

AMALGAMATION AGREEMENT

AMONG:

VEGANO FOODS INC.

AND:

1355441 B.C. LTD.

AND:

SMPL OATS LTD.

TABLE OF CONTENTS

PART 1 INTERPRETATION	1
DEFINITIONS	1
INTERPRETATION	7
EXHIBITS.....	9
PART 2 THE AMALGAMATION	9
AGREEMENT TO AMALGAMATE	9
EFFECT OF AMALGAMATION.....	9
NAME.....	9
REGISTERED OFFICE	9
AUTHORIZED CAPITAL AND RESTRICTIONS ON SHARE TRANSFERS	10
FISCAL YEAR	10
BUSINESS	10
INITIAL DIRECTORS.....	10
INITIAL OFFICERS	10
EXCHANGE OF SUBCO SHARES AND SMPL SHARES	10
TREATMENT OF RESTRICTED SECURITIES UNDER THE U.S. SECURITIES ACT.....	11
SMPL WARRANTS.....	11
SMPL SPECIAL WARRANTS.....	12
DISSENTING SHAREHOLDERS	12
COMPLETION OF THE AMALGAMATION AND EFFECTIVE DATE	12
ACKNOWLEDGMENT OF ESCROW AND RESALE RESTRICTIONS	12
VEGANO GUARANTEE.....	12
PART 3 COVENANTS	13
MUTUAL COVENANTS.....	13
ADDITIONAL COVENANTS OF VEGANO AND SUBCO.....	14
ADDITIONAL COVENANTS OF SMPL.....	15
PART 4 REPRESENTATIONS AND WARRANTIES	16
REPRESENTATIONS AND WARRANTIES OF VEGANO AND SUBCO	16
REPRESENTATIONS AND WARRANTIES OF SMPL.....	19
SURVIVAL OF REPRESENTATION AND WARRANTIES	23
PART 5 AGREEMENTS	24
AMALGAMATION RESOLUTIONS	24
PART 6 INDEMNIFICATION	24
MUTUAL INDEMNIFICATIONS FOR BREACHES OF WARRANTY	24
LIMITATION ON MUTUAL INDEMNIFICATION	25
PROCEDURE FOR INDEMNIFICATION.....	25
PART 7 CONDITIONS PRECEDENT	26
MUTUAL CONDITIONS PRECEDENT	26
ADDITIONAL CONDITIONS TO OBLIGATIONS OF VEGANO	27
ADDITIONAL CONDITIONS TO OBLIGATIONS OF SMPL.....	28
NOTICE AND EFFECT OF FAILURE TO COMPLY WITH CONDITIONS	29

SATISFACTION OF CONDITIONS	29
PART 8 AMENDMENT	29
AMENDMENT	29
PART 9 TERMINATION.....	30
TERMINATION	30
PART 10 GENERAL.....	31
NOTICES.....	31
BINDING EFFECT	32
ASSIGNMENT.....	32
ENTIRE AGREEMENT.....	32
PUBLIC COMMUNICATIONS	32
NO SHOP	32
COSTS	33
CONFIDENTIALITY	33
SEVERABILITY	33
FURTHER ASSURANCES.....	33
TIME OF ESSENCE	33
APPLICABLE LAW AND ENFORCEMENT	34
WAIVER	34
COUNTERPARTS	34
EXHIBIT “A” – FORM OF ARTICLES OF AMALCO	
EXHIBIT “B” – FORM OF AMALGAMATION APPLICATION	
EXHIBIT “C” – FORM OF U.S. INVESTMENT AGREEMENT	

AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT is dated as of the 3rd day of April, 2022.

AMONG:

VEGANO FOODS INC., a corporation existing under the laws of the Province of British Columbia, having an office at 1040 West Georgia Street, Unit 415, Vancouver, British Columbia V6E 4H1

(“**Vegano**”)

AND:

1355441 BC LTD., a corporation existing under the laws of the Province of British Columbia, having an office at 220-333 Terminal Avenue, Vancouver, British Columbia V6A 4C1

(“**Subco**”)

AND:

SMPL OATS LTD., a corporation existing under the laws of the Province of British Columbia, having an office at 480-1500 West Georgia Street, Vancouver, British Columbia V6G 2Z6

(“**SMPL**”)

WHEREAS:

(A) It is intended that SMPL and Subco, a wholly-owned subsidiary of Vegano, will amalgamate and form one corporation under the provisions of the BCBCA (the “**Amalgamation**”); and

(B) Upon the Amalgamation taking effect, shareholders of SMPL will receive common shares of Vegano in the proportion and to the extent set out herein;

NOW THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties hereto do hereby covenant and agree as follows:

PART 1 **INTERPRETATION**

Definitions

1.1 In this Agreement, the following defined terms have the meanings hereinafter set forth:

- (a) “**1933 Act**” means the United States Securities Act of 1933, as amended;
- (b) “**1934 Act**” means the United States Securities Exchange Act of 1934, as amended;
- (c) “**Affiliate**” means any person which, directly or indirectly, controls, is controlled by, or is under common control with, a person;
- (d) “**Agreement**” means this Amalgamation agreement (including the exhibits hereto) as supplemented, modified or amended, and not to any particular article, section, schedule, exhibit or other portion hereof;
- (e) “**Alternative Transaction**” has the meaning set forth in Section 10.6;
- (f) “**Amalco**” means the corporation continuing from the Amalgamation;
- (g) “**Amalco Shares**” means the common shares in the capital of Amalco;
- (h) “**Amalgamation**” means the amalgamation of Subco and SMPL under the provisions of the BCBCA on the terms and conditions set forth in this Agreement;
- (i) “**Amalgamation Application**” means the amalgamation application as contemplated by the BCBCA and in substantially the form set out in Exhibit “B” to this Agreement;
- (j) “**Amalgamation Resolution**” means the special resolution in respect of the Amalgamation, and other matters, to be considered by the SMPL Shareholders at the SMPL Meeting;
- (k) “**Applicable Laws**”, in the context that refers to one or more Persons, means any domestic or foreign, federal, state, provincial or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority, and any terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority, that is binding upon or applicable to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or persons or its or their business, undertaking, property or securities;
- (l) “**Articles**” means the Articles of Amalco in respect of the Amalgamation and in substantially the form set out in Exhibit “A” to this Agreement;
- (m) “**Assets**” means the assets of SMPL, including without limitation, the Inventory and the SMPL IP;
- (n) “**BCBCA**” means the *Business Corporations Act* (British Columbia), as amended, including the regulations promulgated thereunder;
- (o) “**Business**” means the business and activities carried on by SMPL, being primarily the business of producing and selling plant-based milk alternative beverages directly to consumers.

- (p) “**Business Day**” means a day other than a Saturday, Sunday or other day when banks in the City of Vancouver, British Columbia, are not generally open for business;
- (q) “**Claims**” has the meaning set forth under Section 6.1;
- (r) “**Constituting Documents**” means as to each of the Parties, its certificate of incorporation, notice of articles and articles as in effect as of the date of this Agreement;
- (s) “**Contracts**” (individually, a “**Contract**”) means all written or oral outstanding contracts and agreements, leases (including the real property leases), third-party licenses, insurance policies, deeds, indentures, instruments, entitlements, commitments, undertakings and orders made by or to which a party is bound or under which a party has, or will have, any rights or obligations and includes rights to use, franchises, license and sub-licenses agreements and agreements for the purchase and sale of assets or shares;
- (t) “**Corporate Records**” means the corporate records of SMPL including the Constituting Documents, share registers, registers of directors, list of bank accounts and signing authorities and minutes of shareholders’ and directors’ meetings;
- (u) “**Deemed Share Price**” has the meaning set forth in Section 2.10(a);
- (v) “**Disclosure Schedule**” means the disclosure schedule of SMPL or Vegano, as applicable, arranged in section and subsection corresponding to the numbered and lettered sections and subsections contained in this Agreement, as applicable;
- (w) “**Dissenting Shareholder**” means a registered holder of SMPL Shares who has validly exercised its dissent rights in respect of the Amalgamation and transactions related thereto under the applicable provisions of the BCBCA;
- (x) “**Effective Date**” means the effective date of the Amalgamation as set forth in the Certificate of Amalgamation issued to Amalco;
- (y) “**Effective Time**” means the effective time of the Amalgamation as set forth in the Certificate of Amalgamation issued to Amalco;
- (z) “**Encumbrances**” means any mortgage, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, option, license or license fee, royalty, production payment, restrictive covenant or other encumbrance of any nature, or any agreement to give or create any of the foregoing, but excludes any encumbrances that might be imposed by any Governmental Authority;
- (aa) “**Exchange**” means the Canadian Securities Exchange;
- (bb) “**Good Manufacturing Practices**” means (A) having been manufactured in accordance with good manufacturing practices required pursuant to the regulations promulgated under the Canadian Food and Drugs Act, applicable Good Manufacturing Practices of the Canadian Food Inspection Agency or similar practices promulgated under applicable Laws; (B) not adulterated or misbranded; and (C) not in violation of Section 4 or 5 of the Food and Drugs Act (Canada) and not otherwise mislabeled or contaminated;

- (cc) “**Governmental Authority**” means any federal, state, provincial and municipal government, regulatory authority, governmental department, ministry, agency, commission, bureau, official, minister, crown corporation, court, board, tribunal, stock exchange, dispute settlement panel or body or other law, rule or regulation-making entity having jurisdiction;
- (dd) “**IFRS**” means International Financial Reporting Standards applicable as of the date of the financial statements, document or event in question;
- (ee) “**Indemnified Party**” has the meaning set forth in Section 6.1;
- (ff) “**Indemnifying Party**” has the meaning set forth in Section 6.1;
- (gg) “**Inventory**” means, collectively, all supplies owned by SMPL and all items that are owned by SMPL in connection with its Business, including those that are for sale or are being produced for sale, or are to be consumed, directly or indirectly, in the production of goods or services to be available for sale, including raw materials, packaging, work-in-progress and finished goods;
- (hh) “**IP**” means any and all intellectual property or proprietary rights arising at law or in equity, including, without limitation, (i) patents, all patent rights and all patent rights and all applications therefor and all reissues, re-examinations, continuations, continuations-in-part, divisions, and patent term extensions thereof, (ii) inventions (whether patentable or not), discoveries, improvements, concepts, innovations and industrial models, (iii) registered and unregistered copyrights, copyright registrations and applications, mask works and mask work registrations and applications therefor, author’s rights and works of authorship, (iv) URLs, web sites, web pages and any part thereof, (v) technical information, know-how, trade secrets, drawings, designs, design protocols, specifications, proprietary data, customer lists, databases, proprietary and manufacturing processes, technology, formulae, and algorithms, (vi) trade names, trade dress, trademarks, domain names, service marks, logos, business names, and registrations and applications therefor, (vii) industrial designs or design patents, whether or not patentable or registrable, patented or registered or the subject of applications for registration or patent or registration and all rights of priority, applications, continuations, continuations-in-part, divisions, re-examinations, reissues and other derivative applications and patents therefor, (viii) licenses, contacts and agreements otherwise relating to the IP, and (ix) the goodwill symbolized or represented by the foregoing;
- (ii) “**Material Adverse Change**” or “**Material Adverse Effect**” means, with respect to a Person, any matter or action that has an effect or change that is, or would reasonably be expected to be, material and adverse to the business, results of operations, assets, capitalization, financial condition, rights, liabilities or prospects, contractual or otherwise, of such Person and its subsidiaries, if applicable, taken as a whole, other than any matter, action, effect or change relating to or resulting from: (i) a matter that has been publicly disclosed prior to the date of this Agreement or otherwise disclosed in writing by a Party to the other Party prior to the date of this Agreement; (ii) any action or inaction taken by such Person to which the other Person had consented in writing; (iii) the announcement of the transactions contemplated by the Amalgamation or this Agreement; (iv) relating to a change in the market trading price of publicly traded securities of that Party, either: (A) related to this Agreement and the Amalgamation or the announcement thereof, or (B) related to such a change in the market trading price primarily resulting from a change,

effect, event or occurrence excluded from this definition of Material Adverse Change or Material Adverse Effect under clauses (i), (ii), (iii), (v), (vi), (vii), (viii), (ix) or (x) hereof; (v) relating to the food industry generally (vi) relating to changes in currency exchange rates; (vii) relating to any generally applicable change in applicable laws or regulations or in the interpretation thereof by any Governmental Authority (other than orders, judgments or decrees against that Party any of its subsidiaries and material joint ventures) or in accounting standards or in the interpretation thereof by any Governmental Authority; (viii) a natural disaster, the outbreak of hostilities, an act of war or an act of terrorism; (ix) relating to an outbreak or escalation of illness (including COVID-19); or (x) general economic, financial, currency exchange, securities, banking or commodity market conditions in the United States, Canada or worldwide, provided, however, that (1) such effect referred to in clause (i), (ii), (iv), (vi) or (vii) above does not primarily relate only to (or have the effect of primarily relating only to) that Party and its subsidiaries, taken as a whole, or disproportionately adversely affect that Party and its subsidiaries taken as a whole, compared to other companies of similar size operating in the industry in which that Party and its subsidiaries operate;

- (jj) “**Material Change**” and “**Material Fact**” has the meanings ascribed thereto under the Securities Laws;
- (kk) “**Material Contract**” means those Contracts, agreements, understandings or arrangements entered into by Vegano or SMPL which have (i) individual payment obligations (including any payment obligations on the early termination thereof) on the part of Vegano or SMPL that exceed \$50,000, (ii) are for a term extending one year or more after the Effective Time, (iii) have been entered into out of the ordinary course of business; (iv) have the effect of limiting the ability of SMPL or Vegano, as applicable to own, operate, sell, transfer or otherwise dispose of any assets or business; or (v) are otherwise material to the Business;
- (ll) “**Outside Date**” means June 30, 2022;
- (mm) “**Parties**” means, collectively, the parties to this Agreement, and “**Party**” means any one of them;
- (nn) “**Personnel**” means, in relation to a party, any of its, or its Affiliates’, directors, officers, employees, agents, consultants, invitees, subcontractors and representatives involved, either directly or indirectly, in the performance of the party’s obligations under this Agreement;
- (oo) “**Public Record**” means all information filed by Vegano with any securities commission or similar regulatory authority which are available through the SEDAR website as of the date hereof;
- (pp) “**Registrar**” means the Registrar of Companies or a Deputy Registrar of Companies for the Province of British Columbia duly appointed under the BCBCA;
- (qq) “**Regulation S**” means Regulation S promulgated pursuant to the 1933 Act;
- (rr) “**Securities Act**” means the *Securities Act* (British Columbia), as amended, including the regulations promulgated thereunder;

- (ss) “**Securities Authorities**” means the federal, state and provincial securities commissions and/or other securities regulatory authorities in Canada and the United States, including the SEC, and any stock exchanges or other self-regulatory agencies having authority over Vegano or SMPL (as applicable), including the Exchange;
- (tt) “**Securities Laws**” means the securities legislation having application, the regulations and rules thereunder and all administrative policy statements, instruments, blanket orders, notices, directions and rulings issued or adopted by the applicable securities regulatory authority, all as amended;
- (uu) “**SEDAR**” means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators;
- (vv) “**SMPL**” means SMPL Oats Ltd., a corporation existing under the laws of Province of British Columbia;
- (ww) “**SMPL IP**” has the meaning set forth in Section 4.2(ff);
- (xx) “**SMPL Meeting**” means the special meeting of SMPL Shareholders to be called to consider and, if thought fit, authorize, approve and adopt the Amalgamation Resolution and related matters, and includes any adjournments thereof;
- (yy) “**SMPL Shareholders**” means the holders of SMPL Shares
- (zz) “**SMPL Shares**” means common shares in the capital of SMPL;
- (aaa) “**SMPL Special Warrants**” means the 7,521,500 special warrants of SMPL, with each Special Warrant entitling the holder to acquire, without further payment, one unit, and each such unit to be comprised of one SMPL Share and one warrant to acquire a SMPL Share at an exercise price of \$0.10 for two years from the date of issuance;
- (bbb) “**SMPL Warrants**” means the 14,291,449 share purchase warrants of SMPL, consisting of 12,250,000 warrants, each entitling the holder to purchase one SMPL Share at a price of \$0.05, 1,801,449 warrants, each entitling the holder to purchase one SMPL Share at a price of \$0.10, and 204,400 broker’s warrants, each entitling the holder to purchase one SMPL Share at a price of \$0.10;
- (ccc) “**Subco**” means 1355441 B.C. Ltd., a wholly-owned subsidiary of Vegano;
- (ddd) “**Subco Shares**” means common shares in the capital of Subco;
- (eee) “**subsidiary**” has the meaning ascribed thereto in the Securities Act;
- (fff) “**Survival Period**” has the meaning set forth in Section 4.3;
- (ggg) “**Tax**” means any tax, impost, levy, withholding, duty, fee, premium, assessment and other charge of any kind, however denominated and any instalment or advance payment in respect thereof, including any interest, penalties, fines or other additions that have been, are or will become payable in respect thereof, imposed by any Governmental Authority, including for greater certainty any income, gain or profit tax (including federal, state, provincial and territorial income tax), payroll and employee withholding

tax, employment or payroll tax, employment or unemployment insurance, disability tax, social insurance tax, social security contribution, sales and use tax, consumption tax, customs tax, ad valorem tax, excise tax, goods and services tax, harmonized sales tax, franchise tax, gross receipts tax, capital tax, business license tax, alternative minimum tax, estimated tax, abandoned or unclaimed (escheat) tax, occupation tax, real and personal property tax, stamp tax, environmental tax, transfer tax, severance tax, workers' compensation, Canada and other government pension plan premium or contribution and other governmental charge, and other obligations of the same or of a similar nature to any of the foregoing, together with any interest, penalties or other additions to tax that may become payable in respect of such tax, and any interest in respect of such interest, penalties and additions whether disputed or not, and "**Taxes**" has a corresponding meaning;

- (hhh) "**Tax Returns**" means all returns, declarations, designations, forms, schedules, reports, elections, notices, filings, statements (including withholding tax returns and reports and information returns and reports) and other documents of every nature whatsoever filed or required to be filed with any Governmental Authority with respect to any Tax together with all amendments and supplements thereto, whether in tangible or electronic form;
- (iii) "**Transfer Agent**" means Capital Transfer Agency Inc., the Transfer Agent for the Vegano Shares;
- (jjj) "**Unaudited SMPL Financial Statements**" means the unaudited, management prepared consolidated financial statements of SMPL for the period from incorporation on June 14, 2021 to December 31, 2021;
- (kkk) "**United States**" or "**U.S.**" means, as the context requires, the United States of America, its territories and possessions, any state of the United States, and/or the District of Columbia;
- (lll) "**U.S. Person**" means a "U.S. person" as such term is defined in Rule 902(k) of Regulation S;
- (mmm) "**U.S. SMPL Shareholder**" has the meaning given to that term in Section 2.11;
- (nnn) "**U.S. Investment Agreement**" has the meaning given to that term in Section 2.11;
- (ooo) "**Vegano**" means Vegano Foods Inc., a corporation existing under the laws of the Province of British Columbia;
- (ppp) "**Vegano Financial Statements**" means the audited financial statements of Vegano for the years ended December 31, 2021 and 2020; and
- (qqq) "**Vegano Shares**" means the common shares in the capital of Vegano.

Interpretation

1.2 For the purposes of this Agreement, except as otherwise expressly provided:

- (a) the division of this Agreement into articles, sections and subsections is for convenience of reference only and does not affect the construction or interpretation of this Agreement.

The terms “this Agreement”, “hereto”, “herein” and “hereunder” and similar expressions refer to this Agreement (including exhibits hereto) and not to any particular article, section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto;

- (b) words importing the singular number include the plural and vice versa, and words importing the use of any gender include all genders;
- (c) the word “including”, when following any general statement or term, is not to be construed as limiting the general statement or term to the specific items or matters set forth or to similar items or matters, but rather as permitting the general statement or term to refer to all other items or matters that could reasonably fall within its broadest possible scope;
- (d) if any date on which any action is required to be taken hereunder by any of the Parties is not a Business Day and a business day in the place where an action is required to be taken, such action is required to be taken on the next succeeding day which is a Business Day and a business day, as applicable, in such place;
- (e) any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time, and to any regulations promulgated thereunder. References to any agreement or document shall be to such agreement or document (together with all schedules and exhibits thereto), as it may have been or may hereafter be amended, supplemented, replaced or restated from time to time;
- (f) all sums of money that are referred to in this Agreement are expressed in lawful money of Canada unless otherwise noted;
- (g) unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under IFRS and all determinations of an accounting nature are required to be made shall be made in a manner consistent with IFRS;
- (h) all representations, warranties, covenants and opinions in or contemplated by this Agreement as to the enforceability of any covenant, agreement or document are subject to enforceability being limited by applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws relating to or affecting creditors’ rights generally, and the discretionary nature of certain remedies (including specific performance and injunctive relief and general principals of equity);
- (i) capitalized terms in the Disclosure Schedule will have the same definition as in the body of this Agreement unless otherwise defined;
- (j) an item disclosed in one section or subsection of the Disclosure Schedule will apply only with respect to the indicated section or subsection, except to the extent that it is reasonably apparent on the face of the disclosure that such disclosure is also applicable to another section or subsection of the Disclosure Schedule;
- (k) where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of a Party, it refers to the actual knowledge of the senior officers of the Party after due inquiry; and

- (l) the Parties hereto acknowledge that their respective legal counsel have reviewed and participated in settling the terms of this Agreement, and the Parties agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting Party will not be applicable in the interpretation of this Agreement.

Exhibits

1.3 The following exhibits attached hereto are incorporated into and form an integral part of this Agreement:

- Exhibit "A" – Form of Articles of Amalco
- Exhibit "B" – Form of Amalgamation Application
- Exhibit "C" – Form of U.S. Investment Agreement

PART 2 **THE AMALGAMATION**

Agreement to Amalgamate

2.1 The Parties agree that Subco and SMPL shall amalgamate pursuant to the provisions of the BCBCA as of the Effective Date and continue as one corporation on the terms and conditions set out in this Agreement.

Effect of Amalgamation

2.2 Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time and in consequence of the Amalgamation:

- (a) SMPL and Subco shall be amalgamated and continue as one corporation;
- (b) each of SMPL and Subco shall cease to exist as entities separate from Amalco;
- (c) the property of each of SMPL and Subco shall continue to be the property of Amalco;
- (d) Amalco shall continue to be liable for the obligations of each of SMPL and Subco;
- (e) the holders of SMPL Shares and holders of Subco Shares shall receive shares in the manner and subject to the terms of Section 2.10; and
- (f) the Articles attached hereto as Exhibit "A" shall be the Articles of Amalco.

Name

2.3 The name of Amalco shall be "SMPL Oats Ltd."

Registered Office

2.4 The registered office of Amalco shall be 480-1500 West Georgia Street, Vancouver, British Columbia, V6G 2Z6.

Authorized Capital and Restrictions on Share Transfers

2.5 The authorized capital of Amalco shall consist of an unlimited number of common shares without par value, which shall have the rights, privileges, restrictions and conditions set out in the Articles. No shares of Amalco may be transferred except in compliance with the restrictions set out in the Articles.

Fiscal Year

2.6 The fiscal year end of Amalco shall be December 31 of each calendar year.

Business

2.7 There shall be no restriction on the business which Amalco is authorized to carry on.

Initial Directors

2.8 The first director of Amalco shall be the person whose name and address appear below:

<u>Name</u>	<u>Address</u>
Conor Power	839 Heritage Blvd., North Vancouver, B.C. V7J 3G6

Such director shall hold office until the first annual meeting of shareholders of Amalco or until his successors are elected or appointed.

Initial Officers

2.9 The first officer of Amalco shall be the person whose name and position appear below:

<u>Name</u>	<u>Position</u>
Conor Power	Chief Executive Officer

Exchange of Subco Shares and SMPL Shares

2.10 Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time:

- (a) Vegano will issue to each SMPL Shareholder (other than Dissenting Shareholders who are ultimately entitled to be paid the fair market value for their SMPL Shares) 0.893612552643442 of a Vegano Share at a deemed purchase price of \$0.105 per Vegano Share (the "**Deemed Share Price**") in exchange for each SMPL Share held by such holder and the SMPL Shares will be cancelled;
- (b) no fractional Vegano Shares shall be issued upon the exchange of SMPL Shares; the number of Vegano Shares to be received by a holder of SMPL Shares will be rounded up to the nearest whole Vegano Shares, in the event that the former holder of SMPL Shares is entitled to receive a fractional share representing 0.5 or more of a Vegano Shares and be rounded down to the nearest whole Vegano Shares, in the event that the former holder

of SMPL Common Shares is entitled to receive a fractional share representing less than 0.5 of a Vegano Share;

- (c) The Vegano Shares issued to the SMPL Shareholders will be subject to a hold period in Canada until June 1, 2022. Each certificate, instrument, or book entry representing the Vegano Shares issued to each SMPL Shareholder shall be marked with a legend substantially in the following form, or in such other form as is required under applicable Securities Laws:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE JUNE 1, 2022.”

- (d) each holder of Subco Shares will receive one Amalco Share in exchange for each Subco Share held by such holder and the Subco Shares will be cancelled; and
- (e) in consideration for Vegano’s issuance of Vegano Shares referenced in Section 2.10(a), Amalco shall issue to Vegano one Amalco Share for each Vegano Share issued by Vegano under Section 2.10(a).

Treatment of Restricted Securities under the U.S. Securities Act

2.11 The Parties acknowledge and agree that:

- (a) the Vegano Shares issuable in connection with the Amalgamation have not been and will not be registered under the 1933 Act or any U.S. State Securities Law;
- (b) any Vegano Shares issued in connection with the Amalgamation to, or for the account or benefit of, any former SMPL Shareholder who is a U.S. Person or a person in the United States (each, a “**U.S. SMPL Shareholder**”) will be “restricted securities” within the meaning of Rule 144 under the 1933 Act; and
- (c) each certificate or other instrument representing such Vegano Shares will bear a restrictive legend in substantially the form set forth in the Investment Agreement attached hereto as Exhibit “C” (the “**U.S. Investment Agreement**”) to be completed, executed and delivered by each U.S. SMPL Shareholder pursuant to Section 6.1 hereof; and

SMPL Warrants

2.12 The Parties acknowledge that, as at the Effective Time, all SMPL Warrants will cease to represent a right to acquire SMPL Shares and will provide the right to acquire Vegano Shares, all in accordance with the adjustment provisions provided in the certificates representing the SMPL Warrants.

2.13 The Vegano Shares issued to the SMPL warrant holders on exercise of the SMPL Warrants will be subject to a hold period in Canada until June 1, 2022. Each certificate, instrument, or book entry representing the Vegano Shares issued to each holder of SMPL Warrants shall be marked with a legend substantially in the following form, or in such other form as is required under applicable Securities Laws:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE JUNE 1, 2022.”

SMPL Special Warrants

2.14 The Parties acknowledge that, as at the Effective Time, all SMPL Special Warrants will cease to represent a right to acquire SMPL Shares and warrants to acquire SMPL Shares and will provide the right to acquire Vegano Shares and warrants to acquire Vegano Shares, all in accordance with the adjustment provisions provided in the certificates representing the SMPL Special Warrants.

2.15 The Vegano Shares issued to the SMPL special warrant holders and the warrants issued on exercise of the SMPL Special Warrants, will be subject to a hold period in Canada until June 1, 2022. Each certificate, instrument, or book entry representing the Vegano Shares issued to each holder of SMPL Special Warrants shall be marked with a legend substantially in the following form, or in such other form as is required under applicable Securities Laws:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE JUNE 1, 2022.”

Dissenting Shareholders

2.16 Registered SMPL Shareholders entitled to vote at the SMPL Meeting will be entitled to exercise dissent rights with respect to their SMPL Shares in connection with the Amalgamation pursuant to and in the manner set forth in the BCBCA. SMPL shall give Vegano notice of any written notice of a dissent, withdrawal of such notice, and any other instruments served pursuant to such dissent rights and received by SMPL and shall provide Vegano with copies of such notices and written objections. SMPL Shares which are held by a Dissenting Shareholder shall not be exchanged for Vegano Shares pursuant to the Amalgamation. If the Dissenting Shareholder exercises dissent rights in the manner set forth in the BCBCA, such Dissenting Shareholder's SMPL Shares will be deemed to be sold to SMPL and the Dissenting Shareholder will be entitled to be paid the fair value for their SMPL Shares pursuant to the relevant provisions of the BCBCA. However, if a Dissenting Shareholder fails to perfect or effectively withdraws such Dissenting Shareholder's claim under the BCBCA or forfeits such Dissenting Shareholder's right to make a claim under the BCBCA, or if such Dissenting Shareholder's rights as a SMPL Shareholder are otherwise reinstated, such SMPL Shareholder's SMPL Shares shall thereupon be deemed to have been exchanged for Vegano Shares as of the Effective Time as prescribed herein.

Completion of the Amalgamation and Effective Date

2.17 Upon the satisfaction or waiver of the conditions herein contained in favour of each Party, SMPL and Subco shall immediately deliver to the Registrar the Amalgamation Application and such other documents as may be required to give effect to the Amalgamation. The Amalgamation shall become effective at the Effective Time.

Acknowledgment of Escrow and Resale Restrictions

2.18 SMPL acknowledges and agrees that in accordance with the policies of the Exchange and Applicable Laws (including Securities Laws), the Vegano Shares issued to certain SMPL Shareholders may be subject to escrow and/or resale restrictions under the policies of the Exchange and Applicable Laws (including Securities Laws).

Vegano Guarantee

2.19 Vegano hereby unconditionally and irrevocably guarantees the due and punctual performance by Subco of each and every covenant and obligation of Subco arising under the

Amalgamation. Vegano hereby agrees that SMPL shall not have to proceed first against Subco before exercising its rights under this guarantee against Vegano.

PART 3 **COVENANTS**

Mutual Covenants

3.1 From the date of this Agreement until the earlier of the Effective Date and the termination of this Agreement in accordance with Part 9, except as otherwise expressly permitted or specifically contemplated by this Agreement or required by Applicable Laws, each of the Parties shall:

- (a) carry on its business in the usual, regular and ordinary course of business consistent with its past practice;
- (b) not alter or amend its Constatng Documents as the same exist at the date of this Agreement, except as contemplated by this Agreement;
- (c) take, or cause to be taken, all action and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws to complete the Amalgamation, including using reasonable commercial efforts:
 - (i) to obtain all necessary consents, assignments, waivers and amendments to or terminations of any agreements and take such measures as may be appropriate to fulfill its obligations hereunder and to carry out the transactions contemplated hereby;
 - (ii) to effect all necessary registrations, filings and submissions of information requested by Governmental Authorities required to be effected by it in connection with the Amalgamation;
 - (iii) to oppose, lift or rescind any injunction or restraining or other order seeking to stop, or otherwise adversely affecting its ability to consummate, the Amalgamation and to defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging this Agreement or the consummation of the transactions contemplated hereby; and
 - (iv) to reasonably cooperate with the other Parties and their tax advisors in structuring the Amalgamation and other transactions contemplated to occur in conjunction with the Amalgamation in a tax effective manner and assist the other Parties and their tax advisors in making such investigations and enquiries with respect to such Parties in that regard, as the other Parties and its tax advisors shall consider necessary, acting reasonably;
- (d) not take any action that would render, or may reasonably be expected to render, any representation or warranty made by such Party in this Agreement untrue in any material respect;

- (e) use reasonable commercial efforts to obtain and maintain the third party approvals applicable to them and provide the same to the other Parties on or prior to the Effective Date;
- (f) use reasonable commercial efforts to complete the Amalgamation on or before June 30, 2022, or as soon as reasonably practicable thereafter;
- (g) except as provided in this Agreement, not amalgamate or consolidate with, or enter into any other corporate reorganization with, any other corporation or person or perform any act or enter into any transaction or negotiation which, in the opinion of Vegano or SMPL acting reasonably, interferes or is inconsistent with the completion of the transactions contemplated hereby. Without limiting the foregoing, except as provided in this Agreement, none of the Parties shall (i) make any distribution by way of dividend, return of capital or otherwise to or for the benefit of its shareholders or (ii) issue any of its shares or other securities convertible into shares or enter into any commitment or agreement (other than on the exercise of convertible securities);
- (h) furnish to the other Parties such information, in addition to the information contained in this Agreement, relating to its financial condition, business, properties and affairs as may reasonably be requested by another Party, which information shall be true and complete in all material respects and shall not contain an untrue statement of any Material Fact or omit to state any Material Fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances in which they are made, not misleading and will notify the other Parties of any significant development or Material Change relating to it promptly after becoming aware of any such development or change;
- (i) promptly notify the other Parties in writing of any change in any representation or warranty provided in this Agreement which change is or may be of such a nature as to render any representation or warranty misleading or untrue in any material respect and the Parties shall in good faith discuss with the other Parties such change in circumstances (actual, anticipated, contemplated, or to its knowledge, threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to the other Parties pursuant to this Section 3.1(i);
- (j) promptly notify the other Parties in writing of any material breach by such Party of any covenant, obligation or agreement contained in this Agreement; and
- (k) not, directly or indirectly, solicit, initiate, assist, facilitate, promote or knowingly encourage the initiation of proposals or offers from, entertain or enter into discussions or negotiations with any person other than the other Parties hereto, with respect to any amalgamation, merger, consolidation, arrangement, restructuring, sale of any material assets or part thereof of such Party, unless such action, matter or transaction is part of the transactions contemplated in this Agreement or is required as a result of the duties of directors and officers of the applicable Party in compliance with Applicable Laws.

Additional Covenants of Vegano and Subco

3.2 From the date of this Agreement until the earlier of the Effective Date and the termination of this Agreement in accordance with Part 9, except as expressly permitted or specifically contemplated by this Agreement or required by Applicable Laws, each of Vegano and Subco covenant and agree that:

- (a) Vegano and Subco shall use their reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Section 7.1 and Section 7.3 as soon as reasonably practicable, to the extent the fulfillment of the same is within the control of Vegano or Subco, as the case may be;
- (b) Vegano shall, as the sole shareholder of Subco, approve by special resolution the Amalgamation, together with such matters as are required to effect the Amalgamation; and
- (c) Vegano shall, on the Effective Date, provide to the Transfer Agent a direction authorizing and directing the Transfer Agent to issue the Vegano Shares issuable under the Amalgamation to holders of the SMPL Shares and shall direct the Transfer Agent to distribute the Vegano Shares to the holders of the SMPL Shares in accordance with the terms of the Amalgamation.

Additional Covenants of SMPL

3.3 From the date of this Agreement until the earlier of the Effective Date and the termination of this Agreement in accordance with Part 9, except as expressly permitted or specifically contemplated by this Agreement or required by Applicable Laws, SMPL covenants and agrees that:

- (a) SMPL will use its reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Section 7.1 and Section 7.2 as soon as reasonably practicable, to the extent the fulfillment of the same is within the control of SMPL;
- (b) SMPL shall use reasonable commercial efforts to seek approval of the Amalgamation Resolution, together with the approval of such matters as are required to effect the Amalgamation;
- (c) SMPL shall cause certain employees, consultants and managers of SMPL as identified by Vegano, in its sole and absolute discretion, to enter into employment agreements with SMPL or Vegano, in a form satisfactory to Vegano, acting reasonably;
- (d) SMPL shall promptly advise Vegano of the number of SMPL Shares for which SMPL receives notices of dissent or written objections to the Amalgamation;
- (e) SMPL shall not engage in any business, enterprise or other activity different from that carried on by it at the date of this Agreement.
- (f) SMPL shall not incur, create, assume or otherwise become liable for, any indebtedness or any other liability or obligation or issue any debt securities or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other Person, or make any loans, capital contributions, investments or advances or prepay any indebtedness before its scheduled maturity or amend or terminate, waive or otherwise modify the definitive documentation in respect of any indebtedness;
- (g) except for SMPL Shares issuable on exercise of the SMPL Warrants or conversion of the SMPL Special Warrants, SMPL shall not issue any securities or enter into any commitment or agreement therefor without the prior written consent of Vegano, which consent shall not be unreasonably withheld;

- (h) other than as required by law, SMPL shall not (i) make any loan to any officer, employee, consultant or director of SMPL, or (ii) make any payment to any director, officer or employee except pursuant to existing employment arrangements or pursuant to new employment agreements in the ordinary course of business consistent with past practice;
- (i) SMPL shall not, without prior consultation with and the consent of Vegano, such consent not to be unreasonably withheld, enter into new commitments of a capital expenditure nature or incur any new contingent liabilities other than: (i) ordinary course expenditures and budgeted expenditures, including as previously disclosed in the Disclosure Schedule; (ii) expenditures required by law; and (iii) expenditures made in connection with transactions contemplated in this Agreement. It will be considered reasonable for Vegano to withhold its consent to the making of capital expenditures if the result would be or would reasonably be expected to be a Material Adverse Effect on SMPL; and
- (j) SMPL shall not, without prior consultation with and the consent of Vegano, such consent not to be unreasonably withheld, terminate or amend the terms of any Material Contract of SMPL, other than as required by law, and it will be considered reasonable for Vegano to withhold its consent to the termination of or amendment to any Material Contract if the result would be or would reasonably be expected to be a Material Adverse Effect on SMPL.

PART 4 **REPRESENTATIONS AND WARRANTIES**

Representations and Warranties of Vegano and Subco

4.1 Vegano and Subco represent and warrant, jointly and severally, to SMPL as follows, and acknowledge that SMPL is relying upon such representations and warranties in connection with the matters contemplated by this Agreement:

- (a) each of Vegano and Subco are validly existing and in good standing under the laws of the Province of British Columbia and are duly registered, licensed or qualified to carry on business under the laws of the jurisdictions in which the nature of its business makes such registration, licensing or qualification necessary;
- (b) each of Vegano and Subco have the corporate power and capacity to enter into this Agreement and each additional agreement or instrument to be delivered pursuant to this Agreement, to perform its obligations hereunder and thereunder, to own and lease its property, and to carry on its businesses as now being conducted;
- (c) this Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement will be prior to the Effective Time, duly authorized, executed and delivered by Vegano and Subco and each is, or will be at the Effective Time, a legal, valid and binding obligation of Vegano and Subco, enforceable in accordance with its terms, subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought;

(d) the execution and delivery of this Agreement does not, and the consummation of the Amalgamation will not, (i) result in a breach or violation of the articles of Vegano or Subco or of any resolutions of the directors or shareholders of Vegano or Subco, (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of an encumbrance upon any material agreement (including any Material Contract), licence or permit to which Vegano or Subco is a party or by which Vegano or Subco is bound or to which any material assets or property of Vegano or Subco is subject, or (iii) violate any provision of any Applicable Law or regulation or any judicial or administrative order, award, judgment or decree applicable to Vegano or Subco;

(e) the authorized capital of Vegano consists of an unlimited number of Vegano Shares, of which, as of the date hereof, 56,190,465 Vegano Shares are issued and outstanding as fully paid and non-assessable; as of the date hereof, 193,600 common share purchase warrants of Vegano are outstanding, and incentive stock options to purchase 3,450,000 Vegano Shares are outstanding;

(f) other than as set out in Section 5.01(e), there are no other Vegano Shares or securities convertible, exercisable or exchangeable into Vegano Shares issued or outstanding;

(g) the authorized capital of Subco consists of an unlimited number of Subco Shares, of which, as of the date hereof, one Subco Share is issued and outstanding as fully paid and non-assessable; as of the date hereof, nil securities convertible, exercisable or exchangeable into Subco Shares are issued or outstanding;

(h) the Vegano Shares are listed for trading on the Exchange and Vegano is not in material default of any of the listing requirements of the Exchange;

(i) Vegano is a “reporting issuer” in the provinces of British Columbia and Ontario and is not in material default of Securities Laws;

(j) except for the holders of the securities set out Section 5.01(e), no person has any agreement, option, right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, options, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any unissued shares or other securities of Vegano or Subco;

(k) all disclosure documents of Vegano filed under the Securities Laws of the Provinces of British Columbia and Ontario since the date of its incorporation, but not limited to, financial statements, prospectuses, offering memorandums, information circulars, material change reports and shareholder communications contain no untrue statement of a Material Fact as at the date thereof nor do they omit to state a Material Fact which, at the date thereof, was required to have been stated or was necessary to prevent a statement that was made from being false or misleading in the circumstances in which it was made;

(l) the audited financial statements of Vegano for the years ended December 31, 2021 and December 31, 2020, copies of which are available on SEDAR, are true and correct in every material respect and present fairly and accurately the financial position and results of the operations of Vegano for the periods then ended and the Vegano Financial Statements have been prepared in accordance with GAAP applied on a consistent basis;

- (m) to the knowledge of Vegano, no information has come to the attention of Vegano since the last date of the most recently issued Vegano Financial Statements that would or would reasonably be expected to require any restatement or revisions of any such financial statements;
- (n) except as disclosed in the Vegano Financial Statements, there are no related-party transactions or off-balance sheet structures or transactions with respect to Vegano;
- (o) except as disclosed in the Vegano Financial Statements, Vegano is not a party to, or bound by, any agreement of guarantee, indemnification, assumption or endorsement or any like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person;
- (p) since December 31, 2021, there has been no Material Adverse Change in the condition (financial or otherwise), assets, liabilities, operations, earnings or business of Vegano;
- (q) Vegano and Subco has conducted and is conducting its business in compliance in all material respects with all Applicable Laws, regulations, by-laws, ordinances, regulations, rules, judgments, decrees and orders of each jurisdiction in which its business is carried on;
- (r) the Material Contracts of Vegano are each in full force and effect, unamended, and there exists no default, warranty claim or other obligation or liability or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default, or give rise to a warranty claim or other obligation or liability thereunder. Vegano has not violated or breached, in any material respect, any of the terms or conditions of any Material Contract of Vegano and all the covenants to be performed by any other party thereto have been fully and properly performed;
- (s) other than as required by corporate law or the policies of the Exchange, there are no waivers, consents, notices or approvals required to be given or obtained by Vegano in connection with the Amalgamation and the other transactions contemplated by this Agreement under any Contract to which Vegano is a party;
- (t) no consent, approval, order or authorization of, or registration or declaration with, any applicable Governmental Authority with jurisdiction over Vegano or Subco is required to be obtained by Vegano or Subco in connection with the execution and delivery of this Agreement or the consummation of the Amalgamation, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained, would not prevent or materially delay the consummation of the Amalgamation or otherwise prevent or materially delay Vegano or Subco from performing its obligations under this Agreement and could not reasonably be expected to have a Material Adverse Effect on Vegano or Subco;
- (u) there is no suit, action or proceeding or, to the knowledge of the Vegano or Subco, pending or threatened against Vegano or Subco that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect on Vegano or Subco, and there is no judgment, decree, injunction, rule or order of any Governmental Authority outstanding against Vegano or Subco causing, or which could reasonably be expected to cause, a Material Adverse Effect on Vegano or Subco;

(v) no bankruptcy, insolvency or receivership proceedings have been instituted by Vegano or Subco or, to the knowledge of Vegano or Subco, are pending against Vegano or Subco;

(w) Vegano and Subco have all permits, licences, certificates of authority, orders and approvals of, and have made all filings, applications and registrations with, applicable Governmental Authorities that are required in order to permit it to carry on its business as presently conducted, except for such permits, licences, certificates, orders, filings, applications and registrations, the failure to have or make, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on Vegano or Subco, and all such all permits, licences, certificates of authority, orders and approvals are in good standing in all material respects;

(x) neither Vegano or Subco has not been notified by any Governmental Authority of any investigation with respect to it that is pending or threatened, nor has any Governmental Authority notified Vegano or Subco of such Governmental Authority's intention to commence or to conduct any investigation, that could be reasonably likely to have a Material Adverse Effect on Vegano or Subco;

(y) the Corporate Records of Vegano and Subco are complete and accurate in all material respects and all corporate proceedings and actions reflected therein have been conducted or taken in compliance with all Applicable Laws and with the Constatng Documents of Vegano and Subco, and without limiting the generality of the foregoing: (i) the minute books contain complete and accurate minutes of all meetings of the directors (and any committee thereof) and shareholders of Vegano and Subco; (ii) such minute books contain all written resolutions passed by the directors (and any committee thereof) and shareholders of Vegano and Subco; (iii) the share certificate books, if any, the central securities register and register of transfers, and branch registers, of Vegano and Subco are complete and accurate, and all transfers of shares of Vegano and Subco reflected therein have been duly completed and approved; and (iv) the registers of directors and officers are complete and accurate and all former and present directors and officers of Vegano and Subco were duly elected or appointed as the case may be;

(z) all Corporate Records of Vegano and Subco have been fully, properly and accurately kept and, where required, completed in accordance with generally accepted accounting principles, and there are no material inaccuracies or discrepancies of any kind contained or reflected therein; and

(aa) to the knowledge of Vegano and Subco, no representation or warranty of Vegano or Subco contained in this Agreement contains any untrue statement of a Material Fact or omits to state a Material Fact necessary in order to make the statements contained herein or therein not misleading.

Representations and Warranties of SMPL

4.2 SMPL represents and warrants to Vegano and Subco as follows, and acknowledges that Vegano and Subco are relying upon such representations and warranties in connection with the matters contemplated by this Agreement:

(a) SMPL is a corporation validly existing and in good standing under the laws of the jurisdiction of incorporation and is duly registered, licensed or qualified to carry on business under the laws of the jurisdictions in which the nature of its business makes such registration, licensing or qualification necessary;

- (b) SMPL has the corporate power and capacity to enter into this Agreement and each additional agreement or instrument to be delivered pursuant to this Agreement, to perform its obligations hereunder and thereunder, to own and lease its property, and to carry on its businesses as now being conducted;
- (c) this Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement will be prior to the Effective Time, duly authorized, executed and delivered by SMPL and each is, or will be at the Effective Time, a legal, valid and binding obligation of SMPL, enforceable against SMPL in accordance with its terms;
- (d) the execution and delivery of this Agreement does not, and the consummation of the Amalgamation will not, (i) result in a breach or violation of the articles of SMPL or of any resolutions of the directors or shareholders of SMPL, (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of an encumbrance upon any material agreement (including any Material Contract of SMPL), license or permit to which SMPL is a party or by which SMPL is bound or to which any material assets or property of SMPL is subject, or (iii) violate any provision of any Applicable Law or regulation or any judicial or administrative order, award, judgment or decree applicable to SMPL;
- (e) the authorized capital of SMPL consists of an unlimited number of common shares, of which, as of the date of this Agreement, 24,451,449 SMPL Shares are issued and outstanding as fully paid and non-assessable shares; as of the date hereof, 14,291,449 SMPL Warrants are outstanding, and 7,521,500 SMPL Special Warrants are outstanding and there are no other common shares of SMPL or securities convertible, exercisable or exchangeable into common shares issued or outstanding;
- (f) SMPL has no indebtedness to any party and there are no instruments or agreements entered into capable of converting into or having the properties of debt;
- (g) all issued and outstanding SMPL Shares were issued on the basis of eligible prospectus exemptions in accordance with applicable Securities Laws;
- (h) SMPL has not authorized any person to act as broker or finder or in any other similar capacity in connection with the transactions contemplated by this Agreement, that in any manner may or will impose liability on SMPL, Vegano or Subco;
- (i) other than as described herein, SMPL does not own, and has not at any time owned, and does not have any agreements of any nature to acquire, directly or indirectly, any shares in the capital of or other equity or proprietary interests in any person, and SMPL does not have any agreements to acquire or lease any material assets or properties or any other business operations;
- (j) the Unaudited SMPL Financial Statements, present fairly and accurately the financial position and results of the operations of SMPL for the period then ended and the Unaudited SMPL Financial Statements have been prepared in accordance with GAAP applied on a consistent basis;
- (k) to the knowledge of SMPL, no information has come to the attention of SMPL since December 31, 2021 that would or would reasonably be expected to require any restatement or revisions of any such financial statements;

- (l) except as disclosed in the Unaudited SMPL Financial Statements, there are no related-party transactions or off-balance sheet structures or transactions with respect to SMPL;
- (m) except as disclosed in the Unaudited SMPL Financial Statements, SMPL is not a party to, or bound by, any agreement of guarantee, indemnification, assumption or endorsement or any like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person;
- (n) SMPL has conducted and is conducting its business in compliance in all material respects with all Applicable Laws, regulations, by-laws, ordinances, regulations, rules, judgments, decrees and orders of each jurisdiction in which its business is carried on;
- (o) the Material Contracts of SMPL are each in full force and effect, unamended, and there exists no default, warranty claim or other obligation or liability or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default, or give rise to a warranty claim or other obligation or liability thereunder. SMPL has not violated or breached, in any material respect, any of the terms or conditions of any Material Contract of SMPL and all the covenants to be performed by any other party thereto have been fully and properly performed;
- (p) there are no waivers, consents, notices or approvals required to be given or obtained by SMPL in connection with the Amalgamation and the other transactions contemplated by this Agreement under any Contract to which SMPL is a party;
- (q) no consent, approval, order or authorization of, or registration or declaration with, any applicable Governmental Authority with jurisdiction over SMPL is required to be obtained by SMPL in connection with the execution and delivery of this Agreement, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained, would not prevent or materially delay the consummation of the Amalgamation or otherwise prevent or materially delay SMPL from performing its obligations under this Agreement and could not reasonably be expected to have a Material Adverse Effect on SMPL;
- (r) there is no suit, action or proceeding or, to the knowledge of SMPL, pending or threatened against SMPL that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect on SMPL, and there is no judgment, decree, injunction, rule or order of any Governmental Authority outstanding against SMPL causing, or which could reasonably be expected to cause, a Material Adverse Effect on SMPL;
- (s) no bankruptcy, insolvency or receivership proceedings have been instituted by SMPL or, to the knowledge of SMPL, are pending against SMPL;
- (t) SMPL has good and marketable title to its properties and assets (other than property or an asset as to which SMPL is a lessee, in which case it has a valid leasehold interest), except for such defects in title that individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on SMPL;
- (u) no person has any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming an agreement, option, understanding or commitment for the purchase from SMPL of any of its Assets;

(v) SMPL has all permits, licences, certificates of authority, orders and approvals of, and has made all filings, applications and registrations with, applicable Governmental Authorities and other persons that are required in order to permit it to carry on its business as presently conducted, except for such permits, licences, certificates, orders, filings, applications and registrations, the failure to have or make, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on SMPL, and all such permits, licenses, certificates of authority, orders and approvals are in good standing and fully complied with in all material respects;

(w) SMPL has filed in the prescribed manner and within the prescribed times all Tax Returns required to be filed by SMPL in all applicable jurisdictions as of the date hereof and all Tax Returns that have been filed by, or with respect to, SMPL are true, complete and correct, report all income and all other amounts and information required to be reported thereon and disclose any Tax required to be paid for the periods covered thereby. SMPL has duly and timely paid any Tax due and payable by it, including all instalments on account of Tax that are due and payable before the date hereof, whether or not assessed by the appropriate Governmental Authority, and has duly and timely paid all assessments and reassessments it has received in respect of any Tax;

(x) there are no audits, reassessments or other proceedings in progress or, to the knowledge of SMPL, threatened against SMPL, in respect of any Tax and, in particular, there are no currently outstanding reassessments or written enquiries which have been issued or raised by any Governmental Authority relating to any Tax, and SMPL is not aware of any contingent liability of SMPL for Tax or any grounds that could prompt an assessment or reassessment for any Tax, and SMPL has not received any indication from any Governmental Authority that any assessment or reassessment is proposed;

(y) SMPL has deducted, withheld or collected and remitted in a timely manner to the relevant Governmental Authority each Tax or other amount required to be deducted, withheld or collected and remitted by SMPL;

(z) SMPL has not been notified by any Governmental Authority of any investigation with respect to it that is pending or threatened, nor has any Governmental Authority notified SMPL of such Governmental Authority's intention to commence or to conduct any investigation that could be reasonably likely to have a Material Adverse Effect on SMPL;

(aa) SMPL has provided Vegano with a list of all its employees and copies of all employment, management or consulting agreements to which it is a party;

(bb) no current or former employee, officer or director of SMPL is entitled to a severance, termination or other similar payment as a result of the Amalgamation;

(cc) the Corporate Records of SMPL are complete and accurate in all material respects and all corporate proceedings and actions reflected therein have been conducted or taken in compliance with all Applicable Laws and with the Constatng Documents of SMPL, and without limiting the generality of the foregoing: (i) the minute books of SMPL contain complete and accurate minutes of all meetings of the directors and shareholders of SMPL; (ii) such minute books contain all written resolutions passed by the directors and shareholders of SMPL; (iii) the securities register of SMPL is complete and accurate, and all transfers of shares of SMPL have been duly completed and approved; and (iv) the registers of directors and officers are complete and accurate and all former and present directors and officers of SMPL were duly elected or appointed as the case may be;

(dd) all Corporate Records of SMPL have been fully, properly and accurately kept and, where required, completed in accordance with generally accepted accounting principles, and there are no material inaccuracies or discrepancies of any kind contained or reflected therein;

(ee) SMPL owns all right, title and interest in and to, or has valid licenses (and is not in material breach of such licenses) for, all IP that is material to the conduct of the business, as currently conducted, of SMPL (collectively, the “**SMPL IP Rights**”). All such SMPL IP Rights are sufficient, in all material respects, for conducting the Business, as currently conducted, all such SMPL IP Rights are valid and enforceable (subject to the effects of bankruptcy, insolvency, reorganization, moratorium or laws relating to or affecting creditors’ rights generally), and do not infringe upon the IP rights of any third party. To the knowledge of SMPL, no Person is currently infringing upon any of the SMPL IP Rights in any material respect.

(ff) Section 4.2(ff) of the Disclosure Schedule sets out a complete and accurate list of all SMPL IP Rights;

(gg) SMPL is not a ‘reporting issuer’ or equivalent in any jurisdiction nor are any shares of SMPL listed or quoted on any stock exchange or electronic quotation system;

(hh) all documents relating to SMPL and the Business that have been provided Vegano or its agents are true, correct and complete copies of such documents and, to the best of the knowledge of the Company, all of the documents that have been requested for review have been provided to Vegano’s solicitors;

SMPL is the sole legal and beneficial owner the Assets and, to the knowledge of SMPL, there are no actual, alleged, potential or future adverse Claims against or to the ownership of the Assets or any challenge to its right, title or interest in the Assets, nor to the knowledge of SMPL, is there any basis for any of the foregoing;

(ii) each product sold, manufactured, processed, packaged, distributed or provided or otherwise delivered by SMPL has been in material conformity with all applicable Laws, Good Manufacturing Practices, and all express and implied warranties, and no product manufactured, sold, designed, packaged, distributed or delivered by SMPL is subject to any recall, requested by a Governmental Authority or issued pursuant to applicable Law;

(jj) all facilities utilized to manufacture, package, label and store the products of SMPL have been certified compliant with, and are compliant with, all applicable food safety laws and regulations; and

(kk) to the knowledge of SMPL, no representation or warranty of SMPL contained in this Agreement contains any untrue statement of a Material Fact or omits to state a Material Fact necessary in order to make the statements contained herein or therein not misleading.

Survival of Representation and Warranties

4.3 The representations and warranties in Sections 4.1 and 4.2 or any other agreement, certificate, or instrument delivered pursuant to this Agreement shall survive for a period of 24 months following the Effective Date (the “**Survival Period**”).

PART 5
AGREEMENTS

Amalgamation Resolutions

5.1 As promptly as practical following the execution of this Agreement and in compliance with Applicable Laws (including Securities Laws), SMPL shall seek approval of the Amalgamation Resolution and such other matters as are required to effect the Amalgamation by special resolution of the SMPL Shareholders at the SMPL Meeting.

5.2 As promptly as practicable following the execution of this Agreement and in compliance with Applicable Laws (including Securities Laws), SMPL shall:

- (a) prepare materials for the SMPL Meeting containing the information required by all Applicable Laws, including Securities Laws, and not containing any misrepresentation with respect thereto, other than with respect to any information relating to and provided by Vegano;
- (b) cause the SMPL Meeting materials, together with any other documents required by Applicable Laws (including Securities Laws), to be provided to the SMPL Shareholders in accordance with the Constatng Documents of SMPL; and
- (c) take all commercially reasonable lawful action to solicit proxies in favour of the Amalgamation, if required under Applicable Laws (including Securities Laws).

PART 6
INDEMNIFICATION

Mutual Indemnifications for Breaches of Warranty

6.1 Subject to Section 6.2, SMPL hereby covenants and agrees with each of Vegano and Subco, and their respective directors, officers, employees, agents, advisors and representatives, and each of Vegano and Subco hereby covenants and agrees with SMPL, and its directors, officers, employees, agents, advisors and representatives (the Parties covenanting and agreeing to indemnify another person under this section are hereinafter individually referred to as the “**Indemnifying Party**” and the persons being indemnified by a Party are hereinafter individually referred to as the “**Indemnified Party**”), to indemnify and save harmless the Indemnified Party from and against any and all liabilities, losses, damages, claims, costs, expenses, interest awards, judgments and penalties (collectively “**Claims**”) which may be suffered or incurred by the Indemnified Party as a result of, or arising out of:

- (a) any non-fulfillment of any covenant or agreement on the part of the Indemnifying Party under this Agreement, or
- (b) any incorrectness in or breach of any representation or warranty of the Indemnifying Party contained in this Agreement,

except that the Indemnifying Party shall not be liable in any such case to the extent that any such Claims arise out of or are based upon the negligence of an Indemnified Party or the non-compliance by an Indemnified Party with any requirement of Applicable Laws in connection with the transactions contemplated by this Agreement.

Limitation on Mutual Indemnification

6.2 The indemnification obligations of each of the Parties pursuant to Section 6.1 shall be subject to the following:

- (a) the Claim shall have been made in writing in accordance with Section 6.3 within two years of the Effective Date; and
- (b) an Indemnifying Party shall not be required to indemnify an Indemnified Party until the aggregate Claims sustained by that Indemnified Party exceeds a value of \$5,000, in which case, the Indemnifying Party shall be obligated to the Indemnified Party for all Claims.

Procedure for Indemnification

6.3 The following provisions shall apply to any Claims for which an Indemnifying Party may be obligated to indemnify an Indemnified Party pursuant to this Agreement:

- (a) upon receipt from a third party by the Indemnified Party of notice of a Claim or the Indemnified Party becoming aware of any Claims in respect of which the Indemnified Party proposes to demand indemnification from the Indemnifying Party, the Indemnified Party shall give notice to that effect to the Indemnifying Party with reasonable promptness, provided that failure to give such notice shall not relieve the Indemnifying Party from any liability it may have to the Indemnified Party except to the extent that the Indemnifying Party is prejudiced thereby;
- (b) in the case of Claims arising from third parties, the Indemnifying Party shall have the right by notice to the Indemnified Party not later than 30 days after receipt of the notice described in Section 6.3(a) above to assume the control of the defense, compromise or settlement of the Claims, provided that such assumption shall, by its terms, be without costs to the Indemnified Party and the Indemnifying Party shall at the Indemnified Party's request furnish it with reasonable security against any costs or other liabilities to which it may be or become exposed by reason of such defense, compromise or settlement;
- (c) upon the assumption of control by the Indemnifying Party as aforesaid, the Indemnifying Party shall diligently proceed with the defense, compromise or settlement of the Claims at its sole expense, including employment of counsel reasonably satisfactory to the Indemnified Party and, in connection therewith, the Indemnified Party shall co-operate fully, but at the expense of the Indemnifying Party, to make available to the Indemnifying Party all pertinent information and witnesses under the Indemnified Party's control, make such assignments and take such other steps as in the opinion of counsel for the Indemnifying Party are necessary to enable the Indemnifying Party to conduct such defense; provided always that the Indemnified Party shall be entitled to reasonable security from the Indemnifying Party for any expense, costs or other liabilities to which it may be or may become exposed by reason of such co-operation;
- (d) the final determination of any such Claims arising from third parties, including all related costs and expenses, will be binding and conclusive upon the Parties as to the validity or invalidity, as the case may be, of such Claims against the Indemnifying Party hereunder; and

- (e) should the Indemnifying Party fail to give notice to the Indemnified Party as provided in Section 6.3(b) above, the Indemnified Party shall be entitled to make such settlement of the Claims as in its sole discretion may appear reasonably advisable, and such settlement or any other final determination of the Claims shall be binding upon the Indemnifying Party.

PART 7

CONDITIONS PRECEDENT

Mutual Conditions Precedent

7.1 The respective obligations of the Parties to consummate the transactions contemplated hereby, and in particular the completion of the Amalgamation, are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

- (a) the Amalgamation Resolution shall have been passed by a special majority of SMPL Shareholders;
- (b) the Amalgamation shall have become effective on or prior to the Outside Date;
- (c) all other consents, orders and approvals, including regulatory approvals and orders, necessary or desirable for the completion of the transactions provided for in this Agreement and the Amalgamation shall have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances;
- (d) this Agreement shall not have been terminated under Part 9;
- (e) dissent rights shall not have been exercised with respect to the Amalgamation by SMPL Shareholders which will in the aggregate represent 5% or more of the SMPL Shares outstanding on the record date for the SMPL Meeting;
- (f) the availability of prospectus exemptions for the Amalgamation under Securities Laws in respect of the Vegano Shares to be issued to the SMPL Shareholders;
- (g) the issuance of Vegano Shares to U.S. SMPL Shareholders shall be exempt from registration under the 1933 Act under Section 4(a)(2) of the 1933 Act, and from registration under all applicable U.S. state Securities Laws, and SMPL shall have obtained and delivered to Vegano, on or before the Effective Date, a fully completed and executed U.S. Investment Agreement from each U.S. SMPL Shareholder entitled to receive SMPL Shares pursuant to the Amalgamation in order to, among other things, evidence the availability of such exemptions; and
- (h) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and the Amalgamation.

The foregoing conditions are for the mutual benefit of Vegano and Subco on the one hand and SMPL on the other hand and may be waived, in whole or in part, jointly by the Parties at any time. If any of the foregoing conditions are not satisfied or waived on or before the Effective Date then a Party may terminate this Agreement by written notice to the other Parties in circumstances where the failure to

satisfy any such condition is not the result, directly or indirectly, of such terminating Party's breach of this Agreement.

Additional Conditions to Obligations of Vegano

7.2 The obligations of Vegano and Subco to consummate the transactions contemplated hereby, and in particular to complete the Amalgamation, are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

- (a) completion of due diligence to the satisfaction of Vegano, in its sole discretion;
- (b) SMPL shall have performed, satisfied and complied with all obligations, covenants and agreements to be performed and complied with by it on or before the Effective Date pursuant to the terms of this Agreement and that, except as affected by the transactions contemplated by this Agreement, the representations and warranties of SMPL made in this Agreement shall be true and correct in all material respects as at the Effective Date;
- (c) SMPL shall have furnished Vegano with:
 - (i) certified copies of the resolutions duly passed by the board of directors of SMPL approving this Agreement and the consummation of the transactions contemplated hereby;
 - (ii) certified copies of the Amalgamation Resolution approved by the SMPL Shareholders;
 - (iii) certified copies of SMPL's Constating Documents;
 - (iv) a certificate of good standing of SMPL dated within one day of the Effective Date;
 - (v) a Disclosure Schedule of SMPL;
 - (vi) a copy of the financial statements of SMPL;
 - (vii) a U.S. Investment Agreement in the form attached as Exhibit "C" for each U.S. SMPL Shareholder;
 - (viii) a favourable legal opinion, as is customarily provided in transactions similar to the Amalgamation, from legal counsel for SMPL dated the Effective Date and in a form satisfactory to Vegano and its counsel, acting reasonably, which shall include an opinion as to the corporate status and incorporation of SMPL, capacity of SMPL to enter into this Agreement, and such other matters as Vegano may reasonably request;
 - (ix) a certificate of SMPL addressed to Vegano and dated the Effective Date, signed on behalf of SMPL by a senior officer of SMPL, confirming that the conditions in Section 7.2(a), (d) and (e) have been satisfied; and
 - (x) such other closing documents as may be requested by Vegano, acting reasonably;

- (d) no act, action, suit, proceeding, objection or opposition shall have been taken against or affecting SMPL before or by any domestic or foreign court, tribunal or Governmental Authority or other regulatory or administrative agency or commission by any elected or appointed public official or private person in Canada or elsewhere, whether or not having the force of law and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of Vegano, acting reasonably, in either case has had or, if the Amalgamation was consummated, would result in a Material Adverse Change respecting SMPL or would materially impede the ability of the Parties to complete the Amalgamation; and
- (e) there shall not have occurred any Material Adverse Change of SMPL.

The conditions in this Section 7.2 are for the exclusive benefit of Vegano and may be asserted by Vegano regardless of the circumstances or may be waived by Vegano in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Vegano may have.

Additional Conditions to Obligations of SMPL

7.3 The obligations of SMPL to consummate the transactions contemplated hereby, and in particular to complete the Amalgamation, is subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

- (a) Vegano and Subco shall have performed, satisfied and complied with all obligations, covenants and agreements to be performed and complied with by them on or before the Effective Date pursuant to the terms of this Agreement and that, except as affected by the transactions contemplated by this Agreement, the representations and warranties of Vegano and Subco made in this Agreement shall be true and correct in all material respects as at the Effective Date;
- (b) the shares of Vegano to be issued to the SMPL Shareholders shall be issued as fully paid and non-assessable common shares in the capital of Vegano, free and clear of any and all encumbrances, liens, charges, demands of whatsoever nature, except those pursuant to any relevant Exchange policies or applicable Securities Laws;
- (c) Vegano shall have furnished SMPL with;
 - (i) certified copies of the resolutions duly passed by the boards of directors of Vegano and Subco approving this Agreement and the consummation of the transactions contemplated hereby;
 - (ii) certified copies of the resolutions of Vegano, as the sole shareholder of Subco, approving this Agreement and the consummation of the transactions contemplated hereby;
 - (iii) certified copies of Vegano and Subco's Constatting Documents;
 - (iv) certificates of good standing of Vegano and Subco dated within one day of the Effective Date;

- (v) a certificate of Vegano addressed to SMPL and dated the Effective Date, signed on behalf of Vegano by a senior officer of Vegano, confirming that the conditions in Section 7.3(a), (d), and (e) have been satisfied;
- (vi) such other closing documents as may be requested by SMPL, acting reasonably;
- (d) no act, action, suit, proceeding, objection or opposition shall have been taken against or affecting Vegano before or by any domestic or foreign court, tribunal or Governmental Authority or other regulatory or administrative agency or commission by any elected or appointed public official or private person in Canada or elsewhere, whether or not having the force of law and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of SMPL, acting reasonably, in either case has had or, if the Amalgamation was consummated, would result in a Material Adverse Change respecting Vegano or would materially impede the ability of the Parties to complete the Amalgamation; and
- (e) there shall not have occurred any Material Adverse Change of Vegano or Subco.

The conditions in this Section 7.3 are for the exclusive benefit of SMPL and may be asserted by SMPL regardless of the circumstances or may be waived by SMPL in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which SMPL may have.

Notice and Effect of Failure to Comply with Conditions

7.4 Each of Vegano and SMPL shall give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof to the Effective Date of any event or state of facts which occurrence or failure would, or would be likely to: (i) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate in any material respect; or (ii) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any Party hereunder; provided, however, that no such notification will affect the representations or warranties of the Parties or the conditions to the obligations of the Parties hereunder.

Satisfaction of Conditions

7.5 The conditions set out in this Part 7 are conclusively deemed to have been satisfied, waived or released when, with the agreement of the Parties, the Amalgamation Application and Articles are filed under the BCBCA to give effect to the Amalgamation.

PART 8 **AMENDMENT**

Amendment

8.1 This Agreement may at any time and from time to time be amended by written agreement of the Parties hereto without, subject to Applicable Laws, further notice to or authorization on the part of their respective securityholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the Parties;

- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the Parties; or
- (d) waive compliance with or modify any other conditions precedent contained herein;

provided that no such amendment reduces or materially adversely affects the consideration to be received by SMPL Shareholders without approval by the affected SMPL Shareholders given in the same manner as required for the approval of the Amalgamation.

PART 9 **TERMINATION**

Termination

- 9.1 (a) This Agreement may be terminated at any time in each of the following circumstances:
- (i) by written agreement executed and delivered by Vegano and SMPL;
 - (ii) by any Party if the Effective Date shall not have occurred by the Outside Date;
 - (iii) by Vegano if there has been a material breach by SMPL of any representation, warrant, covenant or agreement set forth in this Agreement or any of the documents contemplated hereby, which breach SMPL fails to cure within ten (10) Business Days after written notice thereof is given by Vegano; or
 - (iv) by SMPL if there has been a material breach by Vegano or Subco of any representation, warrant, covenant or agreement set forth in this Agreement or any of the documents contemplated hereby, which breach Vegano or Subco, as applicable, fails to cure within ten (10) Business Days after written notice thereof is given by SMPL.
- (b) If this Agreement is terminated in accordance with the foregoing provisions of this Section 9.1, this Agreement shall forthwith become void and no Party shall have any liability or further obligation to the other Parties hereunder except for each Party's obligations under Section 10.7 and Section 10.8 hereunder, which shall survive such termination, and provided that neither the termination of this Agreement nor anything contained in this Section 9.1(b) shall relieve any Party from any liability for any breach by it of this Agreement, including from any inaccuracy in any of its representations and warranties and any non-performance by it of its covenants made herein, prior to the date of such termination.

PART 10
GENERAL

Notices

10.1 All notices that may be or are required to be given pursuant to any provision of this Agreement are to be given or made in writing and served personally, delivered by courier or sent by facsimile or other electronic transmission:

- (a) in the case of Vegano or Subco, to:

Vegano Foods Inc.
1040 West Georgia Street, Unit 415
Vancouver, BC
V6E 4H1
Attention: Conor Power, CEO
E-mail: conor@veganofoods.com

with a courtesy copy to:

McMillan LLP
1500 Royal Centre
1055 West Georgia Street
Vancouver, British Columbia V6E 4N7
Attention: Leo Raffin
E-mail: leo.raffin@mcmillan.ca

- (b) in the case of SMPL, to:

SMPL Oats Ltd.
230-333 Terminal Avenue
Vancouver, British Columbia
V6A 4C1
Attention: David Dick
E-mail: david.dick@acmfirm.ca

with a copy to:

David Smalley Law Corporation
480-1500 West Georgia Street
Vancouver, British Columbia
Canada V6G 2Z6
Attention: David Smalley
Email: david@smalleylawcorp.com

or such other address as the Parties may, from time to time, advise the other Parties hereto by notice in writing. The date or time of receipt of any such notice will be deemed to be the date of delivery or the time such facsimile or other electronic transmission is received.

Binding Effect

10.2 This Agreement shall be binding upon and enure to the benefit of the Parties hereto and their respective successors and permitted assigns.

Assignment

10.3 Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the Parties hereto without the prior written consent of the other Parties hereto.

Entire Agreement

10.4 This Agreement, together with the agreements and documents referred to herein, constitute the entire agreement among the Parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, among the Parties with respect to the subject matter hereof.

Public Communications

10.5 Each of Vegano and SMPL agree to consult with each other prior to issuing any press releases or otherwise making public statements with respect to this Agreement or the Amalgamation or making any filing with any Governmental Authority with respect thereto. Without limiting the generality of the foregoing, no Party shall issue any press release regarding the Amalgamation, this Agreement or any transaction relating to this Agreement without first providing a draft of such press release to the other Party and reasonable opportunity for comment; provided, however, that the foregoing shall be subject to each Party's overriding obligation to make any such disclosure required in accordance with Applicable Laws. If such disclosure is required and the other Party has not reviewed or commented on the disclosure, the Party making such disclosure shall use all commercially reasonable efforts to give prior oral or written notice to the other Party, and if such prior notice is not possible, to give such notice promptly following such disclosure.

No Shop

10.6 SMPL will not, nor will it permit any of its directors, officers, affiliates, employees, representatives or agents (including and without limitation, investment bankers, attorneys and accountants) directly or indirectly to, solicit, discuss, encourage or accept any offer for the purchase of such party or the business or the assets of SMPL, whether as a primary or backup offer, or take any other action with the intention or reasonable foreseeable effect of leading to any commitment or agreement to sell such party or business or the assets of such party (an "**Alternative Transaction**"). In addition, SMPL will conduct its operations according to its ordinary and usual course of business consistent with past practices and will not enter into any material transactions or incur any material liabilities (including without limitation, issuing or agreeing to issue any securities other than as expressly contemplated in this Agreement) without obtaining the consent of the Vegano, which consent will not be unreasonably withheld or delayed.

SMPL represents and warrants that it is not currently in any discussions or negotiations with any other person with respect to any Alternative Transaction. SMPL will promptly notify Vegano of any Alternative Transaction of which any director, senior officer or agent of SMPL is or becomes aware of, any amendment to any of the foregoing or any request for non-public information relating to the SMPL. Such notice will include a description of the material terms and conditions of any such proposal and the identity of the person making such proposal, inquiry, request or contact.

Costs

10.7 Except as provided herein, all fees, costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such cost or expense, whether or not the Amalgamation is completed.

Confidentiality

- 10.8 (a) The Parties acknowledge that each will and has provided to the other information that is non-public, confidential, and proprietary in nature. Each of the Parties (and their respective directors, officers, Affiliates, representatives, agents and employees) will keep such information confidential and will not, except as otherwise provided below, disclose such information or use such information for any purpose other than for the purposes of consummating the Amalgamation and the other transactions contemplated by this Agreement. The foregoing will not apply to information that:
- (i) becomes generally available to the public absent any breach of the foregoing;
 - (ii) was available on a non-confidential basis to a Party prior to its disclosure; or
 - (iii) becomes available on a non-confidential basis from a third party who is not bound to keep such information confidential.
- (b) Each of the Parties agrees that immediately upon termination of this Agreement, each Party will return to the other all confidential information.

Severability

10.9 If any one or more of the provisions or parts thereof contained in this Agreement should be or become invalid, illegal or unenforceable in any respect, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be severable therefrom and the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

Further Assurances

10.10 Each Party hereto shall, from time to time and at all times hereafter, at the request of the other Parties hereto, but without further consideration, do all such further acts, and execute and deliver all such further documents and instruments and provide all such further assurances as may be reasonably required in order to fully perform and carry out the terms and intent hereof.

Time of Essence

10.11 Time shall be of the essence of this Agreement.

Applicable Law and Enforcement

10.12 This Agreement shall be governed, including as to validity, interpretation and effect, by the laws of the Province of British Columbia and the laws of Canada applicable therein. The Parties hereby irrevocably submit and attorn to the jurisdiction of the courts of the Province of British Columbia.

Waiver

10.13 Any Party may, on its own behalf only, (i) extend the time for the performance of any of the obligations or acts of the other Parties, (ii) waive compliance with the other Parties' agreements or the fulfillment of any conditions to its own obligations contained herein, or (iii) waive inaccuracies in the other Parties' representations or warranties contained herein or in any document delivered by the other Parties; provided, however, that any such extension or waiver shall be valid only if set forth in an instrument in writing and, unless otherwise provided in the written waiver, will be limited to the specific breach or condition waived.

Counterparts

10.14 This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together constitute one and the same instrument.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

VEGANO FOODS INC.

Per: /s/ "Conor Power"
Conor Power, CEO

1355441 B.C. LTD.

Per: /s/ "Conor Power"
Conor Power, CEO

SMPL OATS LTD.

Per: /s/ "Mohammad Fazil"
Mohammad Fazil, Director

EXHIBIT "A"

FORM OF ARTICLES OF AMALCO

[See next page.]

BUSINESS CORPORATIONS ACT

ARTICLES

of

SMPL OATS LTD.

TABLE OF CONTENTS

PART 1 INTERPRETATION 1
PART 2 SHARES AND SHARE CERTIFICATES 2
PART 3 ISSUE OF SHARES 4
PART 4 SHARE REGISTERS 5
PART 5 SHARE TRANSFERS 5
PART 6 TRANSMISSION OF SHARES 6
PART 7 PURCHASE, REDEEM OR OTHERWISE ACQUIRE SHARES 7
PART 8 BORROWING POWERS 8
PART 9 ALTERATIONS 8
PART 10 MEETINGS OF SHAREHOLDERS 10
PART 11 PROCEEDINGS AT MEETINGS OF SHAREHOLDERS 12
PART 12 VOTES OF SHAREHOLDERS 16
PART 13 DIRECTORS 21
PART 14 ELECTION AND REMOVAL OF DIRECTORS 22
PART 15 POWERS AND DUTIES OF DIRECTORS 25
PART 16 INTERESTS OF DIRECTORS AND OFFICERS 26
PART 17 PROCEEDINGS OF DIRECTORS 27
PART 18 EXECUTIVE AND OTHER COMMITTEES 30
PART 19 OFFICERS 31
PART 20 INDEMNIFICATION 32
PART 21 DIVIDENDS 34
PART 22 ACCOUNTING RECORDS AND AUDITOR 36
PART 23 NOTICES 36
PART 24 SEAL 38
PART 25 PROHIBITIONS 39

BUSINESS CORPORATIONS ACT

ARTICLES

of

**SMPL OATS LTD.
(the “Company”)**

PART 1

INTERPRETATION

Definitions

1.1 In these Articles, unless the context otherwise requires:

- (a) “**Act**” means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (b) “**board of directors**”, “**directors**” and “**board**” mean the directors or sole director of the Company for the time being;
- (c) “**Interpretation Act**” means the *Interpretation Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (d) “**legal personal representative**” means the personal or other legal representative of the shareholder;
- (e) “**registered address**” of a shareholder means the shareholder’s address as recorded in the central securities register;
- (f) “**seal**” means the seal of the Company, if any;
- (g) “**share**” means a share in the share structure of the Company; and
- (h) “**special majority**” means the majority of votes described in §11.2 which is required to pass a special resolution.

Act and Interpretation Act Definitions Applicable

1.2 The definitions in the Act and the definitions and rules of construction in the Interpretation Act, with the necessary changes, so far as applicable, and except as the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the Act and a definition or rule in the Interpretation Act relating to a term used in these Articles, the definition in the Act will prevail. If there is a conflict or inconsistency between these Articles and the Act, the Act will prevail.

PART 2

SHARES AND SHARE CERTIFICATES

Authorized Share Structure

2.1 The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

Form of Share Certificate

2.2 Each share certificate issued by the Company must comply with, and be signed as required by, the Act.

Shareholder Entitled to Certificate or Acknowledgment or Written Notice

2.3 Unless the shares of which the shareholder is the registered owner are uncertificated shares, each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name or (b) a non-transferable written acknowledgment of the shareholder's right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate and delivery of a share certificate for a share to one of several joint shareholders or to one of the shareholders' duly authorized agents will be sufficient delivery to all. If a shareholder is the registered owner of uncertificated shares, the Company must send to a holder of an uncertificated share a written notice containing the information required by the Act within a reasonable time after the issue or transfer of such share.

Delivery by Mail

2.4 Any share certificate or non-transferable written acknowledgment of a shareholder's right to obtain a share certificate may be sent to the shareholder by mail at the shareholder's registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate or acknowledgement is lost in the mail or stolen.

Replacement of Worn Out or Defaced Certificate or Acknowledgement

2.5 If a share certificate or a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate is worn out or defaced, the Company must, on

production of the share certificate or acknowledgment, as the case may be, and on such other terms, if any, as are deemed fit:

- (a) cancel the share certificate or acknowledgment; and
- (b) issue a replacement share certificate or acknowledgment.

Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgment

2.6 If a share certificate or a non-transferable written acknowledgment of a shareholder's right to obtain a share certificate is lost, stolen or destroyed, the Company must issue a replacement share certificate or acknowledgment, as the case may be, to the person entitled to that share certificate or acknowledgment, if it receives:

- (a) proof satisfactory to it of the loss, theft or destruction; and
- (b) any indemnity the directors consider adequate.

Splitting Share Certificates

2.7 If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

Certificate Fee

2.8 There must be paid to the Company, in relation to the issue of any share certificate under §2.5, §2.6 or §2.7, the amount, if any, not exceeding the amount prescribed under the Act, determined by the directors.

Recognition of Trusts

2.9 Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as required by law or statute or these Articles or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

PART 3

ISSUE OF SHARES

Directors Authorized

3.1 Subject to the Act and the rights, if any, of the holders of issued shares of the Company, the Company may allot, issue, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the consideration (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

Commissions and Discounts

3.2 The Company may at any time pay a reasonable commission or allow a reasonable discount to any person in consideration of that person's purchase or agreement to purchase shares of the Company from the Company or any other person's procurement or agreement to procure purchasers for shares of the Company.

Brokerage

3.3 The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

Conditions of Issue

3.4 Except as provided for by the Act, no share may be issued until it is fully paid. A share is fully paid when:

- (a) consideration is provided to the Company for the issue of the share by one or more of the following:
 - (i) past services performed for the Company;
 - (ii) property;
 - (iii) money; and
- (b) the value of the consideration received by the Company equals or exceeds the issue price set for the share under §3.1.

Share Purchase Warrants and Rights

3.5 Subject to the Act, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the directors determine, which share purchase warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

PART 4

SHARE REGISTERS

Central Securities Register

4.1 As required by and subject to the Act, the Company must maintain in British Columbia a central securities register and may appoint an agent to maintain such register. The directors may appoint one or more agents, including the agent appointed to keep the central securities register, as transfer agent for shares or any class or series of shares and the same or another agent as registrar for shares or such class or series of shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

PART 5

SHARE TRANSFERS

Registering Transfers

5.1 A transfer of a share must not be registered unless the Company or the transfer agent or registrar for the class or series of shares to be transferred has received:

- (a) except as exempted by the Act, a duly signed proper instrument of transfer in respect of the share;
- (b) if a share certificate has been issued by the Company in respect of the share to be transferred, that share certificate;
- (c) if a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate has been issued by the Company in respect of the share to be transferred, that acknowledgment; and
- (d) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, the due signing of the instrument of transfer and the right of the transferee to have the transfer registered.

Form of Instrument of Transfer

5.2 The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates of that class or series or in some other form that may be approved by the directors.

Transferor Remains Shareholder

5.3 Except to the extent that the Act otherwise provides, the transferor of a share is deemed to remain the holder of it until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

Signing of Instrument of Transfer

5.4 If a shareholder, or the shareholder's duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified, all the shares represented by the share certificates or set out in the written acknowledgments deposited with the instrument of transfer:

- (a) in the name of the person named as transferee in that instrument of transfer; or
- (b) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

Enquiry as to Title Not Required

5.5 Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares transferred, of any interest in such shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

Transfer Fee

5.6 There must be paid to the Company, in relation to the registration of a transfer, the amount, if any, determined by the directors.

PART 6

TRANSMISSION OF SHARES

Legal Personal Representative Recognized on Death

6.1 In case of the death of a shareholder, the legal personal representative of the shareholder, or in the case of shares registered in the shareholder's name and the name of another person in joint tenancy, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a

person as a legal personal representative of a shareholder, the Company shall receive the documentation required by the Act.

Rights of Legal Personal Representative

6.2 The legal personal representative of a shareholder has the same rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, provided the documents required by the Act and the directors have been deposited with the Company. This §6.2 does not apply in the case of the death of a shareholder with respect to shares registered in the name of the shareholder and the name of another person in joint tenancy.

PART 7

PURCHASE, REDEEM OR OTHERWISE ACQUIRE SHARES

Company Authorized to Purchase, Redeem or Otherwise Acquire Shares

7.1 Subject to §7.2, the special rights or restrictions attached to the shares of any class or series and the Act, the Company may, if authorized by the directors, purchase, redeem or otherwise acquire any of its shares at the price and upon the terms determined by the directors.

Purchase When Insolvent

7.2 The Company must not make a payment or provide any other consideration to purchase, redeem or otherwise acquire any of its shares if there are reasonable grounds for believing that:

- (a) the Company is insolvent; or
- (b) making the payment or providing the consideration would render the Company insolvent.

Sale and Voting of Purchased, Redeemed or Otherwise Acquired Shares

7.3 If the Company retains a share redeemed, purchased or otherwise acquired by it, the Company may sell, gift or otherwise dispose of the share, but, while such share is held by the Company, it:

- (a) is not entitled to vote the share at a meeting of its shareholders;
- (b) must not pay a dividend in respect of the share; and
- (c) must not make any other distribution in respect of the share.

Company Entitled to Purchase, Redeem or Otherwise Acquire Share Fractions

7.4 The Company may, without prior notice to the holders, purchase, redeem or otherwise acquire for fair value any and all outstanding share fractions of any class or kind of shares in its authorized share structure as may exist at any time and from time to time. Upon the Company delivering the purchase funds and confirmation of purchase or redemption of the share fractions to the holders' registered or last known address, or if the Company has a transfer agent then to such agent for the benefit of and forwarding to such holders, the Company shall thereupon amend its central securities register to reflect the purchase or redemption of such share fractions and if the Company has a transfer agent, shall direct the transfer agent to amend the central securities register accordingly. Any holder of a share fraction, who upon receipt of the funds and confirmation of purchase or redemption of same, disputes the fair value paid for the fraction, shall have the right to apply to the court to request that it set the price and terms of payment and make consequential orders and give directions the court considers appropriate, as if the Company were the "acquiring person" as contemplated by Division 6, Compulsory Acquisitions, Section 300 under the Act and the holder were an "offeree" subject to the provisions contained in such Division, *mutatis mutandis*.

PART 8

BORROWING POWERS

- 8.1 The Company, if authorized by the directors, may:
- (a) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate;
 - (b) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as the directors consider appropriate;
 - (c) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
 - (d) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

PART 9

ALTERATIONS

Alteration of Authorized Share Structure

- 9.1 Subject to §9.2 and the Act, the Company may by special resolution:

- (a) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
- (b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
- (c) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
- (d) if the Company is authorized to issue shares of a class of shares with par value:
 - (i) decrease the par value of those shares; or
 - (ii) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- (e) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
- (f) alter the identifying name of any of its shares; or
- (g) otherwise alter its shares or authorized share structure when required or permitted to do so by the Act,

and, if applicable, alter its Notice of Articles and Articles accordingly.

Special Rights or Restrictions

9.2 Subject to the Act and in particular those provisions of the Act relating to the rights of holders of outstanding shares to vote if their rights are prejudiced or interfered with, the Company may by special resolution:

- (a) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or
- (b) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued,

and alter its Notice of Articles and Articles accordingly.

Change of Name

9.3 The Company may

- (a) if the Company is a public company, by directors' resolution, authorize an alteration to its Notice of Articles, in order to change its name;

(b) if the Company is not a public company, by special resolution, authorize an alteration to its Notice of Articles, in order to change its name, and

(c) by ordinary or directors' resolution, authorize an alteration to its Notice of Articles, in order to adopt or change any translation of that name.

Other Alterations

9.4 If the Act does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by special resolution alter these Articles.

PART 10

MEETINGS OF SHAREHOLDERS

Annual General Meetings

10.1 Unless an annual general meeting is deferred or waived in accordance with the Act, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place as may be determined by the directors.

Resolution Instead of Annual General Meeting

10.2 If all the shareholders who are entitled to vote at an annual general meeting consent in writing by a unanimous resolution to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this §10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

Calling of Meetings of Shareholders

10.3 The directors may, at any time, call a meeting of shareholders.

Notice for Meetings of Shareholders

10.4 The Company must send notice of the date, time and location of any meeting of shareholders (including, without limitation, any notice specifying the intention to propose a resolution as an exceptional resolution, a special resolution or a special separate resolution, and any notice to consider approving an amalgamation into a foreign jurisdiction, an arrangement or the adoption of an amalgamation agreement, and any notice of a general meeting, class meeting or series meeting), in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

- (a) if the Company is a public company, 21 days;
- (b) otherwise, 10 days.

Record Date for Notice

10.5 The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the Act, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

- (a) if the Company is a public company, 21 days;
- (b) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

Record Date for Voting

10.6 The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the Act, by more than four months. If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

Failure to Give Notice and Waiver of Notice

10.7 The accidental omission to send notice of any meeting of shareholders to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive that entitlement or may agree to reduce the period of that notice. Attendance of a person at a meeting of shareholders is a waiver of entitlement to notice of the meeting unless that person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

Notice of Special Business at Meetings of Shareholders

10.8 If a meeting of shareholders is to consider special business within the meaning of §11.1, the notice of meeting must:

- (a) state the general nature of the special business; and
- (b) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have

attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:

- (i) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
- (ii) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

Place of Meetings

10.9 In addition to any location in British Columbia, any general meeting may be held in any location outside British Columbia approved by a resolution of the directors.

PART 11

PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

Special Business

11.1 At a meeting of shareholders, the following business is special business:

- (a) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (b) at an annual general meeting, all business is special business except for the following:
 - (i) business relating to the conduct of or voting at the meeting;
 - (ii) consideration of any financial statements of the Company presented to the meeting;
 - (iii) consideration of any reports of the directors or auditor;
 - (iv) the setting or changing of the number of directors;
 - (v) the election or appointment of directors;
 - (vi) the appointment of an auditor;
 - (vii) the setting of the remuneration of an auditor;
 - (viii) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution;

(ix) any other business which, under these Articles or the Act, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

Special Majority

11.2 The majority of votes required for the Company to pass a special resolution at a general meeting of shareholders is two-thirds of the votes cast on the resolution.

Quorum

11.3 Subject to the special rights or restrictions attached to the shares of any class or series of shares, and to §11.4, the quorum for the transaction of business at a meeting of shareholders is at least one person who is, or who represents by proxy, one or more shareholders who, in the aggregate, holds at least 5% of the issued shares entitled to be voted at the meeting.

One Shareholder May Constitute Quorum

11.4 If there is only one shareholder entitled to vote at a meeting of shareholders:

- (a) the quorum is one person who is, or who represents by proxy, that shareholder, and
- (b) that shareholder, present in person or by proxy, may constitute the meeting.

Persons Entitled to Attend Meeting

11.5 In addition to those persons who are entitled to vote at a meeting of shareholders, the only other persons entitled to be present at the meeting are the directors, the president (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company, any persons invited to be present at the meeting by the directors or by the chair of the meeting and any persons entitled or required under the Act or these Articles to be present at the meeting; but if any of those persons does attend the meeting, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

Requirement of Quorum

11.6 No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

Lack of Quorum

11.7 If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (a) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved, and
- (b) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

Lack of Quorum at Succeeding Meeting

11.8 If, at the meeting to which the meeting referred to in §11.7(b) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the person or persons present and being, or representing by proxy one or more shareholders, entitled to attend and vote at the meeting shall be deemed to constitute a quorum.

Chair

11.9 The following individual is entitled to preside as chair at a meeting of shareholders:

- (a) the chair of the board, if any; or
- (b) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

Selection of Alternate Chair

11.10 If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present may choose either one of their number or the lawyer of the Company to be chair of the meeting. If all of the directors present decline to take the chair or fail to so choose or if no director is present or the lawyer of the Company declines to take the chair, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

Adjournments

11.11 The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Notice of Adjourned Meeting

11.12 It is not necessary to give any notice of an adjourned meeting of shareholders or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

Decisions by Show of Hands or Poll

11.13 Subject to the Act, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by any shareholder entitled to vote who is present in person or by proxy.

Declaration of Result

11.14 The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under §11.13, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

Motion Need Not be Seconded

11.15 No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

Casting Vote

11.16 In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

Manner of Taking Poll

11.17 Subject to §11.18, if a poll is duly demanded at a meeting of shareholders:

- (a) the poll must be taken:
 - (i) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
 - (ii) in the manner, at the time and at the place that the chair of the meeting directs;
- (b) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and
- (c) the demand for the poll may be withdrawn by the person who demanded it.

Demand for Poll on Adjournment

11.18 A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

Chair Must Resolve Dispute

11.19 In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and the determination of the chair made in good faith is final and conclusive.

Casting of Votes

11.20 On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

No Demand for Poll on Election of Chair

11.21 No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

Demand for Poll Not to Prevent Continuance of Meeting

11.22 The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

Retention of Ballots and Proxies

11.23 The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during normal business hours by any shareholder or proxy holder entitled to vote at the meeting. At the end of such three month period, the Company may destroy such ballots and proxies.

PART 12

VOTES OF SHAREHOLDERS

Number of Votes by Shareholder or by Shares

12.1 Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under §12.3:

- (a) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and
- (b) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

Votes of Persons in Representative Capacity

12.2 A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

Votes by Joint Holders

12.3 If there are joint shareholders registered in respect of any share:

- (a) any one of the joint shareholders may vote at any meeting of shareholders, personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or
- (b) if more than one of the joint shareholders is present at any meeting of shareholders, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted.

Legal Personal Representatives as Joint Shareholders

12.4 Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of §12.3, deemed to be joint shareholders registered in respect of that share.

Representative of a Corporate Shareholder

12.5 If a corporation, that is not a subsidiary of the Company, is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

- (a) for that purpose, the instrument appointing a representative must be received:
 - (i) at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or
 - (ii) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting;
- (b) if a representative is appointed under this §12.5:

- (i) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and
- (ii) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

Proxy Provisions Do Not Apply to All Companies

12.6 If and for so long as the Company is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply, then §12.7 to §12.15 are not mandatory, however the directors of the Company are authorized to apply all or part of such sections or to adopt alternative procedures for proxy form, deposit and revocation procedures to the extent that the directors deem necessary in order to comply with securities laws applicable to the Company.

Appointment of Proxy Holders

12.7 Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders may, by proxy, appoint one or more (but not more than five) proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

Alternate Proxy Holders

12.8 A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

Proxy Holder Need Not Be Shareholder

12.9 A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

- (a) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under §12.5;
- (b) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting; or

- (c) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting.

Deposit of Proxy

12.10 A proxy for a meeting of shareholders must:

- (a) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or
- (b) unless the notice provides otherwise, be received, at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages, including through Internet or telephone voting or by email, if permitted by the notice calling the meeting or the information circular for the meeting.

Validity of Proxy Vote

12.11 A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

- (a) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (b) at the meeting or any adjourned meeting by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

Form of Proxy

12.12 A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

[name of company]
(the "Company")

The undersigned, being a shareholder of the Company, hereby appoints [name] or, failing that person, [name], as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on [month, day, year] and at any adjournment of that meeting.

Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the undersigned): _____

Signed [month, day, year]

[Signature of shareholder]

[Name of shareholder—printed]

Revocation of Proxy

12.13 Subject to §12.14, every proxy may be revoked by an instrument in writing that is received:

- (a) at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (b) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

Revocation of Proxy Must Be Signed

12.14 An instrument referred to in §12.13 must be signed as follows:

- (a) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or the shareholder's legal personal representative or trustee in bankruptcy;
- (b) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under §12.5.

Production of Evidence of Authority to Vote

12.15 The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

PART 13

DIRECTORS

First Directors; Number of Directors

13.1 The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the Act. The number of directors, excluding additional directors appointed under §14.8, is set at:

- (a) subject to §(b) and §(c), the number of directors that is equal to the number of the Company's first directors;
- (b) if the Company is a public company, the greater of three and the most recently set of:
 - (i) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
 - (ii) the number of directors in office pursuant to §14.4;
- (c) if the Company is not a public company, the most recently set of:
 - (i) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
 - (ii) the number of directors in office pursuant to §14.4.

Change in Number of Directors

13.2 If the number of directors is set under §13.1(b)(i) or §13.1(c)(i):

- (a) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number; or
- (b) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number then the directors, subject to §14.8, may appoint directors to fill those vacancies.

Directors' Acts Valid Despite Vacancy

13.3 An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

Qualifications of Directors

13.4 A director is not required to hold a share in the share structure of the Company as qualification for his or her office but must be qualified as required by the Act to become, act or continue to act as a director.

Remuneration of Directors

13.5 The directors are entitled to the remuneration for acting as directors, if any, as the directors may from time to time determine. If the directors so decide, the remuneration of the directors, if any, will be determined by the shareholders.

Reimbursement of Expenses of Directors

13.6 The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

Special Remuneration for Directors

13.7 If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, he or she may be paid remuneration fixed by the directors, or at the option of the directors, fixed by ordinary resolution, and such remuneration will be in addition to any other remuneration that he or she may be entitled to receive.

Gratuity, Pension or Allowance on Retirement of Director

13.8 Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

PART 14

ELECTION AND REMOVAL OF DIRECTORS

Election at Annual General Meeting

14.1 At every annual general meeting and in every unanimous resolution contemplated by §10.2:

- (a) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and
- (b) all the directors cease to hold office immediately before the election or appointment of directors under §(a), but are eligible for re-election or re-appointment.

Consent to be a Director

14.2 No election, appointment or designation of an individual as a director is valid unless:

- (a) that individual consents to be a director in the manner provided for in the Act;
- (b) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or
- (c) with respect to first directors, the designation is otherwise valid under the Act.

Failure to Elect or Appoint Directors

14.3 If:

- (a) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by §10.2, on or before the date by which the annual general meeting is required to be held under the Act; or
- (b) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by §10.2, to elect or appoint any directors;

then each director then in office continues to hold office until the earlier of:

- (c) when his or her successor is elected or appointed; and
- (d) when he or she otherwise ceases to hold office under the Act or these Articles.

Places of Retiring Directors Not Filled

14.4 If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles but their term of office shall expire when new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

Directors May Fill Casual Vacancies

14.5 Any casual vacancy occurring in the board of directors may be filled by the directors.

Remaining Directors Power to Act

14.6 The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of calling a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the Act, for any other purpose.

Shareholders May Fill Vacancies

14.7 If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

Additional Directors

14.8 Notwithstanding §13.1 and §13.2, between annual general meetings or by unanimous resolutions contemplated by §10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this §14.8 must not at any time exceed:

- (a) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or
- (b) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this §14.8.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under §14.1(a), but is eligible for re-election or re-appointment.

Ceasing to be a Director

14.9 A director ceases to be a director when:

- (a) the term of office of the director expires;
- (b) the director dies;
- (c) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (d) the director is removed from office pursuant to §14.10 or §14.11.

Removal of Director by Shareholders

14.10 The Company may remove any director before the expiration of his or her term of office by special resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

Removal of Director by Directors

14.11 The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

PART 15

POWERS AND DUTIES OF DIRECTORS

Powers of Management

15.1 The directors must, subject to the Act and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the Act or by these Articles, required to be exercised by the shareholders of the Company.

Appointment of Attorney of Company

15.2 The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

PART 16

INTERESTS OF DIRECTORS AND OFFICERS

Obligation to Account for Profits

16.1 A director or senior officer who holds a disclosable interest (as that term is used in the Act) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the Act.

Restrictions on Voting by Reason of Interest

16.2 A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

Interested Director Counted in Quorum

16.3 A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

Disclosure of Conflict of Interest or Property

16.4 A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the Act.

Director Holding Other Office in the Company

16.5 A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

No Disqualification

16.6 No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

Professional Services by Director or Officer

16.7 Subject to the Act, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

Director or Officer in Other Corporations

16.8 A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the Act, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

PART 17

PROCEEDINGS OF DIRECTORS

Meetings of Directors

17.1 The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

Voting at Meetings

17.2 Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

Chair of Meetings

17.3 The following individual is entitled to preside as chair at a meeting of directors:

- (a) the chair of the board, if any;
- (b) in the absence of the chair of the board, the president, if any, if the president is a director; or
- (c) any other director chosen by the directors if:
 - (i) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting;
 - (ii) neither the chair of the board nor the president, if a director, is willing to chair the meeting; or

- (iii) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

Meetings by Telephone or Other Communications Medium

17.4 A director may participate in a meeting of the directors or of any committee of the directors:

- (a) in person; or
- (b) by telephone or by other communications medium if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other.

A director who participates in a meeting in a manner contemplated by this §17.4 is deemed for all purposes of the Act and these Articles to be present at the meeting and to have agreed to participate in that manner.

Calling of Meetings

17.5 A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

Notice of Meetings

17.6 Other than for meetings held at regular intervals as determined by the directors pursuant to §17.1, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors and the alternate directors by any method set out in §23.1 or orally or by telephone.

When Notice Not Required

17.7 It is not necessary to give notice of a meeting of the directors to a director or an alternate director if:

- (a) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed; or
- (b) the director or alternate director has waived notice of the meeting.

Meeting Valid Despite Failure to Give Notice

17.8 The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director or alternate director, does not invalidate any proceedings at that meeting.

Waiver of Notice of Meetings

17.9 Any director or alternate director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director. Attendance of a director or alternate director at a meeting of the directors is a waiver of notice of the meeting unless that director or alternate director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

Quorum

17.10 The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be a majority of the directors or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

Validity of Acts Where Appointment Defective

17.11 Subject to the Act, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

Consent Resolutions in Writing

17.12 A resolution of the directors or of any committee of the directors may be passed without a meeting:

- (a) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or
- (b) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, if each of the other directors who have not made such a disclosure consents in writing to the resolution.

A consent in writing under this §17.12 may be by signed document, fax, email or any other method of transmitting legibly recorded messages. A consent in writing may be in two or more counterparts which together are deemed to constitute one consent in writing. A resolution of the directors or of any committee of the directors passed in accordance with this §17.12 is effective on the date stated in the consent in writing or on the latest date stated on any counterpart and is deemed to be a proceeding at a meeting of directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the Act and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

PART 18

EXECUTIVE AND OTHER COMMITTEES

Appointment and Powers of Executive Committee

18.1 The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and this committee has, during the intervals between meetings of the board of directors, all of the directors' powers, except:

- (a) the power to fill vacancies in the board of directors;
- (b) the power to remove a director;
- (c) the power to change the membership of, or fill vacancies in, any committee of the directors; and
- (d) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

Appointment and Powers of Other Committees

18.2 The directors may, by resolution:

- (a) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;
- (b) delegate to a committee appointed under §(a) any of the directors' powers, except:
 - (i) the power to fill vacancies in the board of directors;
 - (ii) the power to remove a director;
 - (iii) the power to change the membership of, or fill vacancies in, any committee of the directors; and
 - (iv) the power to appoint or remove officers appointed by the directors; and
- (c) make any delegation referred to in §(b) subject to the conditions set out in the resolution or any subsequent directors' resolution.

Obligations of Committees

18.3 Any committee appointed under §18.1 or §18.2, in the exercise of the powers delegated to it, must:

- (a) conform to any rules that may from time to time be imposed on it by the directors; and

- (b) report every act or thing done in exercise of those powers at such times as the directors may require.

Powers of Board

18.4 The directors may, at any time, with respect to a committee appointed under §18.1 or §18.2

- (a) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;
- (b) terminate the appointment of, or change the membership of, the committee; and
- (c) fill vacancies in the committee.

Committee Meetings

18.5 Subject to §18.3(a) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under §18.1 or §18.2:

- (a) the committee may meet and adjourn as it thinks proper;
- (b) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;
- (c) a majority of the members of the committee constitutes a quorum of the committee; and
- (d) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting does not have a second or casting vote.

PART 19

OFFICERS

Directors May Appoint Officers

19.1 The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

Functions, Duties and Powers of Officers

19.2 The directors may, for each officer:

- (a) determine the functions and duties of the officer;
- (b) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (c) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

Qualifications

19.3 No person may be appointed as an officer unless that person is qualified in accordance with the Act. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or as a managing director must be a director. Any other officer need not be a director.

Remuneration and Terms of Appointment

19.4 All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors thinks fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

PART 20

INDEMNIFICATION

Definitions

20.1 In this Part 20:

- (a) “**eligible party**”, in relation to a company, means an individual who:
 - (i) is or was a director, alternate director or officer of the Company;
 - (ii) is or was a director, alternate director or officer of another corporation
 - (A) at a time when the corporation is or was an affiliate of the Company, or
 - (B) at the request of the Company; or
 - (iii) at the request of the Company, is or was, or holds or held a position equivalent to that of, a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity,

and includes, except in the definition of “eligible proceeding” and Sections 163(1)(c) and (d) and 165 of the Act, the heirs and personal or other legal representatives of that individual;

(b) “**eligible penalty**” means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;

(c) “**eligible proceeding**” means a proceeding in which an eligible party or any of the heirs and personal or other legal representatives of the eligible party, by reason of the eligible party being or having been a director, alternate director or officer of, or holding or having held a position equivalent to that of a director or officer of, the Company or an associated corporation

(i) is or may be joined as a party; or

(ii) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;

(d) “**expenses**” has the meaning set out in the Act and includes costs, charges and expenses, including legal and other fees, but does not include judgments, penalties, fines or amounts paid in settlement of a proceeding; and

(e) “**proceeding**” includes any legal proceeding or investigative action, whether current, threatened, pending or completed.

Mandatory Indemnification of Eligible Parties

20.2 Subject to the Act, the Company must indemnify each eligible party and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each eligible party is deemed to have contracted with the Company on the terms of the indemnity contained in this §20.2.

Indemnification of Other Persons

20.3 Subject to any restrictions in the Act, the Company may agree to indemnify and may indemnify any person (including an eligible party) against eligible penalties and pay expenses incurred in connection with the performance of services by that person for the Company.

Authority to Advance Expenses

20.4 The Company may advance expenses to an eligible party to the extent permitted by and in accordance with the Act.

Non-Compliance with Act

20.5 Subject to the Act, the failure of an eligible party of the Company to comply with the Act or these Articles or, if applicable, any former *Companies Act* or former Articles does not, of itself, invalidate any indemnity to which he or she is entitled under this Part 20.

Company May Purchase Insurance

20.6 The Company may purchase and maintain insurance for the benefit of any eligible party (or the heirs or legal personal representatives of any eligible party) against any liability incurred by any eligible party.

PART 21

DIVIDENDS

Payment of Dividends Subject to Special Rights

21.1 The provisions of this Part 21 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

Declaration of Dividends

21.2 Subject to the Act, the directors may from time to time declare and authorize payment of such dividends as they may deem advisable.

No Notice Required

21.3 The directors need not give notice to any shareholder of any declaration under §21.2.

Record Date

21.4 The directors must set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months.

Manner of Paying Dividend

21.5 A resolution declaring a dividend may direct payment of the dividend wholly or partly in money or by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company or any other corporation, or in any one or more of those ways.

Settlement of Difficulties

21.6 If any difficulty arises in regard to a distribution under §21.5, the directors may settle the difficulty as they deem advisable, and, in particular, may:

- (a) set the value for distribution of specific assets;
- (b) determine that money in substitution for all or any part of the specific assets to which any shareholders are entitled may be paid to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and
- (c) vest any such specific assets in trustees for the persons entitled to the dividend.

When Dividend Payable

21.7 Any dividend may be made payable on such date as is fixed by the directors.

Dividends to be Paid in Accordance with Number of Shares

21.8 All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

Receipt by Joint Shareholders

21.9 If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

Dividend Bears No Interest

21.10 No dividend bears interest against the Company.

Fractional Dividends

21.11 If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

Payment of Dividends

21.12 Any dividend or other distribution payable in money in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed to the registered address of the shareholder, or in the case of joint shareholders, to the registered address of the joint shareholder who is first named on the central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

Capitalization of Retained Earnings or Surplus

21.13 Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any retained earnings or surplus of the Company and may from time to time

issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the retained earnings or surplus so capitalized or any part thereof.

PART 22

ACCOUNTING RECORDS AND AUDITOR

Recording of Financial Affairs

22.1 The directors must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the Act.

Inspection of Accounting Records

22.2 Unless the directors determine otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

Remuneration of Auditor

22.3 The directors may set the remuneration of the auditor of the Company.

PART 23

NOTICES

Method of Giving Notice

23.1 Unless the Act or these Articles provide otherwise, a notice, statement, report or other record required or permitted by the Act or these Articles to be sent by or to a person may be sent by:

- (a) mail addressed to the person at the applicable address for that person as follows:
 - (i) for a record mailed to a shareholder, the shareholder's registered address;
 - (ii) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;
 - (iii) in any other case, the mailing address of the intended recipient;
- (b) delivery at the applicable address for that person as follows, addressed to the person:
 - (i) for a record delivered to a shareholder, the shareholder's registered address;

- (ii) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;
- (iii) in any other case, the delivery address of the intended recipient;
- (c) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
- (d) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;
- (e) physical delivery to the intended recipient.

Deemed Receipt of Mailing

23.2 A notice, statement, report or other record that is:

- (a) mailed to a person by ordinary mail to the applicable address for that person referred to in §23.1 is deemed to be received by the person to whom it was mailed on the day (Saturdays, Sundays and holidays excepted) following the date of mailing;
- (b) faxed to a person to the fax number provided by that person under §23.1 is deemed to be received by the person to whom it was faxed on the day it was faxed; and
- (c) emailed to a person to the e-mail address provided by that person under §23.1 is deemed to be received by the person to whom it was e-mailed on the day that it was emailed.

Certificate of Sending

23.3 A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that capacity on behalf of the Company stating that a notice, statement, report or other record was sent in accordance with §23.1 is conclusive evidence of that fact.

Notice to Joint Shareholders

23.4 A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing such record to the joint shareholder first named in the central securities register in respect of the share.

Notice to Legal Personal Representatives and Trustees

23.5 A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

- (a) mailing the record, addressed to them:
 - (i) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and
 - (ii) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (b) if an address referred to in §(a)(ii) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

Undelivered Notices

23.6 If on two consecutive occasions, a notice, statement, report or other record is sent to a shareholder pursuant to §23.1 and on each of those occasions any such record is returned because the shareholder cannot be located, the Company shall not be required to send any further records to the shareholder until the shareholder informs the Company in writing of his or her new address.

PART 24

SEAL

Who May Attest Seal

24.1 Except as provided in §24.2 and §24.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

- (a) any two directors;
- (b) any officer, together with any director;
- (c) if the Company only has one director, that director; or
- (d) any one or more directors or officers or persons as may be determined by the directors.

Sealing Copies

24.2 For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite §24.1, the impression of the seal may be attested by the signature of any director or officer or the signature of any other person as may be determined by the directors.

Mechanical Reproduction of Seal

24.3 The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the Act or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and such persons as are authorized under §24.1 to attest the Company's seal may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

PART 25

PROHIBITIONS

Definitions

25.1 In this Part 25:

- (a) “**designated security**” means:
 - (i) a voting security of the Company;
 - (ii) a security of the Company that is not a debt security and that carries a residual right to participate in the earnings of the Company or, on the liquidation or winding up of the Company, in its assets; or
 - (iii) a security of the Company convertible, directly or indirectly, into a security described in §(a) or §(b);
- (b) “**security**” has the meaning assigned in the *Securities Act* (British Columbia); and
- (c) “**voting security**” means a security of the Company that:
 - (i) is not a debt security; and
 - (ii) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

Application

25.2 §25.3 does not apply to the Company if and for so long as it is a public company, a private company which is no longer eligible to use the private issuer exemption under the *Securities Act* (British Columbia) or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or a company to which the Statutory Reporting Company Provisions apply.

Consent Required for Transfer of Shares or Designated Securities

25.3 No share or designated security may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

Full name and signature of director	Date of signing
<hr/> CONOR POWER	●, 2022

EXHIBIT "B"

FORM OF AMALGAMATION APPLICATION

[See next page.]

AMALGAMATION APPLICATION

BUSINESS CORPORATIONS ACT, section 275

Telephone: 1 877 526-1526
www.bcreg.ca

Mailing Address: PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3

Courier Address: 200 – 940 Blanshard Street
Victoria BC V8W 3E6

DO NOT MAIL THIS FORM to BC Registry Services unless you are instructed to do so by registry staff. The Regulation under the *Business Corporations Act* requires the electronic version of this form to be filed on the Internet at www.corporateonline.gov.bc.ca

Freedom of Information and Protection of Privacy Act (FOIPPA): Personal information provided on this form is collected, used and disclosed under the authority of the FOIPPA and the *Business Corporations Act* for the purposes of assessment. Questions regarding the collection, use and disclosure of personal information can be directed to the Manager of Registries Operations at 1 877 526-1526, PO Box 9431 Stn Prov Govt, Victoria BC V8W 9V3.

A INITIAL INFORMATION – *When the amalgamation is complete, your company will be a BC limited company.*

What kind of company(ies) will be involved in this amalgamation?

(Check all applicable boxes.)

- BC company
- BC unlimited liability company

B NAME OF COMPANY – *Choose one of the following:*

The name _____ is the name reserved for the amalgamated company. The name reservation number is: _____,

OR

The company is to be amalgamated with a name created by adding “B.C. Ltd.” after the incorporation number,

OR

The amalgamated company is to adopt, as its name, the name of one of the amalgamating companies.

The name of the amalgamating company being adopted is:

The incorporation number of that company is: _____

Please note: If you want the name of an amalgamating corporation that is a foreign corporation, you must obtain a name approval before completing this amalgamation application.

C AMALGAMATION STATEMENT – *Please indicate the statement applicable to this amalgamation.*

With Court Approval:
This amalgamation has been approved by the court and a copy of the entered court order approving the amalgamation has been obtained and has been deposited in the records office of each of the amalgamating companies.

OR

Without Court Approval:
This amalgamation has been effected without court approval. A copy of all of the required affidavits under section 277(1) have been obtained and the affidavit obtained from each amalgamating company has been deposited in that company's records office.

D AMALGAMATION EFFECTIVE DATE – Choose **one** of the following:

The amalgamation is to take effect at the time that this application is filed with the registrar.

YYYY / MM / DD

The amalgamation is to take effect at 12:01a.m. Pacific Time on _____
being a date that is not more than ten days after the date of the filing of this application.

YYYY / MM / DD

The amalgamation is to take effect at _____ a.m. or p.m. Pacific Time on _____
being a date and time that is not more than ten days after the date of the filing of this application.

E AMALGAMATING CORPORATIONS

Enter the name of each amalgamating corporation below. For each company, enter the incorporation number.
If the amalgamating corporation is a foreign corporation, enter the foreign corporation's jurisdiction and if registered in BC as an extraprovincial company, enter the extraprovincial company's registration number. Attach an additional sheet if more space is required.

NAME OF AMALGAMATING CORPORATION	BC INCORPORATION NUMBER, OR EXTRAPROVINCIAL REGISTRATION NUMBER IN BC	FOREIGN CORPORATION'S JURISDICTION
1.		
2.		
3.		
4.		
5.		

F FORMALITIES TO AMALGAMATION

If any amalgamating corporation is a foreign corporation, section 275 (1)(b) requires an authorization for the amalgamation from the foreign corporation's jurisdiction to be filed.

This is to confirm that each authorization for the amalgamation required under section 275(1)(b) is being submitted for filing concurrently with this application.

G CERTIFIED CORRECT – I have read this form and found it to be correct.

This form must be signed by an authorized signing authority for each of the amalgamating companies as set out in Item E.

NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
1.	X	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
2.	X	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
3.	X	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
4.	X	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
5.	X	

NOTICE OF ARTICLES

A NAME OF COMPANY

Set out the name of the company as set out in Item B of the Amalgamation Application.

B TRANSLATION OF COMPANY NAME

Set out every translation of the company name that the company intends to use outside of Canada.

C DIRECTOR NAME(S) AND ADDRESS(ES)

Set out the full name, delivery address and mailing address (if different) of every director of the company. The director may select to provide either (a) the delivery address and, if different, the mailing address for the office at which the individual can usually be served with records between 9 a.m. and 4 p.m. on business days or (b) the delivery address and, if different, the mailing address of the individual's residence. The delivery address must not be a post office box. Attach an additional sheet if more space is required.

LAST NAME

FIRST NAME

MIDDLE NAME

DELIVERY ADDRESS

PROVINCE/STATE

COUNTRY

POSTAL CODE/ZIP CODE

MAILING ADDRESS

PROVINCE/STATE

COUNTRY

POSTAL CODE/ZIP CODE

LAST NAME

FIRST NAME

MIDDLE NAME

DELIVERY ADDRESS

PROVINCE/STATE

COUNTRY

POSTAL CODE/ZIP CODE

MAILING ADDRESS

PROVINCE/STATE

COUNTRY

POSTAL CODE/ZIP CODE

LAST NAME

FIRST NAME

MIDDLE NAME

DELIVERY ADDRESS

PROVINCE/STATE

COUNTRY

POSTAL CODE/ZIP CODE

MAILING ADDRESS

PROVINCE/STATE

COUNTRY

POSTAL CODE/ZIP CODE

LAST NAME

FIRST NAME

MIDDLE NAME

DELIVERY ADDRESS

PROVINCE/STATE

COUNTRY

POSTAL CODE/ZIP CODE

MAILING ADDRESS

PROVINCE/STATE

COUNTRY

POSTAL CODE/ZIP CODE

D REGISTERED OFFICE ADDRESSES

DELIVERY ADDRESS OF THE COMPANY'S REGISTERED OFFICE

PROVINCE

POSTAL CODE

BC

MAILING ADDRESS OF THE COMPANY'S REGISTERED OFFICE

PROVINCE

POSTAL CODE

BC**E RECORDS OFFICE ADDRESSES**

DELIVERY ADDRESS OF THE COMPANY'S RECORDS OFFICE

PROVINCE

POSTAL CODE

BC

MAILING ADDRESS OF THE COMPANY'S RECORDS OFFICE

PROVINCE

POSTAL CODE

BC**F AUTHORIZED SHARE STRUCTURE**

Identifying name of class or series of shares	Maximum number of shares of this class or series of shares that the company is authorized to issue, or indicate there is no maximum number.		Kind of shares of this class or series of shares.			Are there special rights or restrictions attached to the shares of this class or series of shares?	
	THERE IS NO MAXIMUM (✓)	MAXIMUM NUMBER OF SHARES AUTHORIZED	WITHOUT PAR VALUE (✓)	WITH A PAR VALUE OF (\$)	Type of currency	YES (✓)	NO (✓)

EXHIBIT "C"

FORM OF U.S. INVESTMENT AGREEMENT

[See next page.]

THE SECURITIES REFERRED TO HEREIN HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE “U.S. SECURITIES ACT”), AND HAVE BEEN OFFERED AND SOLD IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE ACT. SUCH SECURITIES MAY NOT BE REOFFERED FOR SALE OR RESOLD OR OTHERWISE TRANSFERRED UNLESS THEY ARE REGISTERED UNDER THE APPLICABLE PROVISIONS OF THE ACT OR ARE EXEMPT FROM SUCH REGISTRATION. THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR BY ANY STATE SECURITIES ADMINISTRATION OR REGULATORY AUTHORITY.

INVESTMENT AGREEMENT

WHEREAS:

A. **Vegano Foods Inc.** (the “**Company**”), the Company’s subsidiary **1355441 B.C. Ltd.** (“**Newco**”), and **SMPL Oats Ltd.** (“**SMPL**”), are parties to that certain amalgamation agreement dated for reference April 3, 2022 (the “**Amalgamation Agreement**”), pursuant to which the undersigned U.S. shareholder of SMPL (the “**U.S. SMPL Shareholder**”) will become entitled to receive certain common shares (the “**Vegano Shares**”) in the capital of the Company upon completion of the amalgamation of Newco and SMPL (the “**Amalgamation**”) in accordance with the terms and subject to the conditions set forth in the Amalgamation Agreement; and

B. The Company is requiring the U.S. SMPL Shareholder to execute and deliver this Investment Agreement in favour of the Company in order to document the availability of exemptions from the registration requirements of the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), and applicable state securities laws to register or otherwise qualify the issuance of the Vegano Shares to the U.S. SMPL Shareholder upon consummation of the Amalgamation.

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration:

1. The U.S. SMPL Shareholder represents and warrants to the Company as follows, and acknowledges that the Company is relying upon such representations and warranties:

(a) the U.S. SMPL Shareholder understands that the Vegano Shares have not been and will not be registered under the U.S. Securities Act and that the offer and distribution of the Vegano Shares to the U.S. SMPL Shareholder contemplated by the Amalgamation Agreement is intended to be a private offering pursuant to Section 4(a)(2) of the U.S. Securities Act;

(b) if the U.S. SMPL Shareholder is not a natural person, it has been duly formed and is validly existing under the laws of its jurisdiction of formation, and has full power and authority to execute and deliver this Investment Agreement;

(c) the U.S. SMPL Shareholder, either alone or together with its advisers, has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Vegano Shares, and the U.S. SMPL Shareholder is able to bear the economic risk of loss of the U.S. SMPL Shareholder’s entire investment;

(d) the U.S. SMPL Shareholder and any persons for whose account or benefit the U.S. SMPL Shareholder is acquiring the Vegano Shares EITHER:

- a. is **not** an “accredited investor” as defined in Rule 501(a) of Regulation D (an “**Accredited Investor**”) and has completed and executed the Investor Suitability Questionnaire attached hereto as Appendix I; OR
- b. is an Accredited Investor by virtue of meeting one or more of the following criteria (**please hand-write your initials on the appropriate line(s)**):

_____ Category 1. A bank, as defined in Section 3(a)(2) of the United States *Securities Act of 1933*, as amended (the “**U.S. Securities Act**”), whether acting in its individual or fiduciary capacity; a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the U.S. Securities Act, whether acting in its individual or fiduciary capacity; a broker or dealer registered pursuant to Section 15 of the United States *Securities Exchange Act of 1934*; an investment adviser registered pursuant to section 203 of the *Investment Advisers Act of 1940* or registered pursuant to the laws of a state; an investment adviser relying on the exemption from registering with the United States Securities and Exchange Commission (the “**Commission**”) under section 203(l) or (m) of the United States *Investment Advisers Act of 1940*; an insurance company as defined in Section 2(a)(13) of the U.S. Securities Act; an investment company registered under the United States *Investment Company Act of 1940*; a business development company as defined in Section 2(a)(48) of the United States *Investment Company Act of 1940*; a small business investment company licensed by the United States Small Business Administration under Section 301 (c) or (d) of the United States *Small Business Investment Act of 1958*; a rural business investment company as defined in section 384A of the United States *Consolidated Farm and Rural Development Act*; a plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, with total assets in excess of US\$5,000,000; or an employee benefit plan within the meaning of the United States *Employee Retirement Income Security Act of 1974* in which the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser, or an employee benefit plan with total assets in excess of US\$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are Accredited Investors; or

_____ Category 2. A private business development company as defined in Section 202(a)(22) of the United States *Investment Advisers Act of 1940*; or

_____ Category 3. An organization described in Section 501(c)(3) of the United States *Internal Revenue Code*, a corporation, a Massachusetts or similar business trust, a partnership, or a limited liability company, not formed for the specific purpose of acquiring the Vegano Shares offered, with total assets in excess of US\$5,000,000; or

- _____ Category 4. A director or executive officer of the Company; or
- _____ Category 5. A natural person whose individual net worth, or joint net worth with that person's spouse or spousal equivalent (being a cohabitant occupying a relationship generally equivalent to that of a spouse), at the time of that person's purchase exceeds US\$1,000,000 (**note:** for the purposes of calculating net worth: (i) the person's primary residence shall not be included as an asset; (ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of Vegano Shares to the U.S. SMPL Shareholder contemplated by the Amalgamation Agreement, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of such sale and purchase of Vegano Shares exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); (iii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence shall be included as a liability; (iv) for the purposes of calculating joint net worth of the person and that person's spouse or spousal equivalent, (A) joint net worth can be the aggregate net worth of the investor and spouse or spousal equivalent, and (B) assets need not be held jointly to be included in the calculation; and reliance by the person and that person's spouse or spousal equivalent on the joint net worth standard does not require that the securities be purchased jointly); or
- _____ Category 6. A natural person who had an individual income in excess of US\$200,000 in each of the two most recent years or joint income with that person's spouse or spousal equivalent in excess of US\$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or
- _____ Category 7. A trust, with total assets in excess of US\$5,000,000, not formed for the specific purpose of acquiring the Vegano Shares, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the U.S. Securities Act; or
- _____ Category 8. An entity in which all of the equity owners are Accredited Investors; or

If you checked Category 8, please indicate the name and category of Accredited Investor (by reference to the applicable category number herein) of each equity owner:

Name of Equity Owner	Category of Accredited Investor

It is permissible to look through various forms of equity ownership to natural persons in determining the Accredited Investor status of entities under this category. If those natural persons are themselves Accredited Investors, and if all other equity owners of the entity seeking Accredited Investor status are Accredited Investors, then this category will be available.

_____ Category 9. An entity, of a type not listed in Categories 1, 2, 3, 7 or 8, not formed for the specific purpose of acquiring the Vegano Shares, owning investments in excess of US\$5,000,000 (note: for the purposes of this Category 9, “investments is defined in Rule 2a51-1(b) under the United States *Investment Company Act of 1940*); or

_____ Category 10. A natural person holding in good standing one or more of the following professional certifications or designations or credentials from an accredited educational institution that the Commission has designated as qualifying an individual for accredited investor status: The General Securities Representative license (Series 7), the Private Securities Offerings Representative license (Series 82), and the Licensed Investment Adviser Representative (Series 65); or

_____ Category 11. Any “family office,” as defined in rule 202(a)(11)(G)-1 under the United States *Investment Advisers Act of 1940*: (i) with assets under management in excess of US\$5,000,000, (ii) that is not formed for the specific purpose of acquiring the Vegano Shares, and (iii) whose prospective investment is directed by a person (a “**Knowledgeable Family Office Administrator**”) who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment; or

_____ Category 12. A “family client,” as defined in rule 202(a)(11)(G)-1 under the United States *Investment Advisers Act of 1940*, of a family office meeting the requirements set forth in Category 11 above and whose prospective investment in the Company is directed by such

family office with the involvement of the Knowledgeable Family Office Administrator.

(e) the U.S. SMPL Shareholder will acquire the Vegano Shares for the U.S. SMPL Shareholder's own account, for investment purposes only and not with a view to any resale, distribution or other disposition of the Vegano Shares in violation of the United States securities laws;

(f) the U.S. SMPL Shareholder acknowledges that it will not be acquiring the Vegano Shares as a result of any form of general solicitation or general advertising, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or on the Internet, or broadcast over radio, television or the Internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;

(g) the U.S. SMPL Shareholder is aware that the Company is a reporting issuer under the Securities Acts of British Columbia, Alberta and Saskatchewan, and, as such, the Company is required to make certain filings (the "**Public Disclosure Record**") on the System for Electronic Document Analysis and Retrieval (commonly known as "**SEDAR**"), an electronic filing system maintained on behalf of the Canadian Securities Administrators (including the Securities Commissions of British Columbia and Ontario).

(h) the U.S. SMPL Shareholder:

- a. has been provided with the opportunity to review the Company's Public Disclosure Record, and
- b. has been given access to such other information concerning the Company as it has considered necessary or appropriate in connection with its investment decision to accept the Vegano Shares pursuant to the Amalgamation Agreement;

(i) the Company's financial statements forming part of the Public Disclosure Record have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and therefore may be materially different from financial statements prepared under U.S. generally accepted accounting principles;

(j) there may be material tax consequences to the U.S. SMPL Shareholder of an acquisition or disposition of the Vegano Shares, and the Company gives no opinion and makes no representation with respect to the tax consequences to the U.S. SMPL Shareholder under United States federal, state, local or foreign tax law of the U.S. SMPL Shareholder's acquisition or disposition of such securities;

(k) the Vegano Shares will be issued as "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act;

(l) if the U.S. SMPL Shareholder decides to offer, sell or otherwise transfer any of the Vegano Shares, it will not offer, sell or otherwise transfer any such securities directly or indirectly, unless

- (i) the sale is to the Company;
- (ii) the sale is made outside the United States in a transaction meeting the requirements of Rule 904 of Regulation S under the U.S. Securities Act ("**Regulation S**") and in compliance with applicable local laws and regulations;

(iii) the sale is made pursuant to the exemption from the registration requirements under the U.S. Securities Act provided by Rule 144 thereunder, if available, and in accordance with any applicable state securities or “Blue Sky” laws; or

(iv) the Vegano Shares are sold in a transaction that does not require registration under the U.S. Securities Act or any applicable state laws and regulations governing the offer and sale of securities,

and, in the case of clauses (iii) or (iv) above, it has prior to such sale furnished to the Company an opinion of counsel of recognized standing or other evidence of exemption in form and substance reasonably satisfactory to the Company;

(m) the certificates or other instruments representing the Vegano Shares, as well as all certificates or other instruments issued in exchange for or in substitution of the foregoing, until such time as is no longer required under the applicable requirements of the U.S. Securities Act or applicable state securities laws, will bear, on the face of such certificate, the restrictive legend substantially in the following form:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE CANADIAN LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, OR (E) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT; PROVIDED THAT, IN THE CASE OF TRANSFERS PURSUANT TO CLAUSE (C) OR (D) ABOVE, THE HOLDER HAS, PRIOR TO SUCH TRANSFER, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE COMPANY. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.”

provided that if the Vegano Shares are being sold outside the United States in compliance with the requirements of Rule 904 of Regulation S, the legend set forth above may be removed by providing an executed declaration to the registrar and transfer agent of the Company, in substantially the form set forth as Appendix II attached hereto (or in such other forms as the Company may prescribe from time to time) and, if requested by the Company or the transfer agent, an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company and the transfer agent to the effect that such sale is being made in compliance with Rule 904 of Regulation S; and provided, further, that, if any Vegano Shares are being sold otherwise than in accordance with Regulation S and other than to the Company, the legend may be removed by delivery to the registrar and transfer agent and the Company of an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company, that such

legend is no longer required under applicable requirements of the U.S. Securities Act or applicable state securities laws

(n) the U.S. SMPL Shareholder consents to the Company making a notation on its records or giving instruction to the registrar and transfer agent of the Company in order to implement the restrictions on transfer set forth and described herein; and

(o) the U.S. SMPL Shareholder understands and acknowledges that the Company has no obligation or present intention of filing with the United States Securities and Exchange Commission or with any state securities administrator any registration statement to facilitate the resale of the Vegano Shares in the United States, or to take any other action (including, without limitation, in respect of Rule 144 under the U.S. Securities Act) to facilitate the resale of any of the Vegano Shares in the United States.

2. This Agreement will be governed by and construed in accordance with the laws of British Columbia and the U.S. SMPL Shareholder hereby irrevocably attorns to the jurisdiction of the Courts of British Columbia.

3. Delivery of an executed copy of this Agreement by electronic facsimile transmission or other means of electronic communication capable of producing a printed copy will be deemed to be execution and delivery of this Agreement as of the date set forth below.

1.1 This Investment Agreement is executed by the undersigned U.S. SMPL Shareholder on the _____ day of _____, 2022.

X _____
Signature of individual (if U.S. SMPL Shareholder is an individual)

X _____
Authorized signatory (if U.S. SMPL Shareholder is not an individual)

Name of U.S. SMPL Shareholder (please print)

Name of authorized signatory (please print)

Official capacity of authorized signatory (please print)

APPENDIX I

INVESTOR SUITABILITY QUESTIONNAIRE (NON-ACCREDITED)

Capitalized terms not specifically defined in this certification have the meaning ascribed to them in the Investment Agreement to which this Appendix "I" is attached.

The purpose of this Investor Suitability Questionnaire is to assist **VEGANO FOODS INC.** (the "**Company**") assess the suitability of the U.S. SMPL Shareholder to acquire the Vegano Shares pursuant to the Amalgamation Agreement, and thereby facilitate compliance with exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws.

Your responses contained in this Investor Suitability Questionnaire will at all times be kept strictly confidential. However, by signing this Investor Suitability Questionnaire, you agree that the Company may present it to such regulatory authorities as it deems appropriate if called upon to establish the availability under the U.S. Securities Act or any state securities law of an exemption from registration.

1. Income

(a) Was your annual income for the calendar year ended December 31, 2021 over US\$150,000?

Yes _____ No _____

(b) Was your annual income for the calendar year ended December 31, 2020 over US\$150,000?

Yes _____ No _____

(c) Do you anticipate that your annual income for the year ended December 31, 2022 will be over US\$150,000?

Yes _____ No _____

(d) Do you anticipate that your current amount of income will change in the foreseeable future?

Yes _____ No _____

(e) If so, when, why and to what amount will that income change?

(f) If your responses to questions 1(a) through 1(c) were "No," please provide your annual income for the calendar years ending December 31, 2021 and December 31, 2020.

December 31, 2021: US\$

December 31, 2020: US\$

- (g) If your responses to questions 1(a) through 1(c) were "No" please provide your joint annual income with your spouse for the calendar years ending December 31, 2021 and December 31, 2020.

December 31, 2021: US\$

December 31, 2020: US\$

2. Net Worth

Please provide your net worth (for the purposes of calculating net worth: (i) your primary residence shall not be included as an asset; (ii) indebtedness that is secured by your primary residence, up to the estimated fair market value of the primary residence at the time of the sale of Vegano Shares to you contemplated by the Amalgamation Agreement, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of such sale of Vegano Shares exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and (iii) indebtedness that is secured by your primary residence in excess of the estimated fair market value of the primary residence shall be included as a liability)

Net Worth: US\$

3. Educational Background

- (a) Briefly describe educational background, relevant institutions attended, dates, degrees:

- (b) Briefly describe business involvement or employment during the past 10 years or since graduation from school, whichever period is shorter. (Specific employers need not be named. A

sufficient description is needed to assist the Company in determining the extent of vocationally related experience in financial and business matters).

4. Investment experience

(a) Please indicate the frequency of your investment in marketable securities:

Often; Occasionally; Seldom; Never.

(b) Please indicate the frequency of your investment in unmarketable securities;

Often; Occasionally; Seldom; Never.

(c) Have your purchased securities sold in reliance on the private offering exemptions from registration pursuant to the U.S. Securities Act or any state laws during the past three years?

Yes _____ No _____

(d) If you answered “Yes,” please provide the following information:

Year	Nature of Security	Business of Issuer	Total Amount Invested (US\$)

(e) Do you believe you have sufficient knowledge and experience in investments, and in financial and business affairs, that you can evaluate the merits and risks of an investment in the Vegano Shares?

Yes _____ No _____

- (f) If not, have you sought the advice of a professional adviser and has such professional adviser explained the relative merits and risks of an investment in the Vegano Shares in such manner and in sufficient detail to permit you to make what you believe to be a fully informed decision to accept an investment in the Vegano Shares?

Yes _____ No _____

You hereby acknowledge that the foregoing statements are true and accurate to the best of your information and belief and that you will promptly notify the Company of any changes in the foregoing answers.

ONLY U.S. SMPL SHAREHOLDERS WHO ARE NOT ACCREDITED INVESTORS NEED TO COMPLETE AND SIGN THIS APPENDIX I.

Dated _____ 2022.

X _____
Signature of individual (if U.S. SMPL Shareholder **is** an individual)

X _____
Authorized signatory (if U.S. SMPL Shareholder is **not** an individual)

Name of U.S. SMPL Shareholder (**please print**)

Name of authorized signatory (**please print**)

Official capacity of authorized signatory (**please print**)

APPENDIX II

Form of Declaration for Removal of Legend

To: Vegano Foods Inc. (the “Corporation”)

And To: Registrar and transfer agent for the shares of the Corporation.

The undersigned (A) acknowledges that the sale of _____ (the “Securities”) of the Corporation which this declaration relates, represented by certificate number _____ or held in direct registration system (DRS) account number _____, is being made in reliance on Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), and (B) certifies that (1) the undersigned is not (a) is not an “affiliate” of the Corporation, as that term is defined in Rule 405 under the U.S. Securities Act, or is an affiliate solely by virtue of being an officer or director of the Corporation, (b) a “distributor” as defined in Regulation S or (c) an affiliate of a distributor; (2) the offer of such securities was not made to a person in the United States and either (a) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believed that the buyer was outside the United States, or (b) the transaction was executed on or through the facilities of the Toronto Stock Exchange, the TSX Venture Exchange, the Canadian Securities Exchange or any other “designated offshore securities market”, and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States; (3) neither the seller nor any affiliate of the seller nor any person acting on their behalf has engaged or will engage in any “directed selling efforts” in the United States in connection with the offer and sale of such securities; (4) the sale is bona fide and not for the purpose of “washing off” the resale restrictions imposed because the securities are “restricted securities” (as that term is defined in Rule 144(a)(3) under the U. S. Securities Act); (5) the seller does not intend to replace such securities with fungible unrestricted securities; and (6) the contemplated sale is not a transaction, or part of a series of transactions, which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the U. S. Securities Act. Terms used herein have the meanings given to them by Regulation S under the U.S. Securities Act.

Dated _____ 20__.

X _____
Signature of individual (if Seller is an individual)

X _____
Authorized signatory (if Seller is **not** an individual)

Name of Seller (**please print**)

Name of authorized signatory (**please print**)

Official capacity of authorized signatory (**please print**)

Affirmation by Seller's Broker-Dealer
(Required for sales pursuant to Section (B)(2)(b) above)

We have read the foregoing representations of our customer, _____ (the "Seller") dated _____, with regard to the sale, for such Seller's account, of _____ common shares (the "Securities") of the Corporation represented by certificate number _____ or held in direct registration system (DRS) account number _____. We have executed sales of the Securities pursuant to Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), on behalf of the Seller. In that connection, we hereby represent to you as follows:

- (1) no offer to sell Securities was made to a person in the United States;
- (2) the sale of the Securities was executed in, on or through the facilities of the Toronto Stock Exchange, the TSX Venture Exchange, the Canadian Securities Exchange or another designated offshore securities market (as defined in Rule 902(b) of Regulation S under the U.S. Securities Act), and, to the best of our knowledge, the sale was not pre-arranged with a buyer in the United States;
- (3) no "directed selling efforts" were made in the United States by the undersigned, any affiliate of the undersigned, or any person acting on behalf of the undersigned; and
- (4) we have done no more than execute the order or orders to sell the Securities as agent for the Seller and will receive no more than the usual and customary broker's commission that would be received by a person executing such transaction as agent.

For purposes of these representations: "**affiliate**" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the undersigned; "**directed selling efforts**" means any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the Securities (including, but not be limited to, the solicitation of offers to purchase the Securities from persons in the United States); and "**United States**" means the United States of America, its territories or possessions, any State of the United States, and the District of Columbia.

Legal counsel to the Corporation shall be entitled to rely upon the representations, warranties and covenants contained herein to the same extent as if this affirmation had been addressed to them.

Dated: _____ 20__.

Name of Firm

By: _____
Authorized Officer