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NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
AND
MANAGEMENT INFORMATION CIRCULAR

May 14, 2021

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NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of the holders of the common shares (collectively, the “**Shareholders**” or individually, a “**Shareholder**”) of Eve & Co Incorporated (the “**Corporation**”) will be held in a virtual only format, which will be conducted via live audio webcast, on June 24, 2021 at 11:30 a.m. (Toronto time) for the following purposes:

1. to receive the audited financial statements of the Corporation for the year ended December 31, 2020, together with the report of the auditor thereon;
2. to elect the directors of the Corporation;
3. to appoint Davidson & Company LLP, Chartered Professional Accountants, as auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix its remuneration;
4. to consider and, if thought appropriate, approve a resolution adopting the Corporation’s rolling stock option plan, as more fully described in the accompanying management information circular dated May 13, 2021 (the “**Circular**”); and
5. to transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

Accompanying this Notice of Annual General Meeting of Shareholders is the Circular which provides information related to the matters to be addressed at the Meeting.

In order to mitigate any risks to the health and safety of our community, shareholders, employees and other stakeholders, and consistent with current social distancing recommendations, the Meeting will be held in virtual-only format, conducted via live audio webcast. Registered shareholders and duly appointed proxyholders will be permitted to attend the meeting and vote, all in real time, provided they are connected to the internet and have logged in through their web browser at: <https://virtual-meetings.tsxtrust.com/1084> (password is eve2021). You have to be connected to the internet at all times to be able to vote – it’s your responsibility to make sure you stay connected for the entire meeting. Please refer to the enclosed instructions to gain access to the Meeting through your web browser.

A Shareholder wishing to be represented by proxy at the Meeting or any adjournment or postponement thereof must deposit his, her or its duly executed form of proxy with the Corporation’s transfer agent and registrar, TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, on or before 11:30 a.m. on June 22, 2021.

Given that the Meeting will be conducted virtually, Shareholders are urged to sign, date and return the enclosed form of proxy in the envelope provided for that purpose. The record date for the determination of those Shareholders entitled to receive the Notice of Annual General Meeting of Shareholders and to vote at the Meeting was the close of business on May 14, 2021.

DATED at Toronto, Ontario this 14th day of May, 2021.

BY ORDER OF THE BOARD

“Melinda Rombouts”

Melinda Rombouts
President, Chief Executive Officer and Director

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Circular (as defined below) constitute “forward-looking information” and “forward-looking statements”. All statements other than statements of historical fact contained in this Circular, including, without limitation, those regarding the plans, objectives, goals, targets and future developments of the Corporation (as defined below) in the markets where the Corporation participates or is seeking to participate, and in particular statements related to the proposed share consolidation and the reasons therefor, the potential considerations of the Board in determining the share consolidation ratio (if any), certain risks and the anticipated principal effects of the proposed consolidation and the implementation thereof, and any statements preceded by, followed by or that include the words “believe”, “expect”, “aim”, “intend”, “plan”, “continue”, “will”, “may”, “would”, “anticipate”, “estimate”, “forecast”, “predict”, “project”, “seek”, “should” or similar expressions or the negative thereof, or by discussions of strategy are forward-looking statements. The forward-looking statements included in this Circular are made only as of the date of this Circular and the Corporation assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

Forward-looking statements in the Circular are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. Management has provided such forward-looking statements because it believes they provide useful information to shareholders in considering the matters set forth in this Circular, and cautions readers that the information may not be appropriate for other purposes. Some of the risks which could affect future results and could cause results to differ materially from those expressed in the forward-looking statements contained herein include the following:

- the Corporation’s reliance on licence and regulatory approvals to conduct its business as currently operated and as proposed;
- changes in laws, regulations and guidelines applicable to the Corporation and its subsidiaries;
- access to capital;
- limited operating history;
- vulnerability to supply chain disruptions, major health issues or pandemics and COVID-19;
- retention and acquisition of skilled personnel;
- demand for product and negative consumer perception;
- meeting consumer demand;
- product liability;
- product recalls or returns;
- environmental regulations and risks;
- results of future clinical research;
- insurance coverage;
- regulatory or agency proceedings, investigations, inspections and audits;
- litigation;
- uninsurable risks;
- history of losses;
- intellectual property;
- financial performance of subsidiary;
- market price volatility and potential impact on share price;
- lack of analyst coverage; and
- factors described from time to time in the documents filed by the Corporation with the securities regulators in Canada available at www.sedar.com, including the Corporation’s most recent Management’s Discussion & Analysis under the heading “Risks and Uncertainties”.

Other factors not currently viewed as material could cause actual results to differ materially from those described in the forward-looking statements. Although the Corporation has attempted to identify important risks, uncertainties and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other risks, uncertainties and factors that cause actions, events or results not to be anticipated, estimated or intended. Accordingly, readers should not place any undue reliance on forward-looking statements.

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular (the “Circular”) is furnished in connection with the solicitation of proxies by the management of Eve & Co Incorporated (the “Corporation”) for use at the annual general meeting (the “Meeting”) of holders (collectively, the “Shareholders” or individually, a “Shareholder”) of common shares in the capital of the Corporation (“Common Shares”) to be held at the time and place and for the purposes set forth in the attached Notice of Annual General Meeting of Shareholders (the “Notice”). The solicitation will be primarily by mail, but proxies may also be solicited personally or by telephone by regular employees of the Corporation. The cost of solicitation will be borne by the Corporation.

NOTICE-AND-ACCESS

The Corporation has elected to use the notice and access procedure (“Notice and Access”) available in National Instrument 51-102 – Continuous Disclosure Obligations (“NI 51-102”) and National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer (“NI 54-101”), for the delivery of meeting materials to shareholders for the Meeting to be held on June 24, 2021. Under Notice and Access provisions, Shareholders will receive a notice (“Notice and Access Notice”) containing information on how they can access the Corporation’s Notice and Information Circular (collectively, the “Meeting Materials”) electronically instead of receiving a printed copy, and if a Shareholder wishes, how to receive a printed copy of the Meeting Materials. Together with the Notice and Access Notice, Shareholders will receive a proxy, in the case of Registered Shareholders, enabling them to vote at the Meeting. The Meeting Materials will be posted on the Corporation’s website at www.evecannabis.ca as of May 24, 2021, and will remain on the website for one year. The Meeting Materials will also be available on the Corporation’s corporate profile at www.sedar.com as of May 24, 2021. All Registered and Beneficial Shareholders will receive a Notice and Access Notice.

The Corporation has distributed or made available for distribution, copies of the Meeting Materials and form of proxy or voting instruction form (if applicable) to clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the “Intermediaries”) for distribution to Beneficial Shareholders (as defined below) whose Common Shares are held by or in custody of such Intermediaries. Such Intermediaries are required to forward such documents to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The Corporation has elected to pay for the delivery of the Meeting Materials and form of proxy or voting instruction form (if applicable) to objecting Beneficial Shareholders by the Intermediaries. The Corporation is sending proxy-related materials directly to non-objecting Beneficial Shareholders, through the services of its transfer agent and registrar, TSX Trust Company. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by the Corporation if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. The Corporation will pay the permitted fees and costs of Intermediaries incurred in connection with the distribution of the Meeting Materials and form of proxy or voting instruction form (if applicable). The Corporation is relying on the notice-and- access provisions of securities laws for delivery of the Meeting Materials to registered Shareholders or Beneficial Shareholders.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. **A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act for such Shareholder and on his, her or its behalf at the Meeting other than the persons designated in the enclosed form of proxy.** Such right may be exercised by inserting in the blank space provided for that purpose the name of the desired person or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to the Corporation’s transfer agent and registrar, TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1 not later than 11:30 a.m. on June 22, 2021. **Any person appointed as proxy by the Shareholder must contact TSX Trust Company at TMXInvestorServices@tmx.com to request a control number to be represented or voted at the Meeting. It is the responsibility of the Shareholder to advise their proxy to contact TSX Trust**

Company to request such a control number. Without the control number, proxyholders will not be able to participate at the Meeting. A proxy must be executed by the registered Shareholder or his, her or its attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized. The chair of the Meeting may waive or extend the proxy cut-off without notice.

Proxies given by Shareholders for use at the Meeting may be revoked prior to their use:

- (a) by depositing an instrument in writing executed by the Shareholder or by such Shareholder's attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized indicating the capacity under which such officer or attorney is signing:
 - (i) at the registered office, Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, at any time up to and including June 23, 2021 (or the last business day preceding the date of any adjourned or postponed Meeting); or
 - (ii) with the chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof; or
- (b) in any other manner permitted by law.

EXERCISE OF DISCRETION BY PROXIES

The persons named in the accompanying form of proxy will vote the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. **In the absence of such direction, such Common Shares will be voted in favour of the passing of the matters set out in the Notice. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting or any adjournment or postponement thereof.** At the time of the printing of this Circular, the management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice. **However, if any other matters which at present are not known to the management of the Corporation should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.**

ADVICE TO BENEFICIAL SHAREHOLDERS

Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares, or non-objecting beneficial owners whose names has been provided to the Corporation's registrar and transfer agent, can be recognized and acted upon at the Meeting. The information set forth in this section is therefore of significant importance to a substantial number of Shareholders who do not hold their Common Shares in their own name (referred to in this section as "**Beneficial Shareholders**"). If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary, then in almost all cases those Common Shares will not be registered in such Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's Intermediary or an agent of that Intermediary. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co., as nominee for CDS Clearing and Depository Services Inc., which acts as a depository for many Canadian Intermediaries. Common Shares held by Intermediaries or their nominees can only be voted for or against resolutions upon the instructions of the Beneficial Shareholder. Without specific instructions, Intermediaries are prohibited from voting Common Shares for their clients.

Applicable regulatory policy requires Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its Intermediary is identical to the form of proxy provided by the Corporation to the Intermediaries. However, its purpose is limited to instructing the Intermediary how to vote on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining

instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically mails the voting instruction forms or proxy forms to the Beneficial Shareholders and asks the Beneficial Shareholders to return the voting instruction forms or proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a proxy or voting instruction form from Broadridge cannot use that proxy to vote Common Shares directly at the Meeting - the proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of their Intermediary, a Beneficial Shareholder may attend the Meeting as proxyholder for the Intermediary and vote their Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their own Common Shares as proxyholder for the Intermediary should enter their own names in the blank space on the management form of proxy or voting instruction form provided to them and return the same to their Intermediary (or the agent of such Intermediary) in accordance with the instructions provided by such Intermediary or agent well in advance of the Meeting. **Beneficial Shareholders should carefully follow the instructions of their Intermediaries and their service companies.**

All references to shareholders in this Circular and the accompanying form of proxy and Notice are to Shareholders of record unless specifically stated otherwise.

NOTE TO NON-OBJECTING BENEFICIAL OWNERS

The Meeting Materials are being sent to both registered and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Corporation or its agent has sent the Meeting Materials directly to you, your name and address and information about your holdings of Common Shares, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send the Meeting Materials to you directly, the Corporation (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering the Meeting Materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Corporation has fixed the close of business on May 14, 2021 as the record date (the “**Record Date**”) for the purposes of determining Shareholders entitled to receive the Notice and vote at the Meeting. As at the Record Date, 28,786,713 Common Shares carrying the right to one vote per share at the Meeting were issued and outstanding.

To the knowledge of the directors and executive officers of the Corporation, as at the date of this Circular, the only persons who beneficially own, or control or direct, directly or indirectly, voting securities of the Corporation carrying 10% or more of the voting rights attached to the Common Shares are as follows:

	Number of Shares Owned (Percentage of Class and Type of Ownership)	
Name	Common Shares	Percentage of Voting Rights
Melinda Rombouts	5,801,866	20.16%

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The general objectives of the Corporation's compensation strategy are to: (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interests of shareholders; and (c) attract and retain highly qualified executive officers.

Elements of Compensation

1. Base Salary

Each Named Executive Officer (as such term is defined below) receives a base salary, which constitutes a significant portion of the Named Executive Officer's compensation package. Base salary is recognition for discharging day-to-day duties and responsibilities and reflects the Named Executive Officer's performance over time, as well as that individual's particular experience and qualifications. A Named Executive Officer's base salary is reviewed by the board of directors of the Corporation (the "**Board**") on an annual basis and may be adjusted to take into account performance contributions for the year and to reflect sustained performance contributions over a number of years.

2. Stock Option Plans

The Corporation's stock option plan (the "**Stock Option Plan**") is intended to reinforce commitment to long-term growth in profitability and shareholder value by encouraging share ownership and entrepreneurship on the part of the senior management and other employees. The Board believes that the Stock Option Plan aligns the interests of the Named Executive Officers and the Board with Shareholders by linking a component of executive compensation to the longer-term performance of the Common Shares.

Officers, directors, employees and consultants are eligible under the Stock Option Plan to receive grants of stock options. The Stock Option Plan is an important part of the Corporation's long-term incentive strategy for its officers, directors, employees and consultants, permitting them to participate in appreciation of the market value of the Common Shares over a stated period of time. The Stock Option Plan is intended to reinforce commitment to long-term growth in profitability and shareholder value. The size of the stock option grants to officers, directors, employees and consultants is dependent on each such person's level of responsibility, authority and position with the Corporation and to the degree to which such person's long term contribution to the Corporation will be key to its long term success.

Options are granted by either the Board or the Compensation Committee of the Corporation (the "**Compensation Committee**"). In monitoring or adjusting the option allotments, the Board or the Compensation Committee, as the case may be, takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous option grants and the objectives set for the Named Executive Officers. The scale of options is generally commensurate to the appropriate level of base compensation for each level of responsibility. The Board or the Compensation Committee will make these determinations subject to and in accordance with the provisions of the Stock Option Plan. See "Particulars of Matters to be Acted Upon – Approval of Stock Option Plan" below for further details regarding the Stock Option Plan.

As at the date of this Circular, a total of 451,671 Common Shares were available for grant and 2,427,000 Common Shares were issuable pursuant to options granted under the Stock Option Plan, representing approximately 8.43% of the issued and outstanding Common Shares.

Compensation of Directors

The following table illustrates the compensation structure for the non-executive directors as of December 31, 2020. The directors may also be reimbursed for out-of-pocket expenses incurred in carrying out their duties as directors in addition to the compensation as set out below.

Annual Retainer	
Chair of the Board	\$50,000 ¹
Non-executive director	\$50,000 ²
Chair of the Audit Committee	\$50,000 ¹

Notes:

¹ As of the date of the Circular, the Chair of the Board and the Chair of the Audit Committee receive no additional remuneration beyond any remuneration received in the capacity of a non-executive director.

² As of the date of the Circular, the annual retainer for a non-executive director is \$50,000.

Officers of the Corporation who also act as directors will not receive any additional compensation for services rendered in such capacity, other than as paid by the Corporation in their capacity as officers.

Compensation Risk

The Board and, as applicable, the Compensation Committee, considers and assesses the implications of risks associated with the Corporation's compensation policies and practices and devotes such time and resources as is believed to be necessary in the circumstances. The Corporation's practice of compensating its officers primarily through a mix of salary, bonus and stock options is designed to mitigate risk by: (i) ensuring that the Corporation retains such officers; and (ii) aligning the interests of its officers with the short-term and long-term objectives of the Corporation and its shareholders. As at the date of this Circular, the Board had not identified risks arising from the Corporation's compensation policies and practices that are reasonably likely to have a material adverse effect on the Corporation.

Financial Instruments

Pursuant to the terms of the Corporation's Insider Trading Policy, the Corporation's officers and directors are prohibited from purchasing financial instruments, such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by an officer or director.

Compensation Governance

In order to assist the Board in fulfilling its oversight responsibilities with respect to compensation matters, the Board has established the Compensation Committee and has reviewed and approved the Compensation Committee's Charter. The Compensation Committee is composed of Yasir Naqvi, Melinda Rombouts and Ravi Sood, of whom Mr. Naqvi is independent as such term is defined in National Instrument 52-110 – *Audit Committees*. Mr. Sood is not considered independent as his consulting company received certain compensation from NMC in connection with the Qualifying Transaction that closed in 2018 and Ms. Rombouts is not considered independent because of her role as Chief Executive Officer. Given the currently reduced Board size of three (3) directors, Ms. Rombouts sits on the Compensation Committee but does not participate in any meetings of the committee that relate to her compensation as an executive of the Corporation or any related matters.

The Compensation Committee meets on compensation matters as and when required with respect to executive compensation. The primary goal of the Compensation Committee as it relates to compensation matters is to ensure that the compensation provided to the Named Executive Officers and the Corporation's other senior officers is determined with regard to the Corporation's business strategies and objectives, such that the financial interest of the senior officers is aligned with the financial interest of shareholders, and to ensure that their compensation is fair and reasonable and sufficient to attract and retain qualified and experienced executives. The Compensation Committee is given the authority to engage and compensate any outside advisor that it determines to be necessary to carry out its duties.

As a whole, the members of the Compensation Committee have direct experience and skills relevant to their responsibilities in executive compensation, including with respect to enabling the Compensation Committee in making informed decisions on the suitability of the Corporation’s compensation policies and practices. Each of the members of the Compensation Committee has experience on the board of directors and related committees of other public companies, as described under “Particulars of Matters to be Acted Upon – Election of Directors” in this Circular.

Executive Compensation-Related Fees

No executive compensation-related fees were paid to any consultants in 2018, 2019 or 2020.

Summary Compensation Table – Named Executive Officers

The following table sets forth the compensation paid or awarded to the following individuals: (i) the President and Chief Executive Officer; (ii) the current Interim Chief Financial Officer; (iii) the former Chief Financial Officer; and (iii) the Vice President, Government Relations and Business Development (collectively, the “**Named Executive Officers**”) for the year ended December 31, 2020, the year ended December 31, 2019 and the fourteen-month period ended December 31, 2018.

Name and principal position	Year / Period	Salary/Fee (\$)	Option-based awards (\$) ⁽⁶⁾	Non-equity incentive plan compensation (\$) ⁽⁷⁾	All other compensation (\$)	Total compensation (\$)
Melinda Rombouts ⁽¹⁾⁽²⁾ President and Chief Executive Officer	2020	297,116	123,000	-	-	420,116
	2019	259,368	867,000	-	-	1,126,368
	2018	174,168	558,806	-	-	732,974
Rory Taylor ⁽³⁾ Chief Financial Officer (Interim)	2020	133,615	46,800	-	-	180,415
Landon Roedding ⁽⁴⁾ Former Chief Financial Officer	2020	109,827	-	-	-	109,827
	2019	249,753	289,000	-	-	538,753
	2018	39,903	232,700	-	-	272,603
Ivan Ross Vrána ⁽⁵⁾ Vice President, Government Relations and Business Development	2020	182,915	39,000	-	-	221,915
	2019	97,634	72,250	-	-	169,884

Notes:

- (1) On June 28, 2018, Melinda Rombouts was appointed as President and Chief Executive Officer of the Corporation.
- (2) Prior to June 28, 2018, Melinda Rombouts was President and Chief Executive Officer of 1600978 Ontario Inc. operating as Natural MedCo (“NMC”). In connection with the Qualifying Transaction, NMC became a wholly-owned subsidiary of the Corporation. The salaries above include those paid to Ms. Rombouts by both the Corporation and NMC.
- (3) Mr. Taylor was appointed as Interim Chief Financial Officer of the Corporation on April 1, 2020.
- (4) Mr. Roedding was appointed as Chief Financial Officer of the Corporation on October 23, 2018 and resigned from the Corporation on March 27, 2020.
- (5) On May 27, 2019, Ivan Ross Vrána joined the Corporation as Vice-President, Government Relations and Business Development.
- (6) Calculated based on the Black-Scholes model for option valuation.
- (7) The Corporation does not have any non-equity based award programs.

Incentive Plan Awards – Named Executive Officers

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all share-based and option-based awards outstanding for the Named Executive Officers as of December 31, 2020:

Name	Option-Based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)
Melinda Rombouts	300,000	0.55	Dec 11, 2025	-
	300,000	2.50	June 28, 2028	-
	300,000	4.05	May 23, 2024	-
Rory Taylor	90,000	0.70	June 25, 2025	-
	10,000	1.70	Nov 26, 2024	-
Landon Roedding	100,000	3.10	March 27, 2021	-
	100,000	4.05	March 27, 2021	-
Ivan Ross Vrána	75,000	0.70	June 25, 2025	-
	25,000	4.05	May 23, 2024	-

Notes:

- (1) The “value of unexercised in-the-money options” is calculated based on the difference between the closing price of \$0.415 for the Common Shares on the Exchange on December 31, 2020 (the last trading day of the year ended December 31, 2020) and the exercise price of the options, multiplied by the number of unexercised options.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned for each Named Executive Officer during the year ended December 31, 2020.

Name	Option-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Melinda Rombouts	-	-
Rory Taylor	-	-
Landon Roedding	-	-
Ivan Ross Vrána	-	-

Management Contracts – Termination and Change of Control Benefits

Melinda Rombouts – President and CEO

Ms. Rombouts, the Corporation and NMC entered into an employment agreement effective as of the closing of the Qualifying Transaction which was amended on December 17, 2018. The agreement provides for an annual base salary of \$275,000 and standard non-competition, non-solicitation and confidentiality clauses. Ms. Rombouts will be eligible for an annual bonus at the sole discretion of the Compensation Committee from time to time. The employment of Ms. Rombouts will be indefinite until terminated in accordance with the terms of the agreement. NMC may at any time during the term, without notice or pay in lieu of such notice, terminate Ms. Rombouts' employment, with or without cause. Upon termination without cause, Ms. Rombouts is entitled to two years' salary. Further, if within 90 days of a Change in Control (as such term is defined in the employment agreement), Ms. Rombouts is terminated without cause or her position is changed to become one of less responsibility, importance or scope and she provides notice of termination, Ms. Rombouts will be entitled to 24 months' salary and the immediate vesting of her options.

Rory Taylor – Interim CFO

Mr. Taylor entered into a consulting agreement with the Corporation effective as of April 1, 2020 to act in the role of interim CFO. The agreement provides for a base monthly consulting fee of \$15,000 and may be terminated by Mr. Taylor or the Corporation with one month's notice. The consulting agreement will remain in force until a permanent CFO of the Corporation is formally appointed.

Ivan Ross Vrána – Vice- President, Governmental Relations and Business Development

Mr. Vrána and NMC entered into an employment agreement effective as of May 27, 2019. The agreement provides for an annual base salary of \$175,000 and standard non-competition, non-solicitation and confidentiality clauses. Mr. Vrána will be eligible for an annual bonus at the sole discretion of the Compensation Committee from time to time. The employment of Mr. Vrána will be indefinite until terminated in accordance with the terms of the agreement. NMC may at any time during the term, without notice or pay in lieu of such notice, terminate Mr. Vrána's employment, with or without cause. Upon termination without cause, Mr. Vrána is entitled to six months' salary.

Landon Roedding – Former CFO

Mr. Roedding and the Corporation entered into an employment agreement effective as of October 23, 2018. The agreement provided for an annual base salary of \$250,000 and standard non-competition, non-solicitation and confidentiality clauses. Mr. Roedding was eligible for an annual bonus at the sole discretion of the Compensation Committee from time to time, and the agreement provided for various entitlements upon termination of employment. Mr. Roedding departed the Corporation on March 27, 2020.

Director Compensation

The following table sets forth all amounts of compensation provided to the directors of the Corporation (other than directors who are also Named Executive Officers) during the year ended December 31, 2020:

Name	Fees Earned (\$)	Option-based awards ⁽⁶⁾ (\$)	All other compensation (\$)	Total (\$)
Alice Murphy ⁽¹⁾⁽⁵⁾	76,589	-	-	76,589
Yasir Naqvi ⁽²⁾	25,000	59,000	-	84,000
Ravi Sood	20,041	-	-	20,041
Clark Moeller ⁽³⁾⁽⁵⁾	31,621	-	-	31,621
Shari Mogk-Edwards ⁽⁴⁾⁽⁵⁾	31,621	-	-	31,621

Notes:

- (1) Mrs. Murphy was appointed to the Board on April 22, 2019 and resigned from the Board on April 1, 2020.
- (2) Mr. Naqvi was appointed to the Board on April 1, 2020.
- (3) Mr. Moeller was appointed to the Board on June 28, 2018 and resigned from the Board on April 1, 2020.
- (4) Mrs. Mogk-Edwards was appointed to the Board on January 3, 2019 and resigned from the Board on April 1, 2020.
- (5) Includes fees earned by Mrs. Murphy, Mr. Moeller and Mrs. Mogk-Edwards as members of a special committee of the Board up to April 1, 2020, which committee has since been dissolved.
- (6) Calculated based on the Black-Scholes model for option valuation.

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all awards outstanding for each of the directors of the Corporation (other than directors who are also Named Executive Officers) as of December 31, 2020:

Name	Option-Based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)
Alice Murphy ⁽²⁾	100,000	4.05	April 1, 2021	-
Yasir Naqvi ⁽³⁾	100,000	0.80	April 1, 2025	-
Ravi Sood	50,000 50,000	2.50 4.05	June 28, 2028 May 23, 2024	- -
Clark Moeller ⁽³⁾	50,000 50,000	2.50 4.05	April 1, 2021 April 1, 2021	- -
Shari Mogk-Edwards ⁽⁴⁾	50,000 50,000	2.60 4.05	April 1, 2021 April 1, 2021	- -

Notes:

- (1) The “value of unexercised in-the-money options” is calculated based on the difference between the closing price of \$0.415 for the Common Shares on the Exchange on December 31, 2020 (the last trading day of the year ended December 31, 2020) and the exercise price of the options, multiplied by the number of unexercised options.
- (2) Mrs. Murphy was appointed to the Board on April 22, 2019 and resigned from the Board on April 1, 2020.
- (3) Mr. Naqvi was appointed to the Board on April 1, 2020.
- (4) Mr. Moeller resigned from the Board on April 1, 2020.
- (5) Mrs. Mogk-Edwards was appointed to the Board on January 3, 2019 and resigned from the Board on April 1, 2020.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned by each director of the Corporation (other than directors who are also Named Executive Officers) during the year ended December 31, 2020:

Name	Option-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Alice Murphy	-	-
Yasir Naqvi	-	-
Ravi Sood	-	-
Clark Moeller	-	-
Shari Mogk-Edwards	-	-

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information regarding the number of Common Shares to be issued upon exercise of outstanding options pursuant to the Stock Option Plan as at December 31, 2020:

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	2,227,000	\$2.52	451,671
Equity compensation plans not approved by security holders	-	-	-
Total	2,227,000	\$2.52	451,671

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Circular, no individual who is an executive officer, director, employee or former executive officer, director or employee of the Corporation or any of its subsidiaries is indebted to the Corporation or any of its subsidiaries pursuant to the purchase of securities or otherwise.

No individual who is, or at any time during the year ended December 31, 2020 was, a director or executive officer of the Corporation, a proposed management nominee for election as a director of the Corporation, or an associate of any such director, executive officer or proposed nominee, was indebted to the Corporation or any of its subsidiaries during the year ended December 31, 2020 or as at the date of this Circular in connection with security purchase programs or other programs.

REPORT ON CORPORATE GOVERNANCE

Maintaining a high standard of corporate governance is a priority for the Board and the Corporation's management as both believe that effective corporate governance will help create and maintain shareholder value in the long term. A description of the Corporation's corporate governance practices, which addresses

the matters set out in National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, is set out at Schedule “A” to this Circular.

AUDIT COMMITTEE DISCLOSURE

Audit Committee’s Charter

The charter (the “**Audit Committee Charter**”) of the Corporation’s Audit Committee is reproduced as Schedule “C”.

Composition of Audit Committee

As at December 31, 2020, the Audit Committee was composed of Ravi Sood (Chair), Yasir Naqvi and Melinda Rombouts, each of whom was a director of the Corporation. In accordance with Exchange Policy 3.1, the majority of the Audit Committee were not employees, Control Persons (as defined by the rules and policies of the Exchange) or officers of the Corporation.

A majority of the members of the Audit Committee in 2019 were “independent” as such term is defined in National Instrument 52-110 *Audit Committees* (“**NI 52-110**”). Mr. Sood is not considered independent as his consulting company received certain compensation from NMC in connection with the Qualifying Transaction in 2018.

The Audit Committee is currently composed of Mr. Sood, Mr. Naqvi and Ms. Rombouts. Given the currently reduced Board size of three (3) directors, Ms. Rombouts sits on the Audit Committee but does not participate in any meetings of the committee that relate to the financial oversight of management or certain engagement with the external auditor of the Corporation in accordance with the mandate of the Audit Committee.

In accordance with the mandate of the Audit Committee, a majority of the members of the committee are not employees, “control persons” (as defined in the mandate) or officers of the Corporation. The Corporation is of the opinion that each of Mr. Sood, Mr. Naqvi and Ms. Rombouts are “financially literate” as such term is defined in NI 52-110.

Relevant Education and Experience

All the members of the Audit Committee have the education and/or practical experience required to understand and evaluate financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation’s financial statements.

Ravi Sood is the managing director of Signal 8 Limited. Mr. Sood has been a founder of and the principal investor in several businesses in emerging markets and currently serves as Executive Chairman and Director of Galane Gold Ltd. (TSXV:GG) and Jade Power Trust (TSXV:JPWR). He was the founder and Chief Executive Officer of Navina Asset Management Inc., a global asset management firm headquartered in Toronto, Canada. Mr. Sood led the investment activities of Navina and its predecessor company, Lawrence Asset Management Inc., from its founding in 2001 until he sold the firm in 2010. Mr. Sood was educated at the University of Waterloo (B. Mathematics) where he was a Descartes Fellow and the recipient of numerous national awards.

Melinda Rombouts is the Chief Executive Officer of the Corporation. Ms. Rombouts is the founder of NMC and has previously operated large-scale businesses producing agricultural food and pharmaceutical related products. Ms. Rombouts received her B Sc. and BA from the University of Waterloo with a specialization in Plant Biology and Microbiology and has also completed various specialized training courses related to GMP.

Yasir Naqvi is the Chief Executive Officer of the Institute for Canadian Citizenship (ICC), Canada’s leading voice on citizenship and inclusion. Prior to joining the ICC, Mr. Naqvi served as a Member of Provincial Parliament for almost 11 years and during his tenure served as the Attorney General of Ontario, Government House Leader, the Minister of Labour, and the Minister of Community Safety and Correctional Services. Mr. Naqvi was also a member of the Treasury Board and Management Board of Cabinet. Before being

elected, Mr. Naqvi was the Associate Director and International Trade Counsel at the Centre for Trade Policy and Law and also practiced international trade, competition, regulatory and administrative law with major law firms in Ottawa.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year have any recommendations by the Audit Committee respecting the nomination and/or compensation of the Corporation's external auditors not been adopted by the board of directors.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on exemptions in relation to "*De Minimis Non-audit Services*" or any exemption provided by Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

Pursuant to the terms of the Audit Committee Charter, the Audit Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor.

External Auditor Service Fees (By Category)

Audit Fees – The Corporation's external auditor invoiced approximately \$85,000 for the year ended December 31, 2020 and \$85,000 for the year ended December 31, 2019.

Audit-Related Fees – The Corporation's external auditor invoiced approximately \$nil for the year ended December 31, 2020 and \$30,000 for the year ended December 31, 2019. For the year ended December 31, 2019, these fees related to a review of the Corporation's quarterly reporting submissions.

Tax Fees – The Corporation's external auditor invoiced approximately \$Nil for the year ended December 31, 2020 and \$Nil for the year ended December 31, 2019.

All Other Fees – The Corporation's external auditor invoiced \$1,050 for the year ended December 31, 2020 and \$2,800 for the year ended December 31, 2019. These fees related to the external auditor's Canadian Public Accountability Board participation and were passed on to the Corporation.

Venture Issuer Exemption

The Corporation is relying upon the exemption in section 6.1 of NI 52-110.

DIRECTORS' AND OFFICERS' INSURANCE AND INDEMNIFICATION

The Corporation had purchased insurance for the benefit of the directors and officers of the Corporation and its subsidiaries against any liability incurred by them in their capacity as directors and officers, subject to certain limitations contained in the *Business Corporations Act* (Ontario) ("**OBCA**").

The Corporation's insurance coverage extends to its obligation to indemnify directors as required by law or as provided by the Corporation as permitted by law.

The aggregate insurance premium for the policy year July 2020 to June 2021 is \$320,000.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, no "informed person" (as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**")) or proposed nominee for election as a director of the Corporation or any associate or affiliate of the foregoing has any material interest, direct or indirect, in any transaction in which the Corporation has participated since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or will materially affect the Corporation.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Election of Directors

Management of the Corporation has nominated three directors for election at the Meeting, namely, Yasir Naqvi, Melinda Rombouts and Ravi Sood. Each director elected will hold office until the next annual meeting of shareholders or until his or successor is duly elected or appointed pursuant to the by-laws of the Corporation. The enclosed form of proxy permits Shareholders to vote for all nominees together or for each nominee on an individual basis.

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF EACH OF THE PROPOSED NOMINEES UNLESS A SHAREHOLDER HAS SPECIFIED IN HIS, HER OR ITS PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES. MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS DIRECTORS. HOWEVER, IF FOR ANY REASON, ANY OF THE PROPOSED NOMINEES DO NOT STAND FOR ELECTION OR ARE UNABLE TO SERVE AS SUCH, PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN HIS, HER OR ITS PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES.

Advance Notice Requirement

The Corporation's By-Law No. 2, as amended pursuant to By-Law No. 2A, contains a requirement providing for advance notice of nominations of directors (the "**Advance Notice Requirement**") in certain circumstances where nominations for election to the Board are made by Shareholders. For an annual meeting of Shareholders, notice to the Corporation must be provided not less than 30 and not more than 65 days prior to the date of the annual meeting; save and except where the annual meeting is to be held on a date less than 50 days after the date on which the first public announcement of the date of such annual meeting was made, in which event notice may be given not later than the close of business on the 10th day following such public announcement. For a special meeting of Shareholders (that is not also an annual meeting), notice to the Corporation must be given not later than the close of business on the 15th day following the day on which the first public announcement of the date of such special meeting was made. The Corporation's By-Law No. 2, as amended by By-Law No. 2A, is available under the Corporation's profile on SEDAR at www.sedar.com.

Director Nominee Profiles

The following tables set out certain information as of the date of this Circular (unless otherwise indicated) with respect to the persons being nominated at the Meeting for election as directors. Information regarding Common Shares owned by each director of the Corporation is presented to the best knowledge of management of the Corporation and has been furnished to management of the Corporation by such directors. Information regarding Board and committee meeting attendance is presented for meetings held during the year ended December 31, 2020.

YASIR NAQVI		Principal Occupation and Biographical Information		
Ontario, Canada Director Since: April 1, 2020	<p>Yasir Naqvi is the Chief Executive Officer of the Institute for Canadian Citizenship (ICC), Canada’s leading voice on citizenship and inclusion. Prior to joining the ICC, Mr. Naqvi served as a Member of Provincial Parliament for almost 11 years, representing a downtown, urban and diverse community in Ottawa, Ontario. In that time, he served as the Attorney General of Ontario, Government House Leader, the Minister of Labour, and the Minister of Community Safety and Correctional Services. Mr. Naqvi was also a member of the Treasury Board and Management Board of Cabinet. Before being elected, Mr. Naqvi was the Associate Director and International Trade Counsel at the Centre for Trade Policy and Law, a non-profit think-tank affiliated with Carleton University and the University of Ottawa. He also practiced international trade, competition, regulatory and administrative law with major law firms in Ottawa. In addition, he has served as a part-time professor at the University of Ottawa Faculty of Law and a guest lecturer at Carleton University and Algonquin College. Mr. Naqvi is recognized by his peers as a strong community leader and involved resident of Ottawa. He has been cited as a “Community Builder” by United Way Ottawa and listed as one of the “Top 50 People in the Capital” by Ottawa Life magazine. In 2018, he was named on Canadian Lawyer’s “Top 25 Most Influential” list for advancing technological modernization in Ontario’s justice system. Most recently, Mr. Naqvi received the Lincoln Alexander Award by the Law Society of Ontario.</p>			
Current Board/Committee Membership¹	Attendance	Attendance (Total)		Other Public Board Memberships
Member of the Board	6 of 6	6 of 6	100%	None
Member of the Audit Committee	4 of 4	4 of 4	100%	
Number of Common Shares Beneficially Owned, Controlled or Directed				Nil

MELINDA ROMBOUS		Principal Occupation and Biographical Information		
Ontario, Canada Director Since: June 28, 2018	Prior to founding NMC, Ms. Rombouts was the president, manager and owner of numerous large-scale businesses producing agricultural food and pharmaceutical related products. Through this experience, she has gained extensive plant knowledge crucial to the growth of a healthy plant and essential to producing a high-quality product free of pests, contamination and disease. Ms. Rombouts has grown hundreds of varieties of plants and has superior knowledge in terms of pest identification, fertilizer usage, alternative pest control, plant handling and care. She has experience with quality assurance program development, implementation and improvement with strict adherence to the regulations governing the pharmaceutical industry and the development, implementation and improvement of Good Manufacturing Practices (“GMP”) program for the production of Spirulina by LG Ranch and plant products by MND Greenhouses. Ms. Rombouts received her Bsc. and BA from the University of Waterloo with a specialization in Plant Biology and Microbiology and has also completed various specialized training courses related to GMP. In 2019, Ms. Rombouts was awarded the Ones to Watch Award at the 2019 RBC Canadian Women Entrepreneur Awards, presented by Women of Influence.			
Current Board/Committee Membership	Attendance	Attendance (Total)		Other Public Board Memberships
Member of the Board	9 of 9	9 of 9	100%	None
Member of Audit Committee	-	-	-	
Number of Common Shares Beneficially Owned, Controlled or Directed				5,801,866

RAVI SOOD		Principal Occupation and Biographical Information		
Ontario, Canada Director Since: June 6, 2014	Mr. Sood is managing director of Signal 8 Limited based in Toronto, Canada. Mr. Sood has been a founder of and the principal investor in several businesses in emerging markets and currently serves as Executive Chairman of Galane Gold Ltd. and Blockchain Power Trust. He was the founder and Chief Executive Officer of Navina Asset Management Inc., a global asset management firm headquartered in Toronto, Canada. Mr. Sood led the investment activities of Navina and its predecessor company, Lawrence Asset Management Inc., from its founding in 2001 until he sold the firm in 2010. Mr. Sood was educated at the University of Waterloo (B.Mathematics) where he was a Descartes Fellow and the recipient of numerous national awards. Mr. Sood is a resident of Ontario, Canada.			
Current Board/Committee Membership	Attendance	Attendance (Total)		Other Public Board Memberships
Member of the Board	9 of 9	9 of 9	100%	Galane Gold Ltd. (TSX-V) Jade Power Trust (TSX-V)
Member of the Audit Committee	4 of 4	4 of 4	100%	
Number of Common Shares Beneficially Owned, Controlled or Directed				2,500

Corporate Cease Trade Orders

Except as disclosed herein, to the knowledge of the Corporation, no proposed director is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company.

Ravi Sood was a director of TriNorth Capital Inc. (now Difference Capital Financial Inc.), a reporting issuer that became subject to a cease trade order issued by the Ontario Securities Commission on May 19, 2010 as a result of the failure to file audited annual financial statements for the financial year ended December 31, 2009, the related management’s discussion and analysis and the certification of the foregoing filings when due as required by National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings*. The order was revoked on July 6, 2010.

Mr. Sood is a director of Galane Gold Ltd. (“**Galane**”), a reporting issuer that was dual listed on the TSXV and Botswana Stock Exchange (the “**BSE**”), which was delisted from the BSE effective August 14, 2017 for failure to pay certain fees required by the BSE’s listing requirements. The delisting of Galane from the BSE followed a temporary suspension of Galane’s listing on the BSE that was imposed on July 13, 2017.

The foregoing information, not being within the knowledge of the Corporation, has been furnished by the proposed directors.

Bankruptcies, or Penalties or Sanctions

To the knowledge of the Corporation, no proposed director:

- (a) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (b) has, within 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets;
- (c) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (d) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

The foregoing information, not being within the knowledge of the Corporation, has been furnished by the proposed directors.

2. Appointment of Auditor

Davidson & Company LLP (“**Davidson**”) have been the auditors of the Corporation since March 13, 2019. At the Meeting, Shareholders will be requested to reappoint Davidson as auditors of the Corporation to hold office until the next annual meeting of Shareholders or until a successor is appointed, and to authorize the

directors to fix the auditors' remuneration. In order for the resolution to be passed, approval by the majority of the Common Shares voted in respect thereof at the Meeting is required.

Management proposes to nominate Davidson as auditor of the Corporation to hold office until the next annual meeting of Shareholders. An affirmative vote of a majority of the votes cast at the Meeting is sufficient for the appointment of the auditor.

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF DAVIDSON & COMPANY LLP, CHARTERED PROFESSIONAL ACCOUNTANTS, AS AUDITOR OF THE CORPORATION AND THE AUTHORIZING OF THE DIRECTORS TO FIX ITS REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. AN AFFIRMATIVE VOTE OF A MAJORITY OF THE VOTES CAST BY SHAREHOLDERS AT THE MEETING IS SUFFICIENT FOR THE APPOINTMENT OF THE AUDITORS AND TO AUTHORIZE THE DIRECTORS TO FIX ITS REMUNERATION.

3. Approval of Stock Option Plan

Summary of Stock Option Plan

The Stock Option Plan provides that the Board may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants of the Corporation and its affiliates, non-transferable options to purchase Common Shares for a period of up to ten years from the date of grant, provided that the number of Common Shares reserved for issuance may not exceed 10% of the total issued and outstanding Common Shares at the date of the grant.

The purpose of the Stock Option Plan, pursuant to which the Corporation may grant incentive stock options, is to promote the profitability and growth of the Corporation by facilitating the efforts of the Corporation to obtain and retain key individuals. The Stock Option Plan provides an incentive for and encourages ownership of the Common Shares by its key individuals so that they may increase their stake in the Corporation and benefit from increases in the value of the Common Shares. Pursuant to the Stock Option Plan, the maximum number of Common Shares reserved for issuance in any 12-month period to any one optionee other than a consultant may not exceed 5% of the issued and outstanding Common Shares at the date of the grant. The maximum number of Common Shares reserved for issuance in any 12 month period to any consultant may not exceed 2% of the issued and outstanding Common Shares at the date of the grant and the maximum number of Common Shares reserved for issuance in any 12 month period to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding number of Common Shares at the date of the grant. Incentive stock options may be exercised until the earlier of: (a) the expiry time of such option; and (b) 90 days (or such other period as may be determined by the Board, provided such period is not more than one year) following the date the optionee ceases to be a director, officer or employee of the Corporation or its affiliates or a consultant or a management company employee, provided that if the cessation of such position or arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option.

Notwithstanding the foregoing, in the event of termination for cause, all options held by such terminated optionee will be cancelled immediately. In the event that the Corporation becomes listed on the Toronto Stock Exchange, the Stock Option Plan provides that the Board may grant options which allow an optionee to elect to exercise its option on a "cashless basis", whereby the optionee, instead of making a cash payment for the aggregate exercise price, shall be entitled to be issued such number of Common Shares equal to the number which results when: (i) the difference between the aggregate Fair Market Value of the Common Shares underlying the option and the aggregate exercise price of such option is divided by (ii) the Fair Market Value of each Common Share. "Fair Market Value" as defined in the Stock Option Plan means the closing price as reported by the Toronto Stock Exchange (in the event that the Corporation becomes listed on the Toronto Stock Exchange) on the last trading day immediately preceding the exercise date. Options may be granted with a maximum expiry term of 10 years.

As at the date of this Circular, a total of 451,671 Common Shares were available for grant and 2,227,000 Common Shares were issuable pursuant to options granted under the Stock Option Plan, representing approximately 8.43% of the issued and outstanding Common Shares.

Approval of the Stock Option Plan

As the Stock Option Plan provides for a rolling maximum number of Common Shares which may be issuable upon the exercise of options granted under the Stock Option Plan, Exchange Policy 4.4 requires that the Stock Option Plan receive shareholder approval each year at the annual shareholders' meeting. Accordingly, Shareholders will be asked to consider and, if thought appropriate, pass a resolution approving the Stock Option Plan. A copy of the Stock Option Plan is attached as Schedule "B" to this Circular.

The Board has unanimously approved the Stock Option Plan and recommends that Shareholders vote FOR the resolution regarding the Stock Option Plan. An affirmative vote of a majority of the votes cast at the Meeting is sufficient to pass the resolution approving the resolution regarding the Stock Option Plan.

The complete text of the resolution which management intends to place before the Meeting for approval, confirmation and adoption, with or without modification, is as follows:

"WHEREAS the policies of the TSX Venture Exchange require annual shareholder approval for the continuation of the rolling stock option plan of the Corporation (the "**Stock Option Plan**");

RESOLVED THAT:

1. the Stock Option Plan, in the form attached as Schedule "B" to the management information circular of the Corporation dated May 13, 2021, is hereby authorized and approved; and
2. any one officer and director of the Corporation be and is hereby authorized for and on behalf of the Corporation to execute and deliver all such instruments and documents and to perform and do all such acts and things as may be deemed advisable in such individual's discretion for the purpose of giving effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE RESOLUTION TO APPROVE THE STOCK OPTION PLAN IN THE ABSENCE OF DIRECTION TO THE CONTRARY FROM THE SHAREHOLDER APPOINTING THEM. AN AFFIRMATIVE VOTE OF A MAJORITY OF THE VOTES CAST BY SHAREHOLDERS AT THE MEETING IS SUFFICIENT FOR THE APPROVAL OF THE STOCK OPTION PLAN.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person or company who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last completed financial year, no proposed nominee for election as a director of the Corporation and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available under the Corporation's profile on SEDAR at www.sedar.com. Financial information is provided in the Corporation's audited financial statements and Management's Discussion and Analysis ("**MD&A**") for the year ended December 31, 2020. In addition, copies of the Corporation's annual financial statements and MD&A and this Circular may be obtained upon request to the Corporation at 2941 Napperton Drive, Strathroy, Ontario N7G 3H8 or invest@naturalmedco.ca. The Corporation may require the payment of a reasonable charge if the request is made by a person who is not a shareholder of the Corporation.

APPROVAL OF BOARD OF DIRECTORS

The contents and distribution of this Circular have been unanimously approved by the directors of the Corporation.

Dated: May 14th, 2021.

“Melinda Rombouts”

Melinda Rombouts
President, Chief Executive Officer and Director

SCHEDULE "A"
STATEMENT OF GOVERNANCE PRACTICES

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 ("NI 58-101")	Comments
Board of Directors	
<p>1. Board of Directors—Disclose how the board of directors (the “Board”) of Eve & Co Incorporated (the “Corporation”) facilitates its exercise of independent supervision over management, including (i) the identity of directors that are independent, and (ii) the identity of directors who are not independent, and the basis for that determination.</p>	<p>The proposed Board shall consist of three directors, one of whom is considered “independent” in accordance with applicable regulatory requirements. Ms. Rombouts is not considered independent as she is an executive officer of the Corporation. Mr. Sood is not considered independent as his consulting company received compensation from NMC in connection with the Qualifying Transaction in 2018. Other than in respect of such historical payment in 2018, the Board considers Mr. Sood to be independent and able to exert independent oversight of management.</p> <p>Given the currently reduced Board size of three (3) directors, Mr. Sood and Mr. Naqvi act as independent directors. Ms. Rombouts does not participate in any part of meetings of the Board or its committees (as applicable) that relate to the independent oversight of management.</p>
<p>2. Directorships—If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.</p>	<p>Please refer to the accompanying management information circular dated May 13, 2021 (the “Circular”) under the heading “Particulars of Matters to be Acted Upon - Election of Directors”.</p>
Orientation and Continuing Education	
<p>3. Describe what steps, if any, the Board takes to orient new Board members, and describe any measures the Board takes to provide continuing education for directors.</p>	<p>Each director ultimately assumes responsibility for keeping himself or herself informed about the Corporation’s business and relevant developments outside the Corporation that affect its business. Management assists directors by providing them with regular updates on relevant developments and other information that management considers of interest to the Board. Directors may also attend other Board committee meetings if they are not active members, to broaden their knowledge base and receive additional information on the Corporation’s business and developments in areas where they are not commonly exposed.</p>

Ethical Business Conduct	
<p>4. Describe what steps, if any, the Board takes to encourage and promote a culture of ethical business conduct.</p>	<p>The Board is responsible for promoting an ethical business culture and fostering an environment that places an emphasis on compliance. The Board monitors compliance, including through receipt by the Audit Committee of reports of unethical behaviour. To ensure that an ethical business culture is maintained and promoted, directors are encouraged to exercise their independent judgment. If a director has a material interest in any transaction or agreement that the Corporation proposes to enter into, such director is expected to disclose such interest to the Board in compliance with the applicable laws, rules and policies which govern conflicts of interest in connection with such transaction or agreement. Further, any director who has a material interest in any proposed transaction or agreement will be excluded from the portion of the Board meeting concerning such matters and will be further precluded from voting on such matters.</p>

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 (“NI 58-101”)	Comments
Nomination of Directors	
<p>5. Disclose what steps, if any, are taken to identify new candidates for Board nomination, including: (i) who identifies new candidates, and (ii) the process of identifying new candidates.</p>	<p>The Board is responsible for the identification and assessment of potential directors. While no formal nomination procedures are currently in place to identify new candidates, the Board does review the experience and performance of nominees for election to the Board. Members of the Board are canvassed with respect to the qualifications of a prospective candidate and each candidate is evaluated with respect to his or her experience and expertise, with particular attention paid to those areas of expertise that could complement and enhance current management. The Board also assesses any potential conflicts, independence or time commitment concerns that the candidate may present. The Board will consider adding an additional independent director in due course upon identification of a qualified candidate.</p>
Compensation	
<p>6. Disclose what steps, if any, are taken to determine compensation for the directors and officers, including: (i) who determines compensation, and (ii) the process of determining compensation.</p>	<p>The process undertaken by the Board and the Compensation Committee in respect of compensation is more fully described in the “Compensation Discussion and Analysis” section of the accompanying Circular.</p>
Other Board Committees	
<p>7. If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>	<p>The Board does not have any standing committees other than the Corporate Governance and Nominating Committee, the Compensation Committee, the Audit Committee and the Disclosure Committee.</p>

Assessments

8. Disclose what steps, if any, that the Board takes to satisfy itself that the Board, its committees, and its individual directors are performing effectively.

The Board is currently responsible for assessing the effectiveness of the Board, the individual directors and the functioning of the Board's committees. This is done regularly and informally through ongoing assessment to ensure effective performance.

SCHEDULE "B"
STOCK OPTION PLAN

1. Purpose of the Plan

The purpose of the Plan is to provide the Participants with an opportunity to purchase Common Shares and benefit from the appreciation thereof. This proprietary interest in the Corporation will provide an increased incentive for the Participants to contribute to the future success and prosperity of the Corporation, thus enhancing the value of the Common Shares for the benefit of all the shareholders and increasing the ability of the Corporation and its Subsidiaries to attract and retain individuals of exceptional skill.

2. Defined Terms

2.1. Where used herein, the following terms shall have the following meanings (all other capitalized terms used and not defined herein shall have the meanings ascribed to them in the TSX Venture Exchange Corporate Finance Manual):

- (a) **“Acceleration Right”** means the Participant’s right, in certain circumstances, to exercise its outstanding Option as to all or any of the Common Shares in respect of which such Option has not previously been exercised and which the Participant is entitled to exercise, including in respect of Common Shares not otherwise vested at such time;
- (b) **“Board”** means the board of directors of the Corporation;
- (c) **“Business Day”** means each day other than a Saturday, Sunday or statutory holiday in Ontario, Canada;
- (d) **“Common Shares”** means the common shares in the capital of the Corporation or, in the event of an adjustment contemplated by Article 8 hereof, such shares to which a Participant may be entitled upon the exercise of an Option as a result of such adjustment;
- (e) **“Corporation”** means Eve & Co Incorporated, and includes any successor corporation thereof;
- (f) **“Exchange”** means the TSX Venture Exchange or, if the Common Shares are not then listed and posted for trading on the TSX Venture Exchange, then on any stock exchange in Canada on which such shares are listed and posted for trading or any other regulatory body having jurisdiction as may be selected for such purpose by the Board;
- (g) **“Exercise Notice”** means the notice in writing signed by the Participant or the Participant’s legal personal representatives addressed to the Corporation specifying an intention to exercise all or a portion of the Option;
- (h) **“Expiry Time”** means the time at which the Options will expire, being 4:00 p.m. (Toronto time) on a date to be fixed by the Board at the time the Option is granted, which date will not be more than ten years from the date of grant;
- (i) **“Fair Market Value”** means, for the purposes of Sections 4.5 and 9.4 hereof, at any date in respect of the Common Shares, the closing price of the Common Shares as reported by the Toronto Stock Exchange on the last trading day immediately preceding such date or, if the Common Shares are not listed on any stock exchange, a price determined by the Board;

- (j) “**Insider**” has the meaning ascribed thereto in the Exchange Corporate Finance Manual;
- (k) “**Option**” means an option to purchase Common Shares from treasury granted by the Corporation to a Participant, subject to the provisions contained herein;
- (l) “**Option Price**” means the price per share at which Common Shares may be purchased under the Option, as the same may be adjusted herein;
- (m) “**Participants**” means the directors, officers and employees of, and consultants to, the Corporation or its Subsidiaries, as defined by the relevant Exchange and, subject to compliance with the applicable requirements of the Exchange, the Personal Holding Companies of such persons, to whom an Option has been granted by the Board pursuant to the Plan and which Option or a portion thereof remains unexercised;
- (n) “**Personal Holding Company**” means a company of which 100% of the voting shares are beneficially owned, directly or indirectly, by a director, officer or employee of, or consultant to, the Corporation or its Subsidiaries and such entity shall be bound by the Plan in the same manner as if the Options were held directly;
- (o) “**Plan**” means this stock option plan of the Corporation, as the same may be amended or varied from time to time;
- (p) “**Subsidiary**” means any corporation that is a subsidiary of the Corporation, as such term is defined under the *Business Corporations Act* (Ontario), as such provision is from time to time amended, varied or re-enacted, or a “related entity” as defined in section 2.22 of National Instrument 45-106; and
- (q) “**Take-Over Bid**” has the meaning ascribed thereto in the *Securities Act* (Ontario), as such provision is from time to time amended, varied or re-enacted.

3. Administration of the Plan

- 3.1. The Board shall administer this Plan. Options granted under the Plan shall be granted in accordance with determinations made by the Board pursuant to the provisions of the Plan as to: (a) the Participants to whom and the time or times at which the Options will be granted; the number of Common Shares which shall be the subject of each Option; (b) any vesting provisions attaching to the Option; and (c) the terms and provisions of the respective stock option agreements, provided however, that each director, officer, employee or consultant shall have the right not to participate in the Plan and any decision not to participate therein shall not affect the employment by or engagement with the Corporation. The Board shall ensure that Participants under the Plan are eligible to participate under the Plan, and, if required by the Exchange, shall represent and confirm that the Participant is a bona fide employee, consultant or management company employee (as defined in the policies of the Exchange).
- 3.2. The Board may, from time to time, adopt such rules and regulations for administering the Plan as it may deem proper and in the best interests of the Corporation and may, subject to applicable law, delegate its powers hereunder to administer the Plan to a committee of the Board (the “**Committee**”). The Committee shall be comprised of two or more members of the Board who shall serve at the pleasure of the Board. Vacancies occurring on the Committee shall be filled by the Board.

3.3. The Committee (or the Board where the Committee has not been constituted) shall have the power to delegate to any member of the Board or officer so designated (the “**Administrator**”), the power to determine which Participants are to be granted Options and to grant such Options, the number of Common Shares purchasable under each Option, the Option Price and the time or times when and the manner in which Options are exercisable, and the Administrator shall make such determinations in accordance with the provisions of this Plan and with applicable securities and stock exchange regulatory requirements, subject to final approval by the Committee or Board.

4. Granting of Options

4.1. Participants may be granted Options from time to time. The grant of Options will be subject to the conditions contained herein and may be subject to additional conditions determined by the Board from time to time. Each Option granted hereunder shall be evidenced by an agreement in writing, signed on behalf of the Corporation and by the Participant, in such form as the Board shall approve from time to time. Each such agreement shall recite that it is subject to the provisions of this Plan.

4.2. The aggregate number of Common Shares of the Corporation allocated and made available to be granted to Participants under the Plan shall not exceed 10% of the issued and outstanding Common Shares of the Corporation as at the date of grant (on a non-diluted basis). Any issuance of Common Shares from treasury pursuant to the exercise of Options shall automatically replenish the number of Common Shares available for Option grants under the Plan. Common Shares in respect of which Options are cancelled or not exercised prior to expiry, for any reason, shall be available for subsequent Option grants under the Plan. No fractional shares may be purchased or issued hereunder.

4.3. The Corporation shall at all times, during the term of the Plan, reserve and keep available such number of Common Shares as will be sufficient to satisfy the requirements of the Plan.

4.4. Any grant of Options under the Plan shall be subject to the following restrictions:

- (a) the aggregate number of Common Shares reserved for issuance pursuant to Options granted to any one Participant, other than a consultant, in any 12 month period may not exceed 5% of the Corporation’s total issued and outstanding Common Shares, unless disinterested shareholder approval is obtained;
- (b) the aggregate number of Common Shares issuable pursuant to Options granted to Insiders pursuant to the Plan and other security based compensation arrangements may not exceed 10% of the Corporation’s total issued and outstanding Common Shares, unless disinterested shareholder approval is obtained;
- (c) the aggregate number of Common Shares issued to Insiders pursuant to the Plan and other security based compensation arrangements in any 12 month period may not exceed 10% of the Corporation’s total issued and outstanding Common Shares, unless disinterested shareholder approval is obtained;
- (d) no more than 2% of the total issued and outstanding Common Shares at the time of grant may be granted to any one consultant in any 12 month period; and
- (e) no more than an aggregate of 2% of the total issued and outstanding Common Shares at the time of grant may be granted to all persons engaged to conduct Investor Relations Activities in any 12 month period.

- 4.5. Provided that the Corporation is listed on the Toronto Stock Exchange (the “TSX”) and is in compliance with applicable TSX requirements, the Board may grant Options which allow a Participant to elect to exercise its Option on a “cashless basis”, whereby the Participant, instead of making a cash payment for the aggregate exercise price, shall be entitled to be issued such number of Common Shares equal to the number which results when: (i) the difference between the aggregate Fair Market Value of the Common Shares underlying the Option and the aggregate exercise price of such Option is divided by (ii) the Fair Market Value of each Common Share. For greater certainty, the Options may not be exercised on a “cashless basis” while the Common Shares are listed on the Exchange.
- 4.6. All Options granted pursuant to this Plan shall be subject to rules and policies of the Exchange and any other regulatory body having jurisdiction.
- 4.7. A Participant who has been granted an Option may, if otherwise eligible, and if permitted under the policies of the Exchange, be granted an additional Option if the Board so determines.

5. Option Price

- 5.1. Subject to applicable Exchange approval, the Option Price shall be fixed by the Board at the time the Option is granted to a Participant. In no event shall the price be less than the Discounted Market Price (as defined in the policies of the Exchange). If a press release fixing the price is not issued, the Discounted Market Price is the closing price per Common Share on the Exchange on the last trading day preceding the date of grant on which there was a closing price (less the applicable discount) or, if the Common Shares are not listed on any stock exchange, a price determined by the Board; provided that, if the Board, in its sole discretion, determines that the closing price on the last trading day preceding the date of grant would not be representative of the market price of the Common Shares, then the Board may base the price on the greater of the closing price and the weighted average price per share for the Common Shares for five (5) consecutive trading days ending on the last trading day preceding the date of grant on which there was a closing price on the Exchange. The weighted average price shall be determined by dividing the aggregate sale price of all Common Shares sold on the Exchange during the said five (5) consecutive trading days, by the total number of Common Shares so sold.
- 5.2. Once the Option Price has been determined by the Board, accepted by the Exchange and the Option has been granted, if the Participant is an Insider, the Option Price may only be reduced if disinterested shareholder approval is obtained; provided that such disinterested shareholder approval is then a requirement of the Exchange or other regulatory body having jurisdiction.

6. Term of Option

- 6.1. The term of the Option shall be a period of time fixed by the Board, not to exceed ten years from the date of grant. Unless the Board determines otherwise, Options shall be exercisable in whole or in part at any time during this period in accordance with such vesting provisions, conditions or limitations (including applicable hold periods) as are herein contained or as the Board may from time to time impose, or as may be required by the Exchange or under applicable securities law.
- 6.2. Each Option and all rights thereunder shall be expressed to expire at the Expiry Time but shall be subject to earlier termination in accordance with Section 11 hereof.

- 6.3. Subject to any specific requirements of the Exchange, the Board shall determine the vesting period or periods within the Option term, during which a Participant may exercise an Option or a portion thereof.
- 6.4. In addition to any resale restriction under securities laws, an Option may be subject to a four-month Exchange hold period commencing on the date the Option is granted.
- 6.5. Except in the case of a Participant's Option that terminates pursuant to Section 11.3 below, in the event that the term of any Option expires within or immediately following a "blackout period" imposed by the Corporation, the Option shall expire on the date (the "**Blackout Expiration Date**") that is ten Business Days following the end of such blackout period. The Blackout Expiration Date shall not be subject to the discretion of the Board.

7. Exercise of Option

- 7.1. Subject to the provisions of the Plan and the terms of any stock option agreement, an Option or a portion thereof may be exercised, from time to time, by delivery of the Exercise Notice to the Corporation's principal office in Toronto, Ontario. The Exercise Notice shall state the intention of the Participant or the Participant's legal personal representative to exercise the said Option or a portion thereof and specify the number of Common Shares in respect of which the Option is then being exercised, and shall be accompanied by the full purchase price of the Common Shares which are the subject of the exercise. Such Exercise Notice shall contain the Participant's undertaking to comply, to the satisfaction of the Corporation, with all applicable requirements of the Exchange and any applicable regulatory authorities.

8. Adjustments in Shares

- 8.1. If the outstanding shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation through a re-organization, plan of arrangement, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, an appropriate and proportionate adjustment shall be made by the Board, in its discretion, in the number or kind of shares optioned and the exercise price per share with respect to: (a) previously granted and unexercised Options or portions thereof; and (b) Options which may be granted subsequent to any such change in the Corporation's capital.
- 8.2. Determinations by the Board as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. The Corporation shall not be obligated to issue fractional securities in satisfaction of any of its obligations hereunder.

9. Accelerated Vesting

- 9.1. In the event that certain events such as a liquidation or dissolution of the Corporation or a re-organization, plan of arrangement, merger or consolidation of the Corporation with one or more corporations, as a result of which the Corporation is not the surviving corporation, or the sale by the Corporation of all or substantially all of the property and assets of the Corporation to another corporation prior to the Expiry Time, are proposed or contemplated, the Board may, notwithstanding the terms of this Plan or any stock option agreements issued hereunder, exercise its discretion, by way of resolution, to permit accelerated vesting of Options on such terms as the Board sees fit at that time. If the Board, in its sole discretion, determines that the Common Shares subject to any Option granted hereunder shall vest on an accelerated basis, all Participants entitled to exercise an unexercised portion of Options then outstanding shall have the right at such time,

upon written notice being given by the Corporation, to exercise such Options to the extent specified and permitted by the Board and within the time period specified by the Board, which shall not extend past the Expiry Time.

- 9.2. An Option may provide that whenever the Corporation's shareholders receive a Take-Over Bid and the Corporation supports this bid, pursuant to which the "offeror" would, as a result of such Take-Over Bid being successful, beneficially own in excess of 50% of the outstanding Common Shares, the Participant may exercise the Acceleration Right. The Acceleration Right shall commence on the date of the mailing of the Board circular recommending acceptance of the Take-Over Bid and end on the earlier of:
- (a) the Expiry Time; and
 - (b) (i) in the event the Take-Over Bid is unsuccessful, the expiry date of the Take-Over Bid; and (ii) in the event the Take-Over Bid is successful, the tenth (10th) day following the expiry date of the Take-Over Bid.
- 9.3. At the time of the termination of the Acceleration Right, the original vesting terms of the Options shall be reinstated with respect to the Common Shares issuable thereunder which were not acquired by the holders of such Options pursuant to the terms thereof. Notwithstanding the foregoing, the Acceleration Right may be extended for such longer period as the Board may resolve.
- 9.4. Provided that the Corporation is listed on the TSX and is in compliance with applicable TSX requirements, the Corporation may satisfy any obligations to a Participant hereunder by paying to the Participant in cash the difference between the exercise price of all unexercised Options granted hereunder and the Fair Market Value of the Common Shares to which the Participant would be entitled upon exercise of all unexercised Options, regardless of whether all conditions of exercise relating to continuous employment have been satisfied.

10. Decisions of the Board

All decisions and interpretations of the Board respecting the Plan or Options granted thereunder shall be conclusive and binding on the Corporation and the Participants and their respective legal personal representatives and on all directors, officers, employees and consultants of the Corporation who are eligible to participate under the Plan.

11. Ceasing to be a Director, Officer, Employee or Consultant

- 11.1. Subject to the terms of the applicable stock option agreements and subject to Section 11.4 hereof, in the event of the Participant ceasing to be a director, officer, employee or consultant of the Corporation or a Subsidiary for any reason other than death, including the resignation or retirement of the Participant or the termination by the Corporation or a Subsidiary of the employment of the Participant, prior to the Expiry Time, such Option (including an Option held by a Participant's Personal Holding Company) may be exercised as to such Common Shares in respect of which the Option has not previously been exercised (and as the Participant would have been entitled to exercise) at any time up to and including (but not after) the earlier of: (a) the Expiry Time; and (b) a date that is ninety (90) days (or such other period as may be determined by the Board, provided that such period is not more than one year) following the effective date of such resignation or retirement or a date that is ninety (90) days (or such other period as may be determined by the Board, provided that such period is not more than one year) following the date notice of termination of employment is given by the Corporation or a Subsidiary, whether such termination is with or

without reasonable notice, and subject to such shorter period as may be otherwise specified in the stock option agreement, after which date the Option shall forthwith expire and terminate and be of no further force or effect whatsoever.

- 11.2. In consideration of the Option hereby granted, in the event of the resignation or retirement of the Participant or the termination of employment by the Corporation without cause, the Participant hereby covenants not to sue the Corporation for damages arising from the loss of rights granted hereunder and releases the Corporation from any damages.
- 11.3. Notwithstanding the foregoing, in the event of termination for cause, such Option (including an Option held by a Participant's Personal Holding Company) shall expire and terminate immediately at the time of delivery of notice of termination of employment for cause to the Participant by the Corporation or a Subsidiary and shall be of no further force or effect whatsoever as to the Common Shares in respect of which an Option has not previously been exercised.
- 11.4. In the event of the death of a Participant on or prior to the Expiry Time, such Option (including an Option held by a Participant's Personal Holding Company) may be exercised as to such of the Common Shares in respect of which such Option has not previously been exercised (and as the Participant would have been entitled to purchase), by the legal personal representatives of the Participant at any time up to and including (but not after) a date one (1) year from the date of death of the Participant, after which date the Option shall forthwith expire and terminate and be of no further force or effect whatsoever.
- 11.5. Options shall not be affected by any change of employment of the Participant where the Participant continues to be employed by the Corporation or any of its Subsidiaries.

12. Transferability

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein or to the extent, if any, permitted by the Exchange.

13. Amendment or Discontinuance of Plan

- 13.1. (a) The approval of the Board and the requisite approval from the Exchange and the shareholders shall be required for any of the following amendments to be made to the Plan:
 - (i) any increase to the fixed maximum percentage of Common Shares issuable under the Plan;
 - (ii) a reduction in the exercise price or purchase price of an Option (other than for standard anti-dilution purposes) held by or benefiting an Insider;
 - (iii) an increase in the maximum number of Common Shares that may be issued to Insiders within any one year period or that are issuable to Insiders at any time;
 - (iv) an extension of the term of an Option held by or benefiting an Insider;
 - (v) any change to the definition of "Participants" which would have the potential of broadening or increasing Insider participation;

- (vi) the addition of any form of financial assistance;
 - (vii) any amendment to a financial assistance provision which is more favourable to Participants;
 - (viii) provided that the Corporation is listed on the TSX, the addition of a cashless exercise feature, payable in cash or securities which does not provide for a full deduction of the number of underlying securities from the Plan reserve;
 - (ix) the addition of a deferred or restricted share unit or any other provision which results in Participants receiving securities while no cash consideration is received by the Corporation; and
 - (x) any other amendments that may lead to significant or unreasonable dilution in the Corporation's outstanding securities or may provide additional benefits to Participants, especially Insiders, at the expense of the Corporation and its existing shareholders.
- (b) The Board may, without shareholder approval but subject to receipt of requisite approval as required by the Exchange, in its sole discretion make all other amendments to the Plan that are not of the type contemplated in subsection 13.1 (a) above including, without limitation:
- (i) amendments of a housekeeping nature;
 - (ii) a change to the vesting provisions of an Option or the Plan;
 - (iii) a change to the termination provisions of an Option or the Plan which does not entail an extension beyond the original expiry date, except as contemplated in Section 6.5 above; and
 - (iv) provided that the Corporation is listed on the TSX, the addition of a cashless exercise feature, payable in cash or securities, which provides for a full deduction of the number of underlying securities from the Plan reserve.

14. Participants' Rights

- 14.1. A Participant shall not have any rights as a shareholder of the Corporation until the issuance of a certificate for Common Shares upon the exercise of an Option or a portion thereof, and then only with respect to the Common Shares represented by such certificate or certificates.
- 14.2. Nothing in the Plan or any Option shall confer upon any Participant any rights to continue in the employ of the Corporation or any Subsidiary or affect in any way the right of the Corporation or any such Subsidiary to terminate the employment of the Participant at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any such Subsidiary to extend the employment of any Participant beyond the time such Participant would normally retire pursuant to the provisions of any present or future retirement plan of the Corporation or any Subsidiary, or beyond the time at which he would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Subsidiary.

15. Approvals

- 15.1. The Plan shall be subject, if applicable, to the approval of the Exchange or other regulatory body having jurisdiction at that time and, if so required thereby, to the approval of the shareholders of the Corporation.
- 15.2. Any Options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless such approval and acceptance is given.

16. Government Regulation

- 16.1. The Corporation's obligation to issue and deliver Common Shares under any Option is subject to:
 - (a) the satisfaction of all requirements under applicable securities laws in respect thereof and obtaining all regulatory approvals as the Corporation shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;
 - (b) the admission of such Common Shares to listing on any stock exchange on which such Common Shares may then be listed; and
 - (c) the receipt from the Participant of such representations, warranties, agreements and undertakings as to future dealings in such Common Shares as the Corporation determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.
- 16.2. In this regard, the Corporation shall take all reasonable steps to obtain such approvals and registrations as may be necessary for the issuance of such Common Shares and for the listing of such Common Shares on the Exchange, in compliance with applicable securities laws. If any shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such shares shall terminate and the Option Price paid to the Corporation will be returned to the Participant.

17. Costs

- 17.1. The Corporation shall pay all costs of administering the Plan.

18. Interpretation

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

19. Compliance with Applicable Law

If any provision of the Plan or any Option contravenes any law or any order, policy, bylaw or regulation of any regulatory body or the Exchange, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

SCHEDULE "C" AUDIT COMMITTEE CHARTER

(Implemented pursuant to National Instrument 52-110 *Audit Committees*)

National Instrument 52-110 *Audit Committees* (the “**Instrument**”) relating to the composition and function of audit committees was implemented for reporting issuers and, accordingly, applies to every TSX Venture Exchange listed company, including the Corporation. The Instrument requires all affected issuers to have a written audit committee charter which must be disclosed, as stipulated by Form 52-110F2, in the management information circular of the Corporation wherein management solicits proxies from the security holders of the Corporation for the purpose of electing directors to the board of directors. The Corporation, as a TSX Venture Exchange-listed company is, however, exempt from certain requirements of the Instrument.

This Charter has been adopted by the board of directors in order to comply with the Instrument and to more properly define the role of the Committee in the oversight of the financial reporting process of the Corporation. Nothing in this Charter is intended to restrict the ability of the board of directors or Committee to alter or vary procedures in order to comply more fully with the Instrument, as amended from time to time.

PART 1

Purpose:

The purpose of the Committee is to:

- (a) improve the quality of the Corporation’s financial reporting;
- (b) assist the board of directors to properly and fully discharge its responsibilities;
- (c) provide an avenue of enhanced communication between the directors and external auditors;
- (d) enhance the external auditor’s independence;
- (e) increase the credibility and objectivity of financial reports; and
- (f) strengthen the role of the directors by facilitating in depth discussions between directors, management and external auditors.

1. Definitions

“**accounting principles**” has the meaning ascribed to it in National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

“**Affiliate**” means a Corporation that is a subsidiary of another Corporation or companies that are controlled by the same entity;

“**audit services**” means the professional services rendered by the Corporation’s external auditor for the audit and review of the Corporation’s financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;

“**Charter**” means this audit committee charter;

“**Committee**” means the committee established by and among certain members of the board of directors for the purpose of overseeing the accounting and financial reporting processes of the Corporation and audits of the financial statements of the Corporation;

“**Control Person**” means any individual or company that holds or is one of a combination of individuals or companies that holds a sufficient number of any of the securities of the Corporation so as to affect materially the control of the Corporation, or that holds more than 20% of the outstanding voting shares of the Corporation except where there is evidence showing that the holder of those securities does not materially affect the control of the Corporation;

“**financially literate**” has the meaning set forth in Section 1.2;

“**immediate family member**” means a person’s spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, and anyone (other than an employee of either the person or the person’s immediate family member) who shares the individual’s home;

“**Instrument**” means National Instrument 52-110 *Audit Committees*;

“**MD&A**” has the meaning ascribed to it in National Instrument 51-102;

“**Member**” means a member of the Committee;

“**National Instrument 51-102**” means National Instrument 51-102 *Continuous Disclosure Obligations*; and

“**non-audit services**” means services other than audit services.

2. Meaning of Financially Literate

For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

PART 2

1. Audit Committee

The board of directors has hereby established the Committee for, among other purposes, compliance with the Instrument.

2. Relationship with External Auditors

The Corporation will require its external auditor to report directly to the Committee and the Members shall ensure that such is the case.

3. Committee Responsibilities

1. The Committee shall be responsible for making the following recommendations to the board of directors:

- (a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation; and
 - (b) the compensation of the external auditor.
2. The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting. This responsibility shall include:
- (a) reviewing the audit plan with management and the external auditor;
 - (b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;
 - (c) questioning management and the external auditor regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;
 - (d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;
 - (e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and obtaining an explanation from management of all significant variances between comparative reporting periods;
 - (f) reviewing the post-audit or management letter, containing the recommendations of the external auditor, and management's response and subsequent follow up to any identified weakness;
 - (g) reviewing interim unaudited financial statements before release to the public;
 - (h) reviewing all public disclosure documents containing audited or unaudited financial information before release, including any prospectus, the annual report and management's discussion and analysis;
 - (i) reviewing the evaluation of internal controls by the external auditor, together with management's response;
 - (j) reviewing the terms of reference of the internal auditor, if any;
 - (k) reviewing the reports issued by the internal auditor, if any, and management's response and subsequent follow up to any identified weaknesses; and
 - (l) reviewing the appointments of the chief financial officer and any key financial executives involved in the financial reporting process, as applicable.
3. The Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the issuer's external auditor.

4. The Committee shall review the Corporation's financial statements, MD&A, and annual and interim earnings press releases before the Corporation publicly discloses this information.
5. The Committee shall ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and shall periodically assess the adequacy of those procedures.
6. When there is to be a change of auditor, the Committee shall review all issues related to the change, including the information to be included in the notice of change of auditor called for under National Instrument 51-102, and the planned steps for an orderly transition.
7. The Committee shall review all reportable events, including disagreements, unresolved issues and consultations, as defined in National Instrument 51-102, on a routine basis, whether or not there is to be a change of auditor.
8. The Committee shall, as applicable, establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.
9. As applicable, the Committee shall establish, periodically review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer, as applicable.
10. The responsibilities outlined in this Charter are not intended to be exhaustive. Members should consider any additional areas which may require oversight when discharging their responsibilities.

4. De Minimis Non-Audit Services

The Committee shall satisfy the pre-approval requirement in subsection 2.3(3) if:

- (a) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the issuer and its subsidiary entities to the issuer's external auditor during the financial year in which the services are provided;
- (b) the Corporation or the subsidiary of the Corporation, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
- (c) the services are promptly brought to the attention of the Committee and approved by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee, prior to the completion of the audit.

5. Delegation of Pre-Approval Function

1. The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 2.3(3).
2. The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to subsection 2.5(1) must be presented to the Committee at its first scheduled meeting following such pre-approval.

PART 3

3.1 Composition

1. The Committee shall be composed of a minimum of three Members.
2. Every Member shall be a director of the issuer.
3. The majority of Members shall not be employees, Control Persons or officers of the Corporation.
4. If practicable, given the composition of the directors of the Corporation, each Member shall be financially literate.
5. The board of directors of the Corporation shall appoint or re-appoint the Members after each annual meeting of shareholders of the Corporation.

PART 4

1. Authority

Until the replacement of this Charter, the Committee shall have the authority to:

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the Committee;
- (c) communicate directly with the internal and external auditors; and
- (d) recommend the amendment or approval of audited and interim financial statements to the board of directors.

PART 5

5.1 Disclosure in Information Circular

If management of the Corporation solicits proxies from the security holders of the Corporation for the purpose of electing directors to the board of directors, the Corporation shall include in its management information circular the disclosure required by Form 52-110F2 (Disclosure by Venture Issuers).

PART 6

6.1 Meetings

1. Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly.
2. Opportunities shall be afforded periodically to the external auditor, the internal auditor and to members of senior management to meet separately with the Members.
3. Minutes shall be kept of all meetings of the Committee.