant to the Corporation's Option Plan (the "Plan"), a copy of which is attached hereto, and confirms that:

1. On _____ (the "Grant Date");
2. _____ (the "Optionholder");
3. Was granted a non-assignable option to purchase _____ Common Shares (the "Optioned Shares") of the Corporation;
4. At a price (the "Exercise Price") of \$_____ per Optioned Share; and
5. For a term expiring at 5:00 p.m., Calgary time, on _____ (the "Expiry Date").

All on the terms and subject to the conditions set out in the Plan. By signing this agreement, the Optionholder acknowledges that he or she has read and understands the Plan.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE _____.

IN WITNESS WHEREOF the Corporation and the Optionholder have executed this Option Agreement as of _____, 20__.

MEDTRACTOR CORP.

By: _____

By: _____

Name of Optionholder

Signature of Optionholder

**MEDTRACTOR CORP.
OPTION PLAN**

NOTICE OF EXERCISE

MEDTRACTOR CORP.

Suite 1150, 707 – 7 Avenue SW
Calgary, Alberta T2P 3H6

Attention: Corporate Secretary

Reference is made to the Option Agreement made as of _____, 20____, between **MEDTRACTOR CORP.** (the “Corporation”) and the Optionholder named below. The Optionholder hereby exercises the Option to purchase Common Shares (the “Optioned Shares”) of the Corporation as follows:

Number of Optioned Shares for which Option being exercised _____

Exercise Price per Optioned Share: \$ _____

Total Exercise Price (in the form of a cheque (which need not be a certified cheque) or bank draft tendered with this Notice of Exercise): \$ _____

Name of Optionholder as it is to appear on share certificate: _____

Address of Optionholder as it is to appear on the register of Common Shares of the Corporation and to which a certificate representing the Common Shares being purchased is to be delivered: _____

Dated _____, 20____.

Name of Optionholder

Signature of Optionholder



**MedXtractor Corp.
Financial Statements
expressed in Canadian dollars**

For the year ended February 29, 2020 and the period from January 24, 2018 (date of incorporation) to February 28, 2019

Independent Auditor's Report

To the Shareholders of MedXtractor Corp.:

Opinion

We have audited the financial statements of MedXtractor Corp. (the "Company"), which comprise the statements of financial position as at February 29, 2020 and February 28, 2019, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the year ended February 29, 2020 and for the period from January 24, 2018 (date of incorporation) to February 28, 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at February 29, 2020 and February 28, 2019, and its financial performance and its cash flows for the year ended February 29, 2020 and for the period from January 24, 2018 to February 28, 2019 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Leanne Bjalek.

Calgary, Alberta

May 15, 2020

MNP LLP

Chartered Professional Accountants

MedXtractor Corp.
Statements of Financial Position
expressed in Canadian dollars
As at

	February 29, 2020	February 28, 2019
Assets		
Current		
Cash	\$ 594,492	\$ 143,489
Accounts receivable	5,255	29,980
Inventory (Note 5)	60,315	90,041
Prepaid expenses and deposits	6,769	-
	666,831	263,510
Non-current Assets		
Furniture and Equipment, net of accumulated amortization (Note 5)	2,221	822
Intangibles (Note 6)	4,791	4,840
	\$ 673,843	\$ 269,172
Total assets		
Liabilities		
Current		
Accounts payable and accruals	\$ 36,922	\$ 28,133
	36,922	28,133
Shareholders' Equity		
Share capital (Note 7)	\$ 700,659	\$ 366,002
Warrants (Note 8, 9)	42,984	-
Contributed surplus (Note 13)	186,839	132,000
Deficit	(293,561)	(256,963)
	636,921	241,039
	\$ 673,843	\$ 269,172

Subsequent event (Note 17)

Approved on behalf of the Board of Directors

“signed”

Director

“signed”

Director

The accompanying notes are an integral part of these financial statements

MedXtractor Corp.
Statements of Loss and Comprehensive Loss
expressed in Canadian dollars

For the year ended February 29, 2020 and the period for January 24, 2018 (date of incorporation) to February 28, 2019

Revenues	February 29, 2020	February 28, 2019
Sales (Note 14)	\$ 531,167	\$ 162,392
Cost of Sales	214,248	54,944
Gross margin	\$ 316,919	\$ 107,448
Expenses		
Depreciation and amortization	\$ 404	\$ 459
Advertising and promotion	65,841	60,031
Interest and bank charges	10,505	3,084
Contractors	24,365	6,000
Dues and subscriptions	275	17,944
Legal, audit, and professional	176,057	112,790
Travel, meals and entertainment	8,276	9,225
Referral fees	1,450	4,811
Research and development	10,453	2,447
Office expenses	3,380	9,067
Accounting	7,150	5,772
Rent	9,800	2,100
Stock based compensation (Note 13)	54,839	132,000
Total expenses	\$ 372,795	\$ 365,730
Other Income		
Foreign exchange gain	\$ 15,523	\$ -
Interest Income	3,755	1,319
Total other income	\$ 19,278	\$ 1,319
Net operating loss and comprehensive loss	\$ (36,598)	\$ (256,963)
Loss per share (basic and diluted)	\$ (0.00)	\$ (0.01)
Weighted average shares outstanding (basic and diluted)	22,840,638	17,170,785

The accompanying notes are an integral part of these financial statements

MedXtractor Corp.
Statements of Changes in Shareholders' Equity
expressed in Canadian dollars

For the year ended February 29, 2020 and the period for January 24, 2018 (date of incorporation) to February 28, 2019

	Share Capital (\$)	Special Warrants (\$)	Warrants (\$)	Contributed Surplus (\$)	Deficit (\$)	Shareholders' Equity (\$)
At incorporation, January 24, 2018	1	-	-	-	-	1
Share issuances (Note 7)	366,001	-	-	-	-	366,001
Stock based compensation (Note 13)	-	-	-	132,000	-	132,000
Net loss	-	-	-	-	(256,963)	(256,963)
As at February 28, 2019	366,002	-	-	132,000	(256,963)	241,039
Share issuances (Note 7)	17,000	-	-	-	-	17,000
Special warrants issuance (Note 8)	-	367,220	-	-	-	367,220
Special warrants issue costs (Note 8)	-	(6,579)	-	-	-	(6,579)
Conversion of special warrants to shares and warrants (Note 7, 8, 9)	331,722	(367,220)	42,984	-	-	7,486
Share issue costs	(14,065)	6,579	-	-	-	(7,486)
Stock based compensation (Note 13)	-	-	-	54,839	-	54,839
Net loss	-	-	-	-	(36,598)	(36,598)
As at February 29, 2020	700,659	-	42,984	186,839	(293,561)	636,921

The accompanying notes are an integral part of these financial statements

MedXtractor Corp.
Statements of Cash Flows
expressed in Canadian dollars

For the year ended February 29, 2020 and the period for January 24, 2018 (date of incorporation) to February 28, 2019

Cash provided by (used in):

	February 29, 2020	February 28, 2019
Operating activities		
Net loss	\$ (36,598)	\$ (256,963)
Depreciation and amortization	404	459
Stock based compensation (Note 13)	54,839	132,000
Change in non-cash working capital (Note 16)	73,472	(91,888)
Cash flows provided by (used in) operating activities	\$ 92,117	\$ (216,392)
Investing activities		
Purchase of furniture and equipment	\$ (1,755)	\$ (1,027)
Intangible assets (Note 6)	-	(5,093)
Cash flows provided by investing activities	(1,755)	(6,120)
Financing activities		
Issuance of common shares (Note 7)	\$ -	\$ 366,001
Issuance of special warrants, net of issue costs (Note 8)	360,641	-
Cash flows provided by financing activities	360,641	366,001
Increase in cash	451,003	143,489
Cash, beginning of year	143,489	-
Cash, end of year	\$ 594,492	\$ 143,489

The accompanying notes are an integral part of these financial statements

MedXtractor Corp.
Notes to the Financial Statements
expressed in Canadian dollars

For the year ended February 29, 2020 and the period for January 24, 2018 (date of incorporation) to February 28, 2019

1. Incorporation and operations

MedXtractor Corp. (the "Company") was incorporated on January 24, 2018 by Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (Alberta). The principal business of the Company is the sale of essential oil CO2 extraction equipment. The Company is publicly traded and listed on the Canadian Securities Exchange (CSE:MXT).

The head office and registered office of the Company is located at Suite 1150, 707 – 7th Ave. SW Calgary, Alberta T2P 3H6.

2. Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") in effect for the fiscal period beginning March 1, 2019.

These financial statements were authorized for issue in accordance with a resolution of the directors on May 15, 2020.

Going Concern

These financial statements have been prepared on a going concern basis, which assumes that the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

The financial statements do not reflect adjustments that would be necessary if the going concern basis was not appropriate. Consequently, adjustments would then be necessary to the carrying value of assets and liabilities, the reported revenues and expenses and their classifications. Such adjustments, if required, could be material.

Basis of measurement

These financial statements are stated in Canadian dollars which is the Company's functional currency and are prepared on a going concern basis, under the historical cost convention.

Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Areas where estimates are significant to the financial statements are disclosed in Note 4.

3. Significant accounting policies

Cash

Cash consists of cash held in banks denominated in both Canadian and US Dollars valued at fair value.

MedXtractor Corp.
Notes to the Financial Statements
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For the year ended February 29, 2020 and the period for January 24, 2018 (date of incorporation) to February 28, 2019

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over the estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets held by the Company relate to permits, patent application, URL website address and all intellectual rights, with an estimated useful life of 20 years. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets - Research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and,
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above.

Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

Inventory

Inventories are valued at the lower of costs and net realizable value determined on a first-in, first-out basis.

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Furniture and Equipment

Furniture and equipment are recorded at historical cost. Depreciation is recognized on a straight-line basis over five years, which represents the estimated useful lives of the assets. Depreciation rates, estimated lives and salvage values are reassessed annually.

Share-based payments

The Company applies a fair value based method of accounting for all share-based payments. Employee and director stock options are measured at their fair value of each tranche on the grant date and recognized over its respective vesting period. Non-employee stock options are measured based on the service provided to the reporting date and at their then-current fair values. The cost of stock options is presented as share-based payment expense when applicable with a corresponding credit to contributed surplus. On the exercise of stock options share capital is credited for consideration received and for fair value amounts previously credited to contributed surplus. The Company uses the Black-Scholes option pricing model to estimate the fair value of share-based payments.

Taxes

Tax expense comprises current and deferred tax. Tax is recognized in the statement of comprehensive loss except to the extent it relates to items recognized in other comprehensive income or directly in equity.

Current tax

Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred taxes are the taxes expected to be payable or recoverable on differences between the carrying amounts of assets in the statement of financial position and their corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences between the carrying amounts of assets and their corresponding tax bases. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets in a transaction that affects neither the taxable profit nor the accounting profit.

Financial instruments

Classification and Measurement of Financial Instruments

The Company measures its financial assets and financial liabilities at fair value on initial recognition, which is typically the transaction price unless a financial instrument contains a significant financing component. Subsequent measurement is dependent on the financial instrument's classification which in the case of financial assets, is determined by the context of the Company's business model and the contractual cash flow characteristics of the financial asset. Financial assets are classified into two categories: (1) measured at amortized cost and (2) fair value through profit and loss ("FVTPL"). Financial liabilities are subsequently measured at amortized cost, other than financial liabilities that are measured at FVTPL or designated as FVTPL where any change in fair value resulting from an entity's own credit risk is recorded as other comprehensive income ("OCI").

MedXtractor Corp.
Notes to the Financial Statements
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Amortized Cost

The Company classifies its accounts receivable and accounts payable and accruals as measured at amortized cost. The contractual cash flows received from the financial assets are solely payments of principal and interest and are held within a business model whose objective is to collect the contractual cash flows. These financial assets and financial liabilities are subsequently measured at amortized cost using the effective interest method.

FVTPL

The Company classifies its cash as measured at FVTPL. Financial assets and liabilities classified as FVTPL are subsequently measured at fair value with changes in fair value charged immediately to the consolidated statements of income and comprehensive income. The adoption of IFRS 9 did not change the classification of the Company's financial assets or financial liabilities.

Impairment of Financial Assets

IFRS 9 introduces a new model for the measurement of impairment of financial assets based on expected credit losses which replaces the incurred losses impairment model applied under IAS 39. Under this new model, the Company's accounts receivable are considered collectible within one year or less; therefore, these financial assets are not considered to have a significant financing component and a lifetime expected credit loss ("ECL") is measured at the date of initial recognition of the trade and other receivable.

The Company's accounts receivable are subject to the expected credit loss model under IFRS 9. For the accounts receivable, the Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires the use of the lifetime expected loss provision for all trade receivables. In estimating the lifetime expected loss provision, the Company considered historical industry default rates as well as credit ratings of major customers.

Impairment of Non-financial Assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the CGU). The recoverable amount of an asset or a CGU is the greater of its value in use and its fair value less costs to sell.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Value in use is generally computed by reference to the present value of the future cash flows expected to be derived from production of proved and probable reserves.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGU's are allocated to carrying amounts of the assets in the CGU on a pro rata basis.

Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depletion and depreciation or amortization, if no impairment loss had been recognized.

Revenue recognition

Revenue is recognized in a manner that depicts the transfer of promised goods or services to a customer and at an amount that reflects the consideration expected to be received in exchange for transferring those goods or services.

MedXtractor Corp.
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This is achieved by applying the following five steps: (i) identify the contract with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation. Typically, revenue is recognized on shipment of product as specified by a customer's order and customer payment is reasonably assured.

Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects. Shares issued for consideration other than cash are valued at the quoted market price on the date the agreement to issue the shares was reached.

Other equity instruments

Warrants and special warrants are classified as equity. Incremental costs directly attributable to the issue of warrants and special warrants are recognized as a deduction from equity, net of any tax effects.

Loss per share

Loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period. Diluted per share calculations reflect the exercise or conversion of potentially dilutive securities or other contracts to issue shares at the later of the date of grant of such securities or the beginning of the period.

Leases - New accounting standards adopted March 1, 2019

In January 2016, the IASB issued IFRS 16 Leases, which requires lessees to recognize all leases on the statement of Financial Position. IFRS 16 is effective for annual periods beginning on or after January 1, 2019 with earlier application permitted for companies that also applies IFRS 15 Revenue from Contracts with Customers.

On March 1, 2019, the Company adopted IFRS 16 Leases, which requires the Company to recognize a Right Of Use "ROU" asset and lease liability on the statement of financial position, for all contracts that contain a lease. The Company adopted IFRS 16 using the modified retrospective approach, and therefore comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4. There was no impact of the standard on its financial statements as manufacturing leased space is on a month-to-month basis.

4. Significant accounting estimates and assumptions

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes can differ from these estimates.

Estimates

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the financial statements are:

Fair value of financial instruments

The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainty.

MedXtractor Corp.
Notes to the Financial Statements
expressed in Canadian dollars

For the year ended February 29, 2020 and the period for January 24, 2018 (date of incorporation) to February 28, 2019

Taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Stock based payment transactions

The Company measures the cost of equity-settled share-based transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility, forfeiture rate, risk-free rate and dividend yield and making assumptions about them.

Judgements

The key areas of judgment that have a significant risk of causing material adjustment to the amounts recognized in the financial statements are:

Impairment of non-financial assets

The determination of whether indicators of impairment exist and the aggregation of assets into cash-generating units ("CGU's") based on their ability to generate independent cash flows are subject to management's judgment. The recoverable amounts used for impairment calculations require estimates of future cash flows related to the assets or CGU's and estimates of discount rates applied to these cash flows.

Taxes

The Company recognizes deferred tax assets to the extent that it is probable that future taxable profits will be available to utilize the Company's deductible temporary differences which are based on management's judgement on the degree of future taxable profits. To the extent that future taxable profits differ significantly from the estimates impacts the amount of the deferred tax assets management judges is probable.

Financial instruments

The Company is required to classify its various financial instruments into certain categories for the financial instruments' initial and subsequent measurement. This classification is based on management's judgement as to the purpose of the financial instrument and to which category is most applicable.

5. Inventory

Inventory consists of:	February 29, 2020	February 28, 2019
Raw Material	\$ 47,376	\$ 90,041
Sub Assembly	2,025	-
Finished goods	10,914	-
Total	\$ 60,315	\$ 90,041

During the period ended February 29, 2020, the Company expensed \$179,098 (February 28, 2019 - \$43,292) of inventory which is included in cost of sales.

MedXtractor Corp.
Notes to the Financial Statements
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6. Intangibles

	Patents	
	February 29, 2020	February 28, 2019
Intangible assets, cost	\$ 5,094	\$ 5,094
Accumulated amortization	(303)	(254)
Intangible assets, net of accumulated amortization	\$ 4,791	\$ 4,840

On February 22, 2018 the Company acquired intangible assets including Canadian and US patent applications, of which the US patent is now granted, URL website address, and all intellectual rights relating to the cannabis oil extraction technology. The Corporation issued 5,000,000 common shares for an aggregate of \$1, the carrying-value of the intangible assets at the time. The intangible assets were acquired from the President, Director and then sole Shareholder of the Company as part of a common control transaction (Note 15).

7. Share capital

Authorized:

- Unlimited number of voting Common Shares without par value
- Unlimited number of non-voting Preferred shares issuable in series without par value

Issued: Common Shares

	Number of Shares	\$
Issued on incorporation	100	1
Issued for cash	15,700,000	366,000
Issued for intangibles (note 6)	5,000,000	1
As at February 28, 2019	20,700,100	366,002
Issued for settlement of debt	362,500	17,000
Issued on conversion of special warrants	4,590,250	325,095
Issued to finders on conversion of special warrants	93,575	6,627
Issue costs – finders fees and units issued	-	(14,065)
As at February 29, 2020	25,746,425	700,659

At incorporation, the Company issued 100 common shares at a price of \$0.01 per share for total proceeds of \$1.

On February 22, 2018, the Company issued 5,000,000 common shares of the Company in exchange for intangible assets purchased from a related party (Note 6) at a notional exchange value of \$1 representing the carrying-value of the intangible assets.

During the period ended February 28, 2019, the Company issued 13,100,000 and 2,600,000 common shares of the Company at prices of \$0.02 and \$0.04, respectively, per common share for total proceeds of \$366,000.

On April 2, 2019 the Company issued 300,000 common shares as settlement of accounts payable, consisting of 100,000 common shares at \$0.02, 100,000 common shares at \$0.04 and 100,000 common shares at \$0.06, for aggregate deemed proceeds of \$12,000 on issue of shares.

On July 31, 2019 the Company issued 62,500 common shares as settlement of accounts payable, at \$0.08 per common share, for deemed proceeds of \$5,000 on issue of shares.

MedXtractor Corp.
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For the year ended February 29, 2020 and the period for January 24, 2018 (date of incorporation) to February 28, 2019

On October 9, 2019 the Alberta Securities Commission issued a receipt for the Company's final prospectus which results in the conversion of the special warrants to common shares and warrants as discussed in Notes 8 and 9. On October 10, 2019 4,683,825 common shares were issued (4,590,250 to investors and 93,575 to finders) at an estimated fair value of \$0.07 per common share.

8. Special Warrants

On July 24, 2019 the Company issued 4,590,250 special warrants at \$0.08 per special warrant, for gross proceeds of \$367,220. The special warrants automatically convert into units and will be deemed to have been exercised and converted without any further action on the part of the holder on the earliest of:

- i) the first business day following the date of which a receipt for a final prospectus has been issued by the securities regulatory authorities in a Province of Canada; or
- ii) 365 days following the date of issuance of the special warrants.

On conversion, each unit shall consist of one common share and one common share purchase warrant exercisable into one common share at an exercise price of \$0.20 for one year from conversion.

Additionally, the Company paid \$6,579 in finders fees and issued 93,575 special warrants to certain finders who assisted in raising funds.

On October 9, 2019, the Alberta Securities Commission issued a receipt for the Company's final prospectus which resulted in the conversion of the special warrants to common shares and warrants as discussed in Notes 7 and 9.

9. Warrants

On October 9, 2019, the Alberta Securities Commission issued a receipt for the Company's final prospectus which resulted in the conversion of the special warrants to common shares and warrants. 4,590,250 warrants were issued to investors and 93,575 warrants were issued to finders where each warrant is exercisable into one common share at an exercise price of \$0.20, expiring October 10, 2020. The fair value estimate of \$42,984 of the 4,683,825 warrants was calculated using the Black-Scholes option pricing model. The assumptions for this calculation were a risk free interest rate of 1.49%, expected life of 1 year and expected volatility of 91%.

Warrants	Number of warrants outstanding	Value	Exercise price	Weighted average life (in years)
As at February 28, 2019	-	\$ -		
October 10, 2019 Issued to Investors	4,590,250	42,125	\$0.20	0.61
October 10, 2019 Issued to Finders	93,575	859	\$0.20	0.61
As at February 29, 2020	4,683,825	\$ 42,984	\$0.20	0.61

MedXtractor Corp.
Notes to the Financial Statements
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For the year ended February 29, 2020 and the period for January 24, 2018 (date of incorporation) to February 28, 2019

10. Income taxes

The tax provision recorded in the financial statements differs from the amount computed by applying the combined Canadian federal and provincial income tax statutory rates to loss before tax as follows:

	2020	2019
Loss before tax	\$ (36,598)	\$ (256,963)
Statutory income tax rate (%)	26.34%	27%
Expected tax recovery at statutory rate	(9,640)	(69,380)
Increase (decrease) in taxes resulting from:		
Non-deductible items	14,444	35,640
Change in enacted tax rates	4,999	-
Deferred tax benefits recognized (not recognized)	(9,803)	33,740
Income tax provision	\$ -	\$ -

Details of deferred tax assets (liabilities) are as follows:

Furniture, equipment and intangibles	\$ (29)	\$ -
Non-capital losses	29	-
Total deductible temporary differences	\$ -	\$ -

The Company has not recognized a deferred tax asset in respect of the following deductible temporary differences:

Furniture, equipment and intangibles	\$ -	\$ 459
Share issuance cost	5,263	-
Non-capital losses	108,038	124,504
Total deductible temporary differences	\$ 113,301	\$ 124,963

As at February 29, 2020, the Company has not recognized a deferred tax asset in respect of an estimated non-capital loss carry-forward balance of \$108,166 available to reduce future years' income for Canadian tax purposes. These losses, if not fully utilized, will expire in 2039.

Deferred tax assets are recorded only to the extent that future taxable income will be available against which the deferred can be offset. Management estimates future income using forecasts based on the best available current information. Based on the current estimates, no deferred tax asset has been recorded.

11. Capital disclosures

The Company's capital consists of share capital. The Company's objective for managing capital is to maintain sufficient capital to advance its technology and create operating profits.

The Company sets the amount of capital in relation to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are:

- i. to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and,
- ii. to maintain investor, creditor and market confidence in order to sustain the future development of the business.

MedXtractor Corp.
Notes to the Financial Statements
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For the year ended February 29, 2020 and the period for January 24, 2018 (date of incorporation) to February 28, 2019

The Company is not subject to any externally or internally imposed capital requirements at period-end.

12. Financial instruments

The Company, as part of its operations, carries financial instruments consisting of cash, accounts receivable, and accounts payable and accruals. It is management's opinion that the Company is not exposed to significant credit, interest, or currency risks arising from these financial instruments except as otherwise disclosed.

Fair value

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.
- Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
- Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The fair value of cash is determined on level 1 inputs. The carrying amount of cash, accounts receivable, and account payable and accruals approximates its fair value due to the short-term maturities of these items.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at February 29, 2020, the Company had a cash balance of \$594,492 to pay liabilities of \$36,922.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

- i. Interest rate risk
The Company has cash balances and no interest-bearing debt.
- ii. Foreign currency risk
As at February 29, 2020, the Company has \$63,603 in cash denominated in US Dollars foreign currency.
- iii. Commodity risk
The Company is not exposed to commodity price risk.

13. Stock Option Plan

The Company has a stock option plan for its officers, directors, employees and consultants. The maximum number of common shares issuable under the Plan cannot exceed 10% of the Company's issued and outstanding common shares.

MedXtractor Corp.
Notes to the Financial Statements
expressed in Canadian dollars

For the year ended February 29, 2020 and the period for January 24, 2018 (date of incorporation) to February 28, 2019

Stock Options	Number of options outstanding and exercisable	Weighted average exercise price	Weighted average life (in years)
March 14, 2018 Grant	1,500,000	\$0.10	5.00
As at February 28, 2019	1,500,000	\$0.10	4.04
Modification – March 21, 2019	(1,500,000)	\$0.10	
Grant - March 21, 2019	1,725,000	\$0.08	4.06
Grant - April 1, 2019	375,000	\$0.08	4.09
Grant - October 9, 2019	375,000	\$0.08	4.61
Forfeited – November 1, 2019	(375,000)	\$0.08	
As at February 29, 2020	2,100,000	\$0.08	4.16

On March 14, 2018, the Company granted 1,500,000 common share purchase options to directors of the Corporation. The stock options are exercisable at a price of \$0.10 per share, expire in five years and the options will vest immediately at the date of grant. The fair value of the 1,500,000 stock options granted on March 14, 2018 is \$0.088 per option, calculated at the grant date using the Black-Scholes option pricing model. The assumptions for this calculation were a risk free interest rate of 1.79%, expected life of 5 years and expected volatility of 137%.

On March 21, 2019, the Company and optionees agreed to modify the 1,500,000 common shares purchase options previously issued to directors of the Corporation. The modified stock options are now exercisable at a price of \$0.08 per share, expire in five years and the options vested immediately at the date of grant. The fair value of the modified stock options granted on March 21, 2019 is \$0.03 per option, calculated at the grant date using the Black-Scholes option pricing model. The assumptions for this calculation were a risk free interest rate of 1.59%, expected life of 5 years and expected volatility of 128%. As a result of the modified options there was an additional stock based compensation expense of \$10,852.

On March 21, 2019, the Company granted 375,000 common share purchase options to an officer of the Corporation. The stock options are exercisable at a price of \$0.08 per share, expire in five years and the options will vest immediately at the date of grant. The fair value of the 375,000 stock options granted on March 21, 2019 is \$0.03 per option, calculated at the grant date using the Black-Scholes option pricing model. The assumptions for this calculation were a risk free interest rate of 1.59%, expected life of 5 years and expected volatility of 128%. This resulted in stock based compensation expense of \$11,941.

On April 1, 2019, the Company granted 375,000 common share purchase options to an officer of the Corporation. The stock options are exercisable at a price of \$0.08 per share, expire in five years and the options will vest immediately at the date of grant. The fair value of the 375,000 stock options granted on April 1, 2019 is \$0.8 per option, calculated at the grant date using the Black-Scholes option pricing model. The assumptions for this calculation were a risk free interest rate of 1.59%, expected life of 5 years and expected volatility of 128%. This resulted in stock based compensation expense of \$11,917.

On October 9, 2019, the Company granted 375,000 common share purchase options to a director of the Corporation. The stock options are exercisable at a price of \$0.08 per share, expire in five years and the options will vest immediately at the date of grant. The fair value of the 375,000 stock options granted on October 9, 2019 is \$0.05 per option, calculated at the grant date using the Black-Scholes option pricing model. The assumptions for this calculation were a risk free interest rate of 1.59%, expected life of 5 years and expected volatility of 108%. This resulted in stock based compensation expense of \$20,129.

MedXtractor Corp.
Notes to the Financial Statements
expressed in Canadian dollars

For the year ended February 29, 2020 and the period for January 24, 2018 (date of incorporation) to February 28, 2019

14. Segmented Information

Revenues are predominantly to International customers with \$367,124 for the year ended February 29, 2020 (Period ended February 28, 2019 - \$56,555).

15. Related Party Transactions

On February 22, 2018 the Company acquired intangible assets including patent application, URL website address, and all intellectual rights relating to the cannabis oil extraction technology. The Corporation issued 5,000,000 common shares for an aggregate of \$1, the carrying-value of the intangible assets at the time. The intangible assets were acquired from the President, Director and then sole Shareholder of the Company.

Key Management Personnel

The Company has determined that the key management personnel of the Company consists of its officers and directors. The following table provides information on compensation expense related to officers and directors.

	February 29, 2020		February 28, 2019
Wages, consulting fees and benefits	44,935	\$	25,000
Stock based compensation expense	54,839		132,000
Total	99,774	\$	157,000

16. Changes in non-cash working capital

	February 29, 2020		February 28, 2019
Accounts receivable	\$ 24,725	\$	(29,980)
Inventory	29,726		(90,041)
Prepaid expenses and deposits	(6,769)		-
Accounts payable and accruals	25,790		28,133
Changes in non-cash working capital	\$ 73,472	\$	(91,888)

17. Subsequent event

Subsequent to year-end, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause reduced customer demand, supply chain disruptions, and increased government regulations, all of which may negatively impact the Company's business and financial condition.



MedXtractor Corp.
Management Discussion and Analysis
For the year ended February 29, 2020

MedXtractor Corp.
Management Discussion and Analysis
For the year ended February 29, 2020

This management's discussion and analysis ("**MD&A**") of **MedXtractor Corp.** (the "Company" or the "Corporation" or "MedX") contains an analysis of the Company's operational and financial results for the year ended February 29, 2020. This MD&A has been prepared by management as of May 15, 2020 and has been approved by the Company's Board of Directors. This MD&A should be read in conjunction with the Company's audited financial statements and related notes for the year ended February 29, 2020 and the period from January 24, 2018 (date of incorporation) to February 28, 2019 which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

All dollar amounts referred to in this MD&A are expressed in Canadian dollars except where indicated otherwise. The Company's most recent filings are available under the Company's profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and can be accessed through the internet at www.sedar.com.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains "forward-looking information" within the meaning of Canadian securities legislation concerning the business, operations and financial performance and condition of the Company. Statements containing forward-looking information include, but are not limited to, statements with respect to anticipated developments in the Company's operations in future periods; planned activities; the adequacy of the Company's financial resources and other events or conditions that may occur in the future; the ability of the Company to create value for its shareholders; the ability of the Company to meet expected financing requirements. Generally, statements containing forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved". Statements containing forward-looking information are based on the opinions and estimates of management as of the date such statements are made, and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such statements, including but not limited to risks related to: current global financial conditions; the need for additional financing and its availability on acceptable terms; the speculative nature of the cannabis industry; the ability to satisfy the financial needs required to maintain the Company's status as a going concern; the early stage of the Company's operations; the Company's need to rely on technical experts, which may not be available; future dilution to existing shareholders; certain uninsured or uninsurable risks; adverse effects on share prices from factors beyond the Company's control; as well as other factors discussed herein. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those expected in statements containing forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended.

There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information that is included herein, except in accordance with applicable securities laws.

The Business

MedX is a technology and marketing public company, incorporated on January 24, 2018 and has its head office in Calgary, Alberta, Canada. MedX is focused on the commercialization of its line of general purpose essential oil extractors. There are three capacities of extractor currently available; 2oz, 5oz and 16oz. MedX began sales in June 2018 and has installations in multiple countries worldwide. The extractors are designed and built in Calgary, Canada for which MedX holds a US patent as well as a Canadian patent-pending. MedX's technology allows for the extraction of essential oils and other compounds from a variety of botanical feedstock using carbon dioxide ("CO₂") as the extraction solvent. MedX believes that CO₂-based extraction provides the purest raw extracts available. Current demand is from the medical cannabis grower as consumption methods move away from smoking flower toward vaping, tinctures and edibles - all of which require extracts as a base. MedX technology is 100% owned by MedX and there are no royalties or payments of any kind payable to any party anywhere in the world.

The Company's first public trading date was October 24, 2019, listed on the Canadian Securities Exchange (CSE:MXT).

Corporate Developments, Business Initiative

On October 8, 2019, MedX filed a non-offering Prospectus ("Prospectus") with the Alberta Securities Commission ("ASC") and the British Columbia Securities Commissions for the purpose of allowing MedX to become eligible for listing pursuant to Section 1.2(a) of Policy 2 of the Policies and Procedures of the Canadian Securities Exchange (the "CSE") and to become a reporting issuer in those jurisdictions and to enable the Company to develop an additional organized market for its common shares ("Common Shares" or "Shares") and to qualify for distribution of the Special Warrants (defined hereafter) and the securities underlying them.

On October 9, 2019, 4,590,250 Special Warrants and 93,575 Special Finders Warrants converted to Units (as described below). MedX received from the ASC a receipt for the Prospectus, which under the terms of the Private Placement triggers the conversion of Special Warrants into Units (as described below).

On July 24, 2019, MedX closed a Private Placement for gross proceeds of \$367,220 and issued 4,590,250 Special Warrants at a price of \$0.08 per Special Warrant. The Special Warrants automatically converted into units ("Units") of MedX and will be deemed to have been exercised and converted without any further action on the part of the Holder or the payment of additional consideration on the earliest of: (i) the first business day following the date on which a receipt for a final prospectus has been issued to the Company by the securities regulatory authorities in a Province of Canada; or (ii) the 365th day following the date of issuance of the Special Warrants. On conversion, each Unit shall consist of one Common Share of the Company and one warrant ("Warrant"). Each Warrant is exercisable into one Common Share of the Company upon payment to the Company of \$0.20 on or before the date that is 12 months from the conversion date of the Special Warrants. In addition, the Company issued 93,575 Special Warrants to certain finders who assisted the Company in raising funds under the Private Placement. The terms of the Special Finders Warrants are identical to the Special Warrants. The Special Warrants, Special Finder Warrants and the Common Shares underlying them are qualified for distribution by the Prospectus.

On October 9, 2019, the Special Warrants issued on July 24, 2019 automatically converted into units ("Units") of MedX and were deemed to have been exercised and converted without any further action on the part of the Holder or the payment of additional consideration on October 9, 2019, the first business day following the ASC receipt for a final Prospectus. On conversion, each Unit consists of one Common Share of the Company and one warrant ("Warrant"). Each Warrant is exercisable into one Common Share of the Company upon payment to the Company of \$0.20 on or before the date that is 12 months from the conversion date of the Special Warrants. In addition, the Company issued 93,575 Special Warrants to certain finders who assisted the Company in raising funds under the Private Placement. The terms of the Special Finders Warrants are identical

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to the Special Warrants. The Special Warrants, Special Finder Warrants and the Common Shares underlying them are qualified for distribution by the Prospectus.

Operating Performance and Outlook

Selected Annual Information

The following table sets forth selected financial information of the Company for the year ended February 29, 2020 and the period from incorporation to February 28, 2019.

	February 29, 2020	February 28, 2019
Revenue	\$ 531,167	\$ 162,392
Loss for the period	(36,598)	(256,963)
Loss per share, basic and diluted	(0.00)	(0.01)
Total assets	673,843	269,172

Results of Operations

The following table sets forth detailed financial information of the Company for the year ended February 29, 2020 and the period from January 24, 2018 (date of incorporation) to February 28, 2019.

	February 29, 2020	February 28, 2019
Revenue		
Sales	\$ 531,167	\$ 162,392
Cost of sales	214,248	54,944
Gross margin	\$ 316,919	\$ 107,448
Expenses		
Depreciation and amortization	\$ 404	\$ 459
Advertising and promotion	65,841	60,031
Interest and bank charges	10,505	3,084
Contractors	24,365	6,000
Dues and subscriptions	275	17,944
Legal audit, and professional	176,057	112,790
Travel, meals and entertainment	8,276	9,225
Referral fees	1,450	4,811
Research and development	10,453	2,447
Office expenses	3,380	9,067
Accounting	7,150	5,772
Rent	9,800	2,100
Stock based compensation	54,839	132,000
Total expenses	\$ 372,795	\$ 365,730
Other Income		
Foreign exchange gain	\$ 15,523	\$ -
Interest	3,755	1,319
Net operating loss	\$ (36,598)	\$ (256,963)

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\$367,124 or 67% of revenues are from International customers for the year ended February 29, 2020. Cost of Sales include direct costs of manufactured products and assembly.

Advertising and promotion – includes costs for website development, digital and print advertising and promotion.

Legal, audit, and professional – includes year end financial statement independent audit costs and review engagement for the quarter ended May 31, 2019 as well as legal costs associated with the Special Warrant private placement and Prospectus filing, conversion of Special Warrants, issuance of Common Shares and Warrants, and public listing. The prior period included incorporation legal costs and initial public listing legal costs.

Stock based compensation - On March 14, 2018, the Company granted 1,500,000 common share purchase options to directors of the Corporation. The stock options were exercisable at a price of \$0.10 per share, expire in five years and the options vested immediately at the date of grant. The \$132,000 fair value of the 1,500,000 stock options granted on March 14, 2018 is \$0.088 per option, calculated at the grant date using the Black-Scholes option pricing model. The assumptions for this calculation were a risk-free interest rate of 1.79%, expected life of 5 years and expected volatility of 137%.

On March 21, 2019, the Company and optionees agreed to modify the 1,500,000 common shares purchase options previously issued to directors of the Corporation. The modified stock options are now exercisable at a price of \$0.08 per share, expire in five years and the options vested immediately at the date of grant. The fair value of the modified stock options granted on March 21, 2019 is \$0.03 per option, calculated at the grant date using the Black-Scholes option pricing model. The assumptions for this calculation were a risk free interest rate of 1.59%, expected life of 5 years and expected volatility of 128%. As a result of the modified options there was an additional stock based compensation expense of \$10,852.

On March 21, 2019, the Company granted 375,000 common share purchase options to an officer of the Corporation. The stock options are exercisable at a price of \$0.08 per share, expire in five years and the options will vest immediately at the date of grant. The fair value of the 375,000 stock options granted on March 21, 2019 is \$0.03 per option, calculated at the grant date using the Black-Scholes option pricing model. The assumptions for this calculation were a risk free interest rate of 1.59%, expected life of 5 years and expected volatility of 128%. This resulted in stock based compensation expense of \$11,941.

On April 1, 2019, the Company granted 375,000 common share purchase options to an officer of the Corporation. The stock options are exercisable at a price of \$0.08 per share, expire in five years and the options will vest immediately at the date of grant. The fair value of the 375,000 stock options granted on April 1, 2019 is \$0.03 per option, calculated at the grant date using the Black-Scholes option pricing model. The assumptions for this calculation were a risk free interest rate of 1.59%, expected life of 5 years and expected volatility of 128%. This resulted in stock based compensation expense of \$11,917.

On October 9, 2019, the Company granted 375,000 common share purchase options to a director of the Corporation. The stock options are exercisable at a price of \$0.08 per share, expire in five years and the options will vest immediately at the date of grant. The fair value of the 375,000 stock options granted on October 9, 2019 is \$0.05 per option, calculated at the grant date using the Black-Scholes option pricing model. The assumptions for this calculation were a risk free interest rate of 1.59%, expected life of 5 years and expected volatility of 108%. This resulted in stock based compensation expense of \$20,129.

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Summary of Quarterly Results

	Feb. 29, 2020	Nov. 30, 2019	Aug. 31, 2019	May 31, 2019	Feb. 28, 2019	Nov. 30, 2018	Aug. 31, 2018	May 31, 2018
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	139,352	191,509	106,069	94,237	72,582	50,932	38,818	60
Cost of Sales	55,877	71,489	39,958	46,924	27,713	13,623	13,577	30
Gross Profit	83,475	120,020	66,111	47,313	44,869	37,309	25,241	30
Expenses (cash)	99,333	88,958	91,413	37,848	80,491	76,974	32,686	43,117
Expenses (non-cash)	6,551	19,400	-	29,292	459	-	-	132,000
Other income	16,887	1,499	667	225	277	407	247	388
Income (loss)	(5,522)	13,161	(24,635)	(19,602)	(35,804)	(39,258)	(7,202)	(174,699)
Net loss per share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)
Total assets	673,843	640,513	630,057	271,315	269,172	281,331	195,900	195,214
Total long term liabilities	-	-	-	-	-	-	-	-
Cash dividend per share	-	-	--	-	-	-	-	-
Shares outstanding	25,746,425	25,746,425	21,062,600	20,700,100	20,700,100	20,700,100	15,000,100	15,000,100

The fluctuation in sales, cost of sales and gross margin is primarily due to the startup nature of the Issuer. During the startup period many marketing approaches were tested and numerous mechanical design configuration changes were done to increase extractor performance. Gross margins have varied, influenced as well by foreign currency changes, discounting and sales mix changes.

During the quarter ended November 30, 2019 MedX had its highest revenue levels of \$191,509. The significant increase in sales revenues are primarily due to seasonal harvest demand and the trend has subsequently normalized in Q4 2020. This said, the combination of US Federal Hemp/CBD legalization, medical demand for extract purity due to the vape diluent issue and general demand for small-scale CO2-based extractors from the craft medical horizontal, is expected to support increasing organic growth going forward. With greater than 70% of sales now originating internationally, our growth prospects are worldwide and independent of the Canadian market.

Liquidity and Capital Resources

At February 29, 2020, the company had working capital of \$629,909 (February 28, 2019 - \$235,377) including cash of \$594,492.

The Company's objective when managing capital is to maintain the confidence of shareholders and investors in the implementation of its business plans by maintaining sufficient levels of liquidity to fund and support its development as well as other corporate activities. The Company's capital historically has been derived from the issuance of equity. Management monitors its financial position on an ongoing basis.

Financial statements have been prepared on a going concern basis which assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company is authorized to issue an unlimited number of common shares without par value.

Off Balance Sheet Arrangements

The Company is not a party to any off balance sheet arrangements or transactions.

Changes in Accounting Policies

In January 2016, the IASB issued IFRS 16 Leases, which requires lessees to recognize all leases on the statement of Financial Position. IFRS 16 is effective for annual periods beginning on or after January 1, 2019 with earlier application permitted for companies that also applies IFRS 15 Revenue from Contracts with Customers. The Company has adopted the new standard on March 1, 2019 without impact to its financial statements as manufacturing space is leased on a month-to-month basis.

Financial Instruments

The Company, as part of its operations, carries financial instruments consisting of cash, accounts receivable, and accounts payable and accruals. It is management's opinion that the Company is not exposed to significant credit, interest, or currency risks arising from these financial instruments.

Other MD&A Requirements

Outstanding Share Data

The Company's authorized share capital consists of an unlimited number of common shares without par value.

Equity instruments issued and outstanding:

	February 29, 2020	February 28 2019
Common shares	25,746,425	20,700,100
Warrants and Finders Warrants(1)	4,683,825	-
Stock Options	2,100,000	1,500,000
Fully Diluted	32,530,250	22,200,100

(1) Warrants and Finders Warrants are exercisable into one Common Share upon payment to the Company of \$0.20 on or before October 9, 2020.

Related Party transactions

On February 22, 2018, the Company acquired intangible assets including Canadian and US patent applications, of which the US patent is now granted, URL website address, and all intellectual rights relating to the cannabis oil extraction technology. The Corporation issued 5,000,000 common shares. The transaction was recorded at an aggregate of \$1, the carrying-value of the intangible assets at the time. The intangible assets were acquired from the President, Director and then sole Shareholder of the Company.

The Company has determined that the key management personnel of the Company consists of its officers and directors. The following table provides information on compensation expense related to officers and directors.

	February 29, 2020	February 28, 2019
Wages, consulting fees and benefits	\$ 44,935	\$ 25,000
Stock based compensation expense	54,839	132,000
Total	\$ 99,774	\$ 157,000

Proposed Transactions

None

Subsequent Events

Subsequent to year-end, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause reduced customer demand, supply chain disruptions, and increased government regulations, all of which may negatively impact the Company's business and financial condition.

Risk Factors

Industry Risks

The Corporation faces competition in the market from larger more established companies in the cannabis technology industry that offer a wider array of products. These competitors will make it difficult for us to offer competing products and grow our business.

We will be competing with the producers of other products and competition in the cannabis technology industry that will limit the availability of channels required for the successful distribution of our products. Our products may be competing directly with other products and indirectly with other forms of CO2 extractors and other types of extractors. We may not be able to compete successfully against our future competitors and competition could have a material adverse effect on our business, results of operations and financial condition. Our potential competitors may develop superior products and services that achieve greater market acceptance than ours. Accordingly, failure of our marketing campaign will result in the failure of the business.

Industry changes may have a negative impact on our operations

The extraction business, in general, is undergoing significant changes, primarily due to technological developments. These developments have resulted in the availability of alternative forms of extractors. It is impossible to accurately predict the effect that these and other new technological developments may have on the extraction industry. These uncertainties as well as others outlined herein may have a negative impact on our operations and could result in the complete failure of our business.

Our success depends on our ability to develop products and sell them directly through our website and indirectly through distribution channels. The inability to establish an effective website and distribution channels, may severely limit our growth prospects.

Our business success is completely dependent on our ability to develop products and secure direct and indirect distribution channels. Revenues derived therefrom represent vital funds for our continued operations. The loss or damage of any of our business relationships and or revenues derived therefore will result in the inability to market and produce our products.

Our success may be dependent on foreign markets

Foreign and ancillary markets are expected to generate the majority of our revenues from the medical and recreational cannabis industries. Neither foreign nor ancillary markets provide a guarantee of revenue. Many markets may never legalize the consumption of recreational cannabis, which limits the demand for our CO2 Extractors. Also, licensing in a foreign markets may be dependent upon performance in home markets and if one of our CO2 Extractor is not a success or if, for any reason, it is not well-received by the public, it may be a financial failure.

Foreign rules and regulations may have an adverse impact on our operations

Some foreign countries may impose government regulations on the distribution of our products. Also revenues derived from the distribution of our products in foreign countries, if any, may be subject to currency controls and other restrictions that may temporarily or permanently prevent our ability to receive or account for such revenue. To the extent that we have made the economic decision to pursue a particular project based upon foreign distribution, our operations may suffer.

US Related Risk Factors

Marijuana remains illegal under U.S. federal law and the approach to enforcement of U.S. federal laws against marijuana is subject to change. Management is not aware of any State or Federal laws or regulation specifically related to the use of the Corporation's CO2 extractors for the extraction of cannabinoids from marijuana. Furthermore, purchasers of the Corporation's extractors are required to confirm they are of legal age in their jurisdiction, will not use the purchased product(s) for illegal activities, and will comply with local laws and regulations. However, notwithstanding such approach, it could be that federal and/or State laws could be interpreted in a way that results in adverse enforcement action resulting in a direct negative effect on the Corporation's sales in the U.S. and such negative effect could cause the Corporation to fail and investors could lose all of their investment. The Corporation's marijuana-related activities (i.e., selling extractors that could be used to extract cannabinoids from marijuana) target the medical segment of the overall marijuana market. Unlike in Canada which has federal legislation uniformly governing the cultivation, distribution, sale, and possession of medical cannabis under the ACMPR, investors are cautioned that in the United States, cannabis is largely regulated at the state level. But it should be noted that in spite of the permissive regulatory environment of medical cannabis in many states within the United States, cannabis continues to be categorized as a controlled substance under the US federal Controlled Substances Act and as such, violates federal law in the United States. The United States Congress has passed appropriation bills each of the last three years that have not appropriated funds for prosecution of cannabis offenses of individuals who are in compliance with state medical cannabis laws. American courts have construed these appropriations bills to prevent the federal government from prosecuting individuals when those parties comply with state law. However, because this conduct continues to violate federal law, American courts have observed that should Congress, at any time, choose to appropriate funds to fully prosecute the Controlled Substances Act, any individual or business, even those who have fully complied with state law, could be prosecuted for violations of federal law. Violations of federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities, or divestiture. The Corporation is not aware of any non-compliance with U.S. federal law; however, if the Corporation was found to be non-compliant, this could have a material adverse effect on the Corporation, including its reputation and ability to conduct business, its financial position, operating results, profitability or liquidity or the market price of its publicly traded shares. In addition, it is difficult for the Corporation to estimate the time or resources that would be needed for the investigation of such matters or its final resolution. The Corporation plans to sell extractors into the US and these sales will be subject to US federal and state laws. Given the illegality of marijuana under U.S. federal law the issuer's access to capital could be negatively affected by public and/or private capital not being available to support continuing operations. At present, management believes that both private and public capital is available to the Corporation on terms acceptable to the Corporation but management also believes that this capital availability could

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change without notice, requiring the Corporation to operate solely on internally-generated funds. In the event that the Corporation has insufficient internally-generated funds the Corporation could fail and you could lose all of your investment. Management is not currently aware of any specific US federal or state initiatives that would lessen the Corporation's capital access. Management has reviewed US federal and state requirements related to sale of its extractors and believes that there are no federal laws restricting the use of its extractors for extracting marijuana. States typically have regulation related to mechanical aspects of equipment such as the Corporation's extractors with compliance required by the operator of the subject equipment in that operator's jurisdiction. The Corporation sells its extractors F.O.B Alberta and management believes that because of this, the compliance requirement transfers, to the buyer, in Alberta. Management believes it is in compliance with Alberta regulation and is not aware of non-compliance with any US federal or state law or regulation.

The Corporation's Risks

We have a limited history of operations and unless we are able to successfully execute our business plan, our business and operating results will suffer resulting in the complete failure of our business

Our operations are subject to all of the risks inherent in the establishment of a new business. The likelihood of our success must be considered in light of the risks, problems, expenses and delays frequently encountered in connection with the formation of a new business in general, as well as the highly competitive environment in which the business is operating. To address these risks, we must, among other things, continue to respond to competitive developments, product failure causing personal injury and property damage, attract, retain and motivate qualified personnel, commercialize products, and implement and successfully execute our marketing strategy and advertising sales strategy. There can be no assurance that we will be successful in addressing such risks.

We will incur increased costs and demands upon management as a result of complying with the laws and regulations affecting public companies, which could harm our operating results

As a public company, we incur significant additional legal, accounting and other expenses that we did not incur as a private company, including costs associated with public company reporting requirements. We expect these rules and regulations to substantially increase our legal and financial compliance costs and to make some activities more time-consuming and costly.

We are currently dependent on our officers and directors for our success and our future operations may require that we can attract and retain qualified employees, which we may not be able to do

Our current operations are managed by our officers and directors, should our officers and directors resign, we would have no personnel to undertake the operations of the Corporation and therefore the Corporation would be adversely affected. We have no key-person insurance policy for our President or any other Officers and/or Directors and at this time we have no intention of acquiring same. Our future operations may depend, in part, on our ability to attract, employ and retain additional qualified employees. No assurance can be given that we will be able to attract or retain such personnel, if required.

We will rely on consultants and employees and if we are unable to retain these or other similarly qualified individuals, we may not be able to carry out our business operations

We expect to be dependent upon contract service providers and loss of their services could adversely affect our business and our ability to maintain our operations or develop new products. We have not entered into any employment or non-competition agreements with any individuals and do not plan to in the future. Our success will depend on our ability to attract and retain qualified personnel. If we cannot attract and retain the necessary individuals our operating results will suffer.

Costs associated with our business, including production and input costs are not fixed and might increase, creating uncertainty about our ability to meet our plan of operations.

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We have not established long-term contracts with our consultants or other third party suppliers we intend to rely on for the component parts of the CO2 Extractors. The lack of long-term contracts could result in an increase in what we pay these individuals for their services. An increase in the production costs will reduce our margins and might make our projects uneconomical leading to the failure of our business.

There is no guarantee that we will be able to sell enough, or any, of our products to generate a profit and failure to become profitable will result in the failure of our business

The market for our products is limited in scope and there is no assurance that our products will generate market acceptance and result in sales. We have developed the products with limited market research and there is no assurance that we will be able to respond to the rapidly evolving markets in the extraction industry. The inability to sell our CO2 Extractors will result in the failure of our business.

While we have a US patent, litigation arising out of infringement or other commercial disputes could cause us to incur expenses and impair our competitive advantage

We may incur substantial expenses in defending against prospective claims, regardless of their merit. Our success depends in part on our ability to enforce intellectual property protection for our concepts and to preserve our trade secrets. The validity and breadth of claims covered in our patent filed with Canadian and U.S. authorities involve complex legal and factual questions and, therefore, may be subject to challenge. No assurances can be given that any of our patents will be held valid if subsequently challenged, or that others will not claim rights in, or ownership of, the potential copyrights or trademarks or other proprietary rights held by us or that our intellectual property will not infringe, or be alleged to infringe, the proprietary rights of others. Furthermore, there can be no assurance that others have not developed or will not develop similar concepts to our CO2 Extractor. In addition, whether or not additional intellectual property protection is issued to the Corporation, others may hold or receive intellectual protection covering concepts that were subsequently developed by the Corporation; and no assurance can be given that others will not or have not independently developed or otherwise acquired substantially equivalent intellectual property.

Our management has limited experience in producing and selling CO2 extractors and this lack of experience could result in the failure of the business

Our management's lack of experience in producing and selling CO2 extractors could lead to poor decision-making which could result in cost-overruns and/or the inability to produce the desired products. Although management of the Corporation intends to hire experienced and qualified staff, this inexperience could also result in the Corporation's inability to consummate revenue contracts or any contracts at all. Any combination of the aforementioned may result in the failure of the Corporation and a loss of your investment.

Our products operate under pressure and various jurisdictions have regulations around pressured products

Almost all jurisdictions have rules and regulations related to pressurized vessels and without an exemption, our products may be unsaleable without certification. Certification is often a matter of passing operating specification tests and paying fees but there is no guarantee that any relevant authority will not change certification processes and that any such changes may render our products unsaleable in the applicable jurisdiction. Such changes could cause a material decrease in our sales and profitability and could put the Corporation out of business in which case you could lose your entire investment.

Service and Warranty Risks

The Corporation's products are technical in nature and are sold with a one year limited warranty and a product return policy. There is no certainty the products will operate as expected and this could result in the return of a significant number of CO2 Extractors or result in expensive warranty claims. Any combination of the aforementioned may result in the failure of the Corporation and a loss of your investment.

Insufficient Capital

The Corporation currently has revenue producing operations but may, from time to time, report a working capital deficit. To maintain its activities, the Corporation may require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Corporation will be successful in obtaining such additional financing; failure to do so could result in failure of the Corporation and total loss of your investment.

Financing Risks

The Corporation has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Corporation will be profitable. The Corporation has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Corporation is through the sale of its equity shares and there is no assurance that any such funds will be available on terms acceptable to the Corporation, or at all. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Limited Operating History

The Corporation has a limited history of revenue.

Patent Risks

Although the Corporation has exercised the usual due diligence with respect to determining title to patents and patent applications in which it has a material interest, there is no guarantee that title to such assets will not be challenged or impugned. The Corporation's patent application interests may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

Foreign Currency Risk

Foreign currency fluctuations may affect the cash flow which the Corporation may realize from its operations, since most of its product sales are expected to occur in US dollars whereas the Corporation's costs are incurred primarily in Canadian dollars.

Conflicts of Interest

Certain of the directors and officers of the Corporation are engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of the Corporation may become subject to conflicts of interest. The ABCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided under the ABCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the ABCA. To the Corporation's knowledge, as at the date hereof there are no existing or potential material conflicts of interest between The Corporation and a director or officer of the Corporation except as otherwise disclosed herein.

Intellectual Property

We have a US patent that was granted on May 14, 2019 - US 10,286,336 B2 and the Canadian application is pending.

Insurance

There is no liability insurance at this time. Directors and Officers insurance policy commenced March 15, 2020.

Additional Information

Additional information regarding the Company and its business and operations is available on the Company's profile at www.sedar.com and on the Company's website at medxtractor.com.

Corporate Information

BOARD OF DIRECTORS:

James Durward ⁽¹⁾
G. Steven Price ⁽¹⁾
Dusan Kuzma ⁽¹⁾
Neil A Runions

1) Member of Audit Committee

OFFICERS:

James Durward	-	President, Chief Executive Officer, Corporate Secretary
Dwayne A. Vinck	-	Chief Financial Officer

STOCK EXCHANGE LISTING:

CSE:MXT

AUDITORS:

MNP LLP
Calgary, Alberta

LEGAL COUNSEL:

Heighington Law
Calgary, Alberta

REGISTRAR AND TRANSFER AGENT:

TSX Trust Company,
Calgary, Alberta

