



## MANAGEMENT INFORMATION CIRCULAR Dated as of October 15, 2024

This management information circular ("**Information Circular**") is furnished in connection with the solicitation of proxies for use at our special and annual meeting (the "**Meeting**") of holders (the "**Shareholders**") of common shares (the "**Common Shares**") in CanadaBis Capital Inc. ("**CanadaBis**" or the "**Corporation**") to be held on Thursday, November 21st, 2024 at 11:00 a.m. (Calgary time), at 255C Clearview Dr., Red Deer County, Alberta, and at any adjournment thereof.

Only Shareholders of record at the close of business on October 15, 2024 (the "**Record Date**") will be entitled to vote at the Meeting, unless that Shareholder has transferred any Common Shares subsequent to that date and the transferee shareholder, not later than 10 days before the Meeting, establishes ownership of such Common Shares and demands that the transferee's name be included on the list of shareholders entitled to vote at the Meeting.

The Corporation presents its consolidated financial statements in Canadian dollars. In this Information Circular, all references to "\$" are to Canadian dollars.

The information contained in this Information Circular is provided as at October 15, 2024, except where otherwise indicated.

## HOW TO VOTE YOUR SHARES

### Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy (the "**Form of Proxy**") are Travis McIntyre and Barbara O'Neill, CanadaBis' President and Chief Executive Officer, and Corporate Secretary, respectively (the "**Management Designees**"). **As a Shareholder, you have the right to appoint a person or company, who need not be a Shareholder, to represent you at the Meeting.** To exercise this right you should insert the name of the desired representative in the blank space provided on the Form of Proxy and strike out the names of the Management Designees or submit another appropriate proxy. The instrument appointing a proxy must be in writing and must be executed by you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by a duly authorized officer or attorney of the corporation.

To be valid, the Form of Proxy must be dated, completed, signed and deposited with the Corporation: (i) by mail to CanadaBis Capital Inc., Suite 1620, 734 – 7<sup>th</sup> Avenue SW, Calgary, Alberta, T2P 3P8; or (ii) voting by facsimile 1-403-266-2606. Your proxy or voting instructions must be received in each case no later than 11:00 a.m. (Calgary time) on November 19, 2024, or, if the Meeting is adjourned, 24 hours (excluding Saturdays, Sundays and holidays) before the beginning of any adjourned meeting. If you

receive more than one proxy form because you own Common Shares registered in different names or addresses, each proxy form should be completed and returned.

You may revoke your proxy at any time prior to the exercise thereof. If you or the person you give your proxy to attend personally at the Meeting, you or such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by a duly authorized officer or attorney of the corporation. To be effective, the instrument in writing must be deposited either at our head office at any time up to and including the last business day before the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the chairman of the Meeting on the day of the Meeting, or any adjournment thereof.

### **Persons Making the Solicitation**

**This solicitation is made on behalf of our Management Designees.** We will bear the costs incurred in the preparation and mailing of the Form of Proxy, notice of annual and special meeting and this Information Circular. In addition to mailing the Forms of Proxy, proxies may be solicited by personal interviews, or by other means of communication, by our directors, officers and employees who will not be remunerated therefor.

### **Exercise of Discretion by Proxy**

The Common Shares represented by proxy in favour of Management Designees will be voted on any matter at the Meeting. Where you specify a choice with respect to any matter to be acted upon, the Common Shares will be voted or withheld from voting on any matter in accordance with the specification so made. If you do not provide instructions, your Common Shares will be voted in favour of the matters to be acted upon as set out herein. The persons appointed under the Form of Proxy which we have furnished are conferred with discretionary authority with respect to amendments or variations of those matters specified in the Form of Proxy and notice of annual and special meeting and with respect to any other matters which may properly be brought before the Meeting or any adjournment thereof. At the time of printing this Information Circular, we know of no such amendment, variation or other matter.

### **Advice to Beneficial Holders**

**The information set forth in this section is of significant importance to you if you do not hold your Common Shares in your own name.** Shareholders who do not hold Common Shares in their own name are referred to throughout this Information Circular as “**Beneficial Shareholders**”. Only proxies deposited by Shareholders whose names appear on our records as the registered holders of such Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in your account statement provided by your broker, then in almost all cases those shares will not be registered in your name on our records. Such Common Shares will likely be registered under the name of your broker or an agent of that broker. In Canada, the vast majority of shares are registered under the name of CDS & Co., the registration name for CDS Clearing and Depository Services Inc., which acts as nominees for many Canadian brokerage firms. Common Shares held by your broker or their nominee can only be voted upon your instructions. Without specific instructions, your broker or their nominee is prohibited from voting your Common Shares. We do not know for whose benefit the shares registered in the name of CDS & Co. are held.

Applicable regulatory policy requires your broker to seek voting instructions from you in advance of the Meeting. Every broker has its own mailing procedures and provides its own return instructions, which you should carefully follow in order to ensure that your shares are voted at the Meeting. Often, the form of proxy supplied by your broker is identical to the Form of Proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on your behalf. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications, Canada (“**Broadridge**”) which mails a scannable voting instruction form in lieu of a form of proxy. You are asked to complete and return the voting instruction form to them by mail or facsimile. Alternately, you can call their toll-free telephone number or access the internet to vote your shares. They then tabulate the results of all instructions received and provide appropriate instructions respecting the voting of such shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, it cannot be used as a proxy to vote shares directly at the Meeting as the proxy must be returned to them well in advance of the Meeting in order to have the shares voted.**

Although you may not be recognized directly at the Meeting for the purposes of voting shares registered in the name of your broker, you may attend the Meeting as a proxyholder for the registered holder and vote your shares in that capacity. If you wish to attend the Meeting and vote your own Common Shares, you must do so as proxyholder for the registered holder. To do this, you should enter your own name in the blank space on the form of proxy provided to you and return the document to your broker or the agent of such broker in accordance with the instructions provided by such broker well in advance of the Meeting.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

We are authorized to issue an unlimited number of Common Shares. As at the Record Date, there were 138,256,380 Common Shares issued and outstanding. As a holder of Common Shares, you are entitled to one vote for each Common Share owned.

As of the date of this Information Circular, the only persons or companies who, to our knowledge, beneficially own, or control or direct, directly or indirectly, voting securities carrying 10% or more of the issued and outstanding Common Shares are as follows:

<b>Name</b>	<b>Approximate Number of Common Shares Owned or Controlled Directly or Indirectly</b>	<b>Approximate Percentage of outstanding Equivalent Common Shares</b>
Travis McIntyre <sup>(1)</sup>	34,417,669	24.9%
Kimberley McIntyre <sup>(2)</sup>	34,417,669	24.9%
2011939 Alberta Ltd. and Shane Chana <sup>(3)</sup>	24,470,196	17.7%

**Notes:**

- (1) Based upon information provided to us by Mr. McIntyre. Mr. McIntyre is the President and a director of CanadaBis Capital Inc. Mr. McIntyre holds his shares indirectly through one or more holding companies and partnerships.
- (2) Based upon information provided to us by Ms. McIntyre. Ms. McIntyre holds her shares through one or more holding companies and partnerships.
- (3) Based on information provided by Mr. Chana. Mr. Chana is the CFO of 2011939 Alberta Ltd., who holds 22,084,381 Common Shares and Mr. Chana directly owns 2,385,815 Common Shares of CanadaBis Capital.

As at October 15, 2024, our directors and executive officers, as a group, beneficially owned, directly or indirectly, or exercised control over 61,629,865 Common Shares or approximately 44.6% of the issued and outstanding Common Shares.

## MATTERS TO BE ACTED UPON AT THE MEETING

### Financial Statements

The audited financial statements of the Corporation for the financial year ended July 31, 2023, and the report of the auditors thereon will be presented by management to Shareholders at the Meeting. No formal action is required or will be taken at the Meeting to approve the financial statements.

### Fixing the Number of Directors

The articles of the Corporation provide that the board of directors of the Corporation (the “**Board**”) is to consist of a minimum of 3 and a maximum of 15 directors. The Corporation’s by-laws provide that the number of directors shall be fixed by the shareholders by ordinary resolution. At the Meeting it is proposed that the number of directors of CanadaBis to be elected to hold office until the next annual meeting or until their successors are elected or appointed be fixed at five (5).

**We recommend that Shareholders vote FOR fixing the number of directors at five (5). Unless otherwise indicated, it is the intention of the Management Designees, if named as proxyholder, to vote FOR the resolution to fix the number of directors to be elected at the Meeting at five (5).**

### Election of Directors

#### *Director Nominees*

The following information relating to the nominees for election as directors is based partly on our records and partly on information received by us from the nominees and sets forth the names and cities of residence of the proposed nominees, their committee memberships, the date on which each became a director of the Corporation (or a predecessor of the Corporation), their present occupations and brief biographies of such persons and the number of Common Shares owned, controlled or directed by each held as at October 15, 2024.

Nominee for Election as Director	Director Since	Common Shares Owned, Controlled or Directed	% of Common Shares Held
Travis McIntyre Rocky Mountain House, Alberta President	April 2019	34,417,669	24.9%
	Mr. McIntyre is the President, Chief Executive Officer and a director of CanadaBis and was the founder of Stigma Pharmaceuticals. Mr. McIntyre brings with him a strong background in business management primarily in the oil and gas/civil construction sectors serving as president and CEO of numerous private Corporations.		

<b>Nominee for Election as Director</b>	<b>Director Since</b>	<b>Common Shares Owned, Controlled or Directed</b>	<b>% of Common Shares Held</b>
Nicole Bacsalmasi, LL.B Calgary, Alberta  Member of: - <i>Audit Committee</i>	May 2023	Nil	Nil
<p>Ms. Bacsalmasi is a partner in the corporate and capital markets group of the law firm BLG LLP, where she returned to the practice of law from a two-year period as an associate principal with Targeted Strategies, working with high-net-worth business owners and entrepreneurs to structure their intergenerational wealth and solve their complex estate planning challenges. Prior thereto Ms. Bacsalmasi was a partner in the corporate and securities group at the law firm of Dentons Canada LLP. Ms. Bacsalmasi has over 15 years of experience in the legal and corporate structuring field with extensive experience supporting clients in a diverse range of industries, including cannabis, energy, real estate and others.</p>			

<b>Nominee for Election as Director</b>	<b>Director Since</b>	<b>Common Shares Owned, Controlled or Directed</b>	<b>% of Common Shares Held</b>
Alex Michaud Edmonton, Alberta  Member of: - <i>Audit Committee</i>	April 2019	1,880,000	1.4%
<p>Mr. Michaud is currently the Managing Partner of Runway Developments, a development company that develops structures and land for rent at the Edmonton International Airport. Mr. Michaud has extensive large-scale business and operational experience, including negotiation of development and construction contracts. Mr. Michaud has over 50 years of business experience including as an owner/manager of Transcontinental Oilfield Industries and as a Managing Partner of Ninth Street Properties. Mr. Michaud was responsible for the development and implementation of promotional strategies to increase business growth and revenue.</p>			

<b>Nominee for Election as Director</b>	<b>Director Since</b>	<b>Common Shares Owned, Controlled or Directed</b>	<b>% of Common Shares Held</b>
Barbara O'Neill Airdrie, Alberta	November 2016	750,000	0.5%
<p>Ms. O'Neill is a self-employed consultant providing services to publicly listed issuers. She has also served as Corporate Secretary of Jade Leader Corp. and Canex Metals Inc. since May 1993.</p>			

<b>Nominee for Election as Director</b>	<b>Director Since</b>	<b>Common Shares Owned, Controlled or Directed</b>	<b>% of Common Shares Held</b>
Shane Chana, CA, CPA Fort McMurray, Alberta  Member of: - <i>Audit Committee</i>	January 15, 2020	24,470,196 <sup>(1)</sup>	17.7%
<p>Mr. Chana has been the Chief Financial Officer of Centerfire Energy Group since 2016, which is an oilfield service group located in Fort McMurray, Alberta. Mr. Chana worked at MNP LLP from 2009 to 2016 as a Senior Manager. Mr. Chana holds a Bachelor of Commerce degree from the University of Northern British Columbia with a Major in Accounting. Mr. Chana successfully obtained his Chartered Accountant designation in 2012.</p>			

**Note:**

(1) Mr. Chana is the CFO of 2011939 Alberta Ltd., which owns 22,084,381 Common Shares.

Management does not contemplate that any of the nominees will be unable to serve as director of CanadaBis. If, as a result of circumstances not now contemplated, any nominee is unavailable to serve as a director, any proxy naming management as proxyholder will be voted for the election of such other person or persons as management may select or, alternatively, in accordance with and subject to the constating documents of the Corporation and the *Business Corporations Act* (Alberta), the Board may determine to reduce its fixed number of directors. Each director elected will hold office until the next annual meeting of Shareholders, or until his or her respective successor is elected or appointed in accordance with applicable law and the Corporation's by-laws.

**We recommend that Shareholders vote FOR the nominees set forth above. Unless otherwise indicated, it is the intention of the Management Designees, if named as proxyholder, to vote FOR each nominee nominated for election at the Meeting, unless a Shareholder directs in the applicable form of proxy that his, her or its Common Shares are to be withheld from voting in respect of any particular nominee or nominees.**

*Other directorships*

The following directors are presently directors of other issuers that are reporting issuers (or the equivalent):

Name	Name of Other Reporting Issuers
Nicole Bacsalmasi	CarbonTech Capital Corp.; Pine Trail Real Estate Investment Trust

*Corporate Cease Trade Orders*

None of our directors (nor any personal holding company of any of such persons) is, as of the date hereof, or was within ten years before the date hereof, a director, chief executive officer or chief financial officer of any company (including us), that was subject to a cease trade order (including a management cease trade order), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days (collectively, referred to as an “**Order**”) that was issued while the director was acting in the capacity as director, chief executive officer or chief financial officer; or was subject to an Order that was issued after the 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.

*Bankruptcies*

None of our directors (nor any personal holding company of any of such persons) is, as of the date hereof, or has been within the ten years before the date hereof, a director or executive officer of any company (including us) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director has been within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### *Penalties and Sanctions*

None of our directors (nor any personal holding company of any of such persons) 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 any other penalties or sanctions imposed by a court or regulatory body within the last 10 years that would likely be considered important to a reasonable investor in making an investment decision.

### *Conflicts of Interest*

The directors and officers of the Corporation may, from time to time, be involved with the business and operations of other issuers, in which case a conflict of interest may arise between their duties as officers and directors of the Corporation and as officer and directors of such other companies. Such conflicts must be disclosed in accordance with, and are subject to such procedures and remedies, as applicable, under the *Business Corporations Act* (Alberta).

### **Appointment of Auditors**

We are soliciting proxies, in the accompanying Form of Proxy, in favour of the appointment of the firm of BDO Canada LLP, Chartered Professional Accountants ("**BDO**"), as our auditors, to hold office until the next annual meeting of Shareholders and to authorize the directors to fix their remuneration as such. The Corporation retained BDO effective November 29, 2016 to act as Auditors.

**We recommend that Shareholders vote FOR the appointment of BDO as auditor and to authorize the board of directors to fix their remuneration. Unless otherwise indicated, it is the intention of the Management Designees, if named as proxyholder, to vote FOR the appointment of BDO Canada LLP as auditors of the Corporation.**

### **Approval of Stock Option Plan**

#### *Summary of Option Plan*

Pursuant to TSX Venture Exchange ("**TSXV**") Policy 4.4, corporations that have a rolling stock option plan reserving a maximum of 10% of the issued and outstanding shares of the corporation must receive annual shareholder approval of their stock option plan. In accordance with this policy, the Corporation adopted a stock option plan on December 22, 2016 (the "**Plan**") and most recently received annual approval on August 30, 2023. The Plan authorizes the Board to issue Common Shares issuable upon exercise of options (the "**Options**") to directors, officers, key employees and others who are in a position to contribute to the future success and growth of the Corporation. The Corporation wishes to continue to use the Plan and is seeking the approval of the Shareholders at the Meeting.

Under the Plan, the aggregate number of Common Shares issuable under the Plan may not exceed 10% of the total number of outstanding Common Shares of the Corporation at the time the Options are granted. Further, the aggregate number of Common Shares issuable under the Plan to any one individual may not exceed 5% of the total number of outstanding Common Shares of the Corporation and, in the case of consultants and persons retained to perform investor relation activities, shall not exceed 2% in any 12 month period. Options granted to any person performing investor relations activities shall at a minimum vest in stages over 12 months with no more than ¼ Options vesting at three months, ¼ Options at 6 months, ¼ Options at 9 months and the remainder of the Options vesting at 12 months. Options issued pursuant to the Plan must have an exercise price (must not be less than the Discounted Market

Price) not less than that from time to time permitted by the stock exchange on which the Common Shares are then listed. The period during which an Option may be exercised shall be determined by the Board at the time the Option is granted, subject to any vesting limitations which may be imposed by the Board at the time such Option is granted, provided no Option shall be exercisable for a period exceeding 10 years (the “**Option Period**”). All Options are non-assignable and non-transferable.

The Options granted under the Plan expire on the earlier of the date of the expiration of the Option Period noted above and 90 days after the date a holder ceases to hold the position or positions of director, officer, employee or consultant of the Corporation (or 30 days for any optionee engaged in investor relations activities). In the event of the death or permanent disability of an holder, any Option previously granted to him shall be exercisable until the end of the Option period noted above or until the expiration of 12 months after the date of death or permanent disability of such holder, whichever is earlier.

In the event of a sale by the Corporation of all or substantially all of its assets or in the event of a change in control of the Corporation, each holder shall be entitled to exercise, in whole or in part, the Options granted to such holder, either during the term of the Option or within 90 days after the date of the sale or change of control, whichever first occurs.

The Corporation has previously amended the Plan to allow outstanding Options that expire within a formally imposed blackout period (“**Blackout Period**”) called by the Corporation to be extended and expire ten (10) business days after the expiry of the Blackout Period.

*Options Outstanding*

There are currently 6,157,500 Options outstanding under the Plan as of the date of this Information Circular:

Number of Options	Exercise Price	Expiry Date
37,500	\$0.29	December 10, 2024
600,000	\$0.29	January 16, 2025
290,000	\$0.20	March 19, 2025
200,000	\$0.20	July 3, 2025
3,500,000	\$0.20	July 31, 2025
480,000	\$0.20	February 26, 2026
50,000	\$0.20	August 5, 2027
1,000,000	\$0.24	June 16, 2028

*Approval of the Stock Option Plan*

In order to approve the Plan, the resolution must be approved by a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting. The complete text of the resolution which management intends to place before the Meeting for approval, with or without modification, is as follows:

**“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. The stock option plan of the Corporation (the “**Plan**”) be and is hereby ratified, confirmed and approved;

2. The maximum number of Common Shares of the Corporation which may be issued under the Plan shall be equal to ten percent (10%) of the then issued and outstanding common shares of the Corporation from time to time;
3. the form of the Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the Shareholders of the Corporation; and
4. Any director or officer of the Corporation is hereby authorized and directed to do and perform all such acts and things and to execute and deliver or cause to be delivered, for, in the name of and on behalf of the Corporation (whether under the seal or otherwise) all such agreements, instruments and other documents as in such individual's opinion may be necessary or desirable to perform the terms of this resolution.”

**We recommend that Shareholders vote FOR the approval of the Plan. Unless otherwise indicated, it is the intention of the Management Designees, if named as proxyholder, to vote FOR the approval of the Plan.**

#### **Change of Name**

The Board considers it to be in the best interest of the Corporation, to change the name of the Corporation from CanadaBis Capital Inc. to “Stigma Cannabis Inc.” to better reflect its current business focus.

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

**“BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:**

1. the Corporation be and is hereby authorized to change the name of the Corporation at such time as the directors of the Corporation deem fit;
2. at such time, pursuant to the *Business Corporation Act* (Alberta) (“**ABCA**”), Article 1 of the articles of the Corporation be amended by changing the name of the Corporation from “CanadaBis Capital Inc.” to “Stigma Cannabis Inc.”, or to such other name as the directors may determine and the TSX Venture Exchange may approve;
3. the directors of the Corporation may revoke this resolution before it is acted on without further approval of the Shareholders;
4. upon articles of amendment having become effective in accordance with the provisions of the ABCA, the articles of the Corporation are amended accordingly; and
5. any one director or officer of the Corporation, be and is hereby authorized and directed to execute all documents and to do all things as deemed necessary and appropriate for the implementation of this resolution, including the execution and delivery to the Registrar of Corporations of articles of amendment in duplicate.”

**The approval by Shareholders of this resolution requires a favourable vote of not less than 66<sup>2</sup>/<sub>3</sub>% of the Common Shares voted in respect thereof at the Meeting. We recommend that Shareholders vote FOR the approval of the name change. Unless otherwise indicated, it is the intention of the Management Designees, if named as proxyholder, to vote FOR changing the name of the Corporation.**

### **Other Business**

The management of the Corporation knows of no matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters properly come before the Meeting, the accompanying instrument of proxy will be voted on such matters with the best judgment of the person or persons voting the proxy.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **Compensation Discussion and Analysis**

Executive Compensation is required to be disclosed for each: (i) Chief Executive Officer (or individual who served in a similar capacity during the most recently completed financial year); (ii) each Chief Financial Officer (or individual who served in a similar capacity during the most recently completed financial year); (iii) the most highly compensated executive officer other than the Chief Executive Officer and the Chief Financial Officer, who was serving as an executive officer at the end of the most recently completed fiscal year and whose total compensation was more than \$150,000; and (iv) each individual who would meet the definition set forth in (iii) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year (collectively, the "**Named Executive Officers**"). The Named Executive Officers of the Corporation for the year ended July 31, 2023, 2022 and 2021 was Travis McIntyre who served as President and Shane Chana who served as Chief Financial Officer until August 30, 2023. Garfield Richards was appointed Chief Financial Officer on August 30, 2023.

### **Philosophy and Objectives**

The Board, including Mr. McIntyre (who is also an officer of the Corporation), is responsible for approving all compensation paid by the Corporation to its directors and senior officers. No compensation was paid to its directors or senior officers during the year ended July 31, 2023.

The Board is responsible for reviewing and approving the position description for the President, which shall include his authorities and accountabilities, the corporate goals and objectives for which the President shall be responsible, monitoring of the President's performance relative to these goals and objectives, and to formally evaluate his performance at least annually.

The President makes recommendations to the Board regarding the position description, corporate goals and objectives as well as the compensation level of the other senior executives of the Corporation.

The Board reviews the President's recommendations respecting compensation of other senior executives of the Corporation, to ensure such arrangements reflect the responsibilities and risk associated with each position. When determining compensation, the Board considers: (i) recruiting and retaining executives critical to the success of the Corporation and the enhancement of Shareholder value; (ii) providing fair compensation based on the nature and scope of the Corporation's business; (iii) balancing the interests of management and Shareholders; and (iv) rewarding performance, both on an individual basis and with

respect to operations in general. The compensation paid to a Corporation's executive officer may consist of a base per diem or hourly rate and from time to time may consist of an incentive in the form of Options.

The Corporation maintains directors' and officers' liability insurance for its directors and officers. The amount of the directors' and officers' liability insurance premium (the "Premium") for the 2023-2024 year was \$70,755 per annum for annual aggregate coverage of \$3,000,000. The amount of the Premium for the 2024-2025 year was \$70,605 per annum for annual aggregate coverage of \$3,000,000.

### Summary Compensation Table

The following table sets forth information concerning the total compensation paid during the years ended July 31, 2021, 2022 and 2023 to the Named Executive Officers of the Corporation.

Name and Principal Position	Fiscal Year Ended	Annual Compensation			Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
		Salary (\$)	Share-Based Awards (\$)	Option-Based Awards <sup>(1)</sup> (\$)	Annual Incentive Plans	Long-Term Incentive Plans			
Travis	July 31, 2023	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
McIntyre	July 31, 2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
President	July 31, 2021	Nil	Nil	\$80,813	Nil	Nil	Nil	\$80,813	
Garfield	July 31, 2023	\$116,700	Nil	\$31,854	Nil	Nil	Nil	\$148,554	
Richards	July 31, 2022	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
CFO <sup>(2)</sup>	July 31, 2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Shane	July 31, 2023	Nil	Nil	\$3,016	Nil	Nil	Nil	\$3,016	
Chana	July 31, 2022	Nil	Nil	\$11,038	Nil	Nil	Nil	\$11,038	
Prior	July 31, 2021	Nil	Nil	\$25,279	Nil	Nil	Nil	\$25,279	
CFO <sup>(3)</sup>									

#### Notes:

- (1) The Corporation has calculated the grant date fair value of the Options granted to the Named Executive Officers using the Black-Scholes option pricing model. The following sets forth further details regarding the value of these Options granted during the three most recently completed financial years:
  - (a) No Options were granted to Mr. McIntyre or Mr. Chana for the year ended July 31, 2023. Table includes Options that were previously granted and that vested to Mr. Chana during the year ended July 31, 2022.
  - (b) A total of 100,000 Options at \$0.20 per share were granted to Mr. Richards on August 5, 2022, and the key assumptions used in the determination of the fair value were: (i) an expected life of 2.91 years; (ii) an expected volatility of 97.05%; (iii) a risk-free interest rate of 3.12%; and (iv) a dividend yield of 0%. Options vested immediately and on July 20, 2023 Mr. Richards exercised 25,000 Options at an exercise price of \$0.20 per share for gross proceeds of \$5,000.
  - (c) A total of 200,000 Options at \$0.24 per share were granted to Mr. Richards on June 16, 2023, and the key assumptions used in the determination of the fair value were: (i) an expected life of 5 years; (ii) an expected volatility of 93.65%; (iii) a risk-free interest rate of 3.65%; and (iv) a dividend yield of 0%.
- (2) Mr. Richards was appointed CFO on August 30, 2023. The information above presented in his capacity as VP Finance, is disclosed for information purposes as impacts future Option disclosures in his capacity as CFO. No Options were granted prior to July 31, 2022. Therefore, total compensation paid prior to July 31, 2022 is not presented above.
- (3) Mr. Chana was CFO until August 30, 2023 when he stepped down. Mr. Richards was then appointed CFO.

### Outstanding Share-Based Awards and Option-Based Awards

No share-based (as opposed to option-based) awards have ever been granted to the Corporation's Named Executive Officers. No Options granted to the Named Executive Officers have been repriced during the year ended July 31, 2023. No Options granted to Named Executive Officers expired during the year ended July 31, 2023. See "Approval of Stock Option Plan" on page A7 of this Information Circular for a summary of the Plan.

Details of Options awarded to Named Executive Officers of the Corporation that were outstanding as at July 31, 2023 are set forth in the following table:

Name and Principal Position	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested (\$)	Market or payout value of Share Based Awards that have not Vested
Travis McIntyre President	1,500,000 <sup>(4)</sup>	\$0.20	July 31, 2025	\$135,000	Nil	Nil	Nil
Garfield	75,000 <sup>(3)</sup>	\$0.20	August 5, 2027	\$6,750	Nil	Nil	Nil
Richards CFO <sup>(6)</sup>	200,000 <sup>(5)</sup>	\$0.24	June 16, 2028	\$5,000	\$5,000	Nil	Nil
Shane Chana Prior CFO <sup>(7)</sup>	600,000 <sup>(2)</sup>	\$0.20	January 16, 2025	\$54,000	Nil	Nil	Nil

#### Notes:

- (1) Value is calculated as the difference between the closing price of the Common Shares on the TSXV on July 31, 2023 of \$0.29 (the last date of trade) and the exercise price of the Options multiplied by the number of shares underlying the Options.
- (2) Options vest at a rate of 1/3 each on one-year, two-year and three-year anniversaries from the date of grant.
- (3) Options vested immediately.
- (4) Options vest at the rate of 1/2 immediately and the remaining 1/2 on the one-year anniversary from the date of grant.
- (5) Options vest at the rate of 1/2 six months from the date of grant and the remaining 1/2 on the one-year anniversary from the date of grant.
- (6) Mr. Richards was appointed CFO on August 30, 2023. Information above presented in his capacity as VP Finance, disclosed for information purposes as it impacts future Option disclosures in his capacity as CFO.
- (7) Mr. Chana was CFO until August 30, 2023 when he stepped down. Mr. Richards was then appointed CFO.

### ***Incentive Awards – Value Vested or Earned During the Year***

The following table summarizes the value of Options held by Named Executive Officers that vested during the year ended July 31, 2023.

<b>Name and Principal Position</b>	<b>Option-Based Awards – Value Vested During the Year (\$)<sup>(1)</sup></b>	<b>Share-Based Awards – Value Vested During the Year (\$)</b>	<b>Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)</b>
Travis McIntyre <i>President and director</i>	Nil	Nil	Nil
Garfield Richards <sup>(2)</sup> CFO	Nil	Nil	Nil
Shane Chana <sup>(3)</sup> Prior CFO	Nil	Nil	Nil

**Note:**

- (1) Calculated as the difference between the market price of the Common Shares underlying the Options on the vesting date and the exercise price of the Options. None of the Options that vested during the year ended July 31, 2023 were in-the-money.
- (2) Mr. Richards was appointed CFO on August 30, 2023. Information above presented in his capacity as VP Finance, disclosed for information purposes as it impacts future Option disclosures in his capacity as CFO.
- (3) Mr. Chana was CFO until August 30, 2023 when he stepped down. Mr. Richards was then appointed CFO..

### **Pension Plan Benefits**

The Corporation does not have any defined benefit or defined contribution pension plans in place which provide for payments or benefits at, following, or in connection with retirement.

### **Employment Agreements**

On August 1, 2023 the Corporation entered into an employment agreement with Travis McIntyre (“**Mr. McIntyre**”), regarding the employment of Mr. McIntyre as President and CEO of the Corporation. Mr. McIntyre is entitled to a yearly salary of \$300,000, to participate in the Plan, a business vehicle, 5 weeks paid holiday and is reimbursed for all reasonable out-of-pocket expenses incurred in connection with the performance of Mr. McIntyre’s duties. Mr. McIntyre is also entitled to a Payout Amount of 12 times his monthly remuneration plus one additional payment of monthly remuneration for each year of service, not to exceed a maximum of 24 times the monthly remuneration. The Corporation had not entered into an employment agreement with Shana Chana (“**Mr. Chana**”), regarding the employment of Mr. Chana as Chief Financial Officer until he stepped down August 30, 2023. Mr. Chana is entitled to participate in the Plan and is reimbursed for all reasonable out-of-pocket expenses incurred in connection with the performance of Mr. Chana’s duties. Mr. Richards was appointed CFO of the Corporation on August 30, 2024. Mr. Richards is entitled to a yearly compensation of \$120,000, to participate in the Plan, 3 weeks paid holiday and is reimbursed for all reasonable out-of-pocket expenses incurred in connection with the performance of Mr. Richards’s duties.

### **Compensation of Directors**

No compensation was paid to directors, who were not also Named Executive Officers, during the year ended July 31, 2023.

The Corporation does not compensate its directors in their capacities as such, although directors of the Corporation are reimbursed for their expenses incurred in connection with their services as directors. From time to time directors received Options, under the Plan.

The following table summarizes all compensation provided to the directors, who were not also Named Executive Officers, during the year ended July 31, 2023.

<b>Name</b>	<b>Fees Earned (\$)</b>	<b>Share-Based Awards (\$)</b>	<b>Option-Based Awards (\$)<sup>(1)</sup></b>	<b>Non-Equity Incentive Plan Compensation (\$)</b>	<b>Pension Value (\$)</b>	<b>All Other Compensation (\$)</b>	<b>Total Compensation (\$)</b>
Barbara O'Neill	Nil	Nil	\$6,544	Nil	Nil	Nil	Nil
Nicole Bacsalmasi	Nil	Nil	\$19,633	Nil	Nil	Nil	Nil
Alex Michaud	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**Notes:**

- (1) The Corporation has calculated the grant date fair value of the Options granted to the Named Executive Officers using the Black-Scholes option pricing model. The following sets forth further details regarding the value of these Options granted during the three most recently completed financial years:
- (a) The Corporation granted on June 16, 2023, a total of 1,000,000 Options that included 200,000 Options to Ms. O'Neill and 600,000 Options to Ms. Bacsalmasi, respectively and the key assumptions used in the determination of the fair value were: (i) an expected life of 5 years; (ii) an expected volatility of 93.65%; (iii) a risk-free interest rate of 3.65%; and (iv) a dividend yield of 0%.

**Outstanding Share-Based Awards and Option-Based Awards**

No share-based (as opposed to option-based) awards have ever been granted to the directors. No Options granted to the directors have been repriced or cancelled during the year ended July 31, 2023. No Options granted to the directors have expired during the year ended July 31, 2023. During the year ended July 31, 2023, a total of 800,000 Options were granted to directors who were not also Named Executive Officers.

Details of Options awarded to directors, who were not Named Executive Officers, that were outstanding as at July 31, 2023 are set forth in the following table:

<b>Name and Principal Position</b>	<b>Option-Based Awards</b>			<b>Share-Based Awards</b>		
	<b>Number of securities underlying unexercised options (#)<sup>(2)</sup></b>	<b>Option Exercise Price (\$)</b>	<b>Option Expiration Date</b>	<b>Value of unexercised in-the-money options<sup>(1)</sup> (\$)</b>	<b>Number of Shares or Units of Shares that have not Vested (#)</b>	<b>Market or Payout Value of Share-Based Awards that have not Vested (\$)</b>
Alex Michaud	600,000	\$0.20	July 31, 2025	\$54,000	Nil	Nil
Barbara O'Neill <sup>(2)</sup>	400,000	\$0.20	July 31, 2025	\$36,000	Nil	Nil
	200,000	\$0.24	June 16, 2028	\$10,000	200,000	Nil
Nicole Bacsalmasi <sup>(2)</sup>	600,000	\$0.24	June 16, 2025	\$30,000	600,000	Nil

**Notes:**

- (1) Value is calculated as the difference between the closing price of the Common Shares on the TSX-V on July 31, 2023 of \$0.29 and the exercise price of the options multiplied by the number of shares underlying the options.
- (2) Options vest at the rate of 1/2 six months from the date of grant and the remaining 1/2 on the one-year anniversary from the date of grant.

The following table summarizes the value of Options on the vesting date held by directors who were not Named Executive Officers that vested during the financial year ended July 31, 2023. No Options vested during the year ended July 31, 2023.

<b>Name and Principal Position</b>	<b>Option-Based Awards – Value Vested During the Year<sup>(1)</sup></b> <b>(\$)</b>	<b>Share-Based Awards – Value Vested During the Year</b> <b>(\$)</b>	<b>Non-Equity Incentive Plan Compensation – Value Earned During the Year</b> <b>(\$)</b>
Barbara O’Neill	Nil	Nil	Nil
Nicole Bacsalmasi	Nil	Nil	Nil
Alex Michaud	Nil	Nil	Nil

**Notes:**

(1) Calculated as the difference between the market price of the Common Shares underlying the options on the vesting date and the exercise price of the options.

**SECURITIES AUTHORIZED FOR ISSUANCES UNDER EQUITY COMPENSATION PLAN**

The following table sets out information with respect to compensation plans under which equity securities of the Corporation are authorized for issuance for the year ended July 31, 2023.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b> <b>(a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b> <b>(b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b> <b>(c)</b>
Equity compensation plans approved by shareholders	7,080,000	\$0.23	6,741,138
Equity compensation plans not approved by shareholders	-	-	-
<b>Total</b>	<b>7,080,000</b>	<b>\$0.23</b>	<b>6,741,138</b>

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No director, officer, employee or former director, officer or employee or any associate of any such person is, nor at any time during the year ended July 31, 2023, was indebted to the Corporation, nor have any guarantees, support agreements, letters of credit or other similar arrangements or understandings been provided by the Corporation to or for the benefit of any such persons at any time during the year July 31, 2023.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as disclosed in this Information Circular, none of the directors or senior officers of the Corporation, proposed nominees for election as a director of the Corporation, nor any other Informed Persons (as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*), nor any person who beneficially owns, directly or indirectly, securities carrying more than 10% of the voting rights attached to the issued shares of the Corporation, nor any associate or affiliate of the foregoing persons has any

material interest, direct or indirect, in any transaction since the commencement of the 2023 financial year or in any proposed transaction which, in either case, has affected or will materially affect the Corporation and none of such persons has any material interest in any transaction proposed to be undertaken by the Corporation that will materially affect the Corporation.

During the year ended July 31, 2023, the Corporation had the following related party transactions and balances with a company of which one of the directors or shareholders is also a director or shareholder of the Corporation:

1. As at July 31, 2023, the Corporation was owed \$14,090 (2022 - \$14,090) from 890859 Alberta Ltd., a company owned by a Shareholder and officer of the Corporation. 890859 Alberta Ltd. that sold non-cannabis balms and creams produced by the Corporation and used to sublease space from the Corporation's retail location for rental income. This space was not subleased for the year ended July 31, 2023.
2. As at July 31, 2023, the Corporation owed amounts to a related party, SS Pipe Line Ltd., of \$689,745 (2022 - \$689,745) owned by the Chief Executive Officer of the Corporation. The amounts are non-interest bearing, unsecured, and have no fixed terms of repayment.
3. As at July 31, 2023, the Corporation had amounts due to a related party, Runway Developments Ltd., of \$653,791 (2022 - \$653,791). The amount due bears interest at 7% per annum and matured on December 31, 2021. Subsequent to July 31, 2021, additional funds of \$277,193 advanced for operational purposes during the year were repaid in the year ended July 31, 2022. As at July 31, 2023, the balance outstanding includes accrued interest of \$3,791.
4. As at July 31, 2023, an aggregate amount of \$154,773 (2022 - \$84,415) was due to a director and shareholder of the Corporation. These amounts are due on demand, unsecured and interest free. The majority of this amount outstanding pertained to the vape machine rental fee, of which approximately \$72,000 was repaid subsequent to July 31, 2023. During the year ended July 31, 2023, the Corporation entered into separate agreements to rent for a 12 month period a vape filling machine from a director and shareholder of the Corporation. During the year ended July 31, 2023, aggregate equipment rental expenses of \$302,492 was incurred representing a rental fee of \$1 per vape filled. For the comparative period presented, the aggregate equipment rental expenses of \$120,553 was incurred.

On January 31, 2021, 1998643 Alberta Ltd. entered into a lease arrangement with a company that is owned by two directors and a significant shareholder of the Corporation to lease an extraction machine over a 72-month term for a monthly payment of \$11,991 plus applicable taxes and residual value of \$1, with first payment due April 30, 2021. Considering the related party nature of this transaction and outside of the normal course of business, the rate implicit to the arrangement approved by the Board was 11.0% and the original vendor cost of the asset was supported by an arm's length transaction between the lender and the vendor. For accounting purposes, the incremental borrowing rate for the Corporation (lessee) was assessed as 12.0% supported by an independent financing quote but due to financing constraints the Corporation entered this lease arrangement with a related party. As at January 31, 2021, a right-of-use asset of \$629,240 was recognized and a corresponding lease obligation (Note 13). The right-of use asset is depreciated over the lease term on a straight-line basis, which is shorter than the asset's useful life. During the years ended July 31, 2023 and 2022, the aggregate lease payments for the extraction machine was \$143,898.

During the years ended July 31, 2023 and 2022, no operational and capital expenses were paid by the related parties on behalf of the Corporation. During the years ended July 31, 2023 and 2022, non-cannabis products sales to related parties were \$Nil and \$2,400, respectively. During the years ended July 31, 2023 and 2022, the Corporation entered into separate agreements to rent for a 12-month period a vape filling machine from a director and shareholder of the Corporation. During the year ended July 31, 2023, aggregate equipment rental expenses of \$302,492 was incurred representing a rental fee of \$1 per vape filled. For the comparative period presented, the aggregate equipment rental expenses of \$120,553 was incurred.

On October 5, 2023, the Board approved a consulting agreement with a director to provide certain legal, corporate and administration consulting services for a period from May 1, 2023 and an end date of April 30, 2024. The terms and conditions of this consulting agreement is within normal course of business and payable immediately. As at July 31, 2023, the accounts payable balance includes \$5,366 due for consulting services performed.

### **INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED ON**

Except as disclosed in this Information Circular, management of the Corporation is not aware of any director or senior officer of the Corporation nor any proposed nominee for election as a director of the Corporation nor any associate or affiliate of any of the foregoing persons who holds any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise in any matter to be acted on.

### **CORPORATE GOVERNANCE**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Corporation. The Board is committed to sound corporate governance practices, which are both in the interests of its shareholders and contribute to effective and efficient decision-making. The Corporation believes that its corporate governance practices ensure that the business and affairs of the Corporation are effectively managed so as to enhance shareholder value.

#### **Disclosure of Corporate Governance Practices**

The Corporation has reviewed its corporate governance practices in light of the guidelines contained in National Instrument 58-201 – *Corporate Governance Guidelines* (“**NI 58-201**”). The Corporation's practices comply generally with the guidelines; however, the Board considers that some of the guidelines are not suitable for the Corporation at its current stage of development and therefore these guidelines have not been adopted. Set out below is a description of the Corporation's corporate governance practices as required by National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”).

#### *Board of Directors*

The Board does currently function independently of management because three of its five (5) members are non-management. The Board has determined that three of the five directors proposed for election at the Meeting are independent. An independent director is a director who is independent of management and free from any interest, business or other relationship that could, or could reasonably be perceived to materially interfere with the director's ability to act in the best interests of the Corporation, other than interests arising from their capacity as shareholders. Mr. Michaud, Ms. Bacsalmasi and Ms. O'Neill are

considered to be independent directors. Mr. McIntyre is not considered to be an independent director as he is an officer of the Corporation and Mr. Chana was an officer until August 30, 2023 and will not be considered independent until 3 years have passed since he ceased to be an officer.

The directors meet at least quarterly. The Board holds meetings as required at which the opinion of the independent directors is sought and duly acted upon for all material matters relating to the Corporation.

#### *Orientation and Continuing Education*

New directors are briefed on strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing corporate policies. However, there is no formal orientation for new members of the Board, and this is considered to be appropriate given the Corporation's size and current level of operations. However, if the growth of the Corporation's operations warrants it, it is likely that a formal orientation process will be implemented.

In addition, management of the Corporation makes itself available for discussion with all Board members.

#### *Ethical Business Conduct*

Given the size of the Corporation, the Board believes that thru the fiduciary duties placed on individual directors by the Corporation's corporate governance practice and the common law and restrictions placed by application corporate legislation on an individual director's participation in decisions of the Board in which a director has an interest have been sufficient to ensure that the Board operates independently of management, in the best interest of the Corporation and reflects a culture of integrity and ethical business conduct. The Board has not adopted a Code of Ethics.

A "Whistleblower Policy" is currently under review by the Board wherein employees, directors, officers and consultants of the Corporation will be provided with a mechanism by which they can raise concerns through a confidential, anonymous process.

#### *Nominating and Corporate Governance Committee*

The Board of directors has not appointed a nominating or corporate governance committee. As a result of the Corporation's size, its stage of development and the limited number of individuals on the Board, the Board considers a "Nominating and Corporate Governance" committee to be inappropriate at this time.

#### *Assessments*

Neither the Corporation nor the Board has determined formal means or methods to regularly assess the Board, its committees or individual directors with respect to their effectiveness and contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director are informally monitored by the other board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

#### *Other Committees*

The Corporation does not have any committees other than the Audit and Compensation Committee. The Board has determined that additional committees are not necessary at this stage of the Corporation's development.

### *Compensation Committee*

The Board has a Compensation Committee consisting of Mr. Michaud, Ms. Bacsalmasi and Ms. O'Neill. Two members of the Compensation Committee, Mr. Michaud and Ms. Bacsalmasi, are independent directors. The Board believes that it is appropriate for it to perform the functions of the Compensation Committee as a result of the Corporation's size.

The Compensation Committee shall, in addition to any other duties and responsibilities specifically delegated to it by the Board, generally assume responsibility for assisting the Board in respect of compensation policies for the Corporation and to review and recommend compensation strategies for the Corporation and proposals relating to compensation for officers, directors and employees and to assess the performance of the officers of the Corporation in fulfilling their responsibilities and meeting corporate objectives. In discharging its responsibilities, the Compensation Committee will report and, where appropriate, make recommendations to the Corporation in respect of the matters identified in this mandate.

### *Audit Committee*

The members of the Audit Committee are Mr. Chana (Chair), Mr. Michaud and Ms. Bacsalmasi. All members of the Audit Committee are financially literate within the meaning of NI 52-110 – *Audit Committees* ("**NI 52-110**"). Mr. Michaud and Ms. Bacsalmasi are independent directors.

### *Relevant Education and Experience*

All of the members of the Audit Committee are senior level executive business persons with extensive experience in financial matters. Each member of the Audit Committee has a broad understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavour. In addition, each of the members of the Audit Committee have knowledge of the role of an audit committee in the realm of reporting companies from their years of experience advising or acting as directors and/or officers of other public companies. For further information regarding relevant education and experience please see the biographies provided above.

The Audit Committee reviews our annual and interim financial statements and related management discussion and analysis prior to their submission to our Board for approval. They oversee the work of the external auditors, review the appropriateness of significant accounting policies and changes in accounting principles and review our process for testing internal control systems and procedures. Please see a copy of the charter of our Audit Committee attached hereto as Appendix "A" to this Information Circular.

### *Audit Committee Oversight*

During the most recently completed financial year, our Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

### *Pre-Approval Policies and Procedures*

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Audit Committee, on a case-by-case basis.

### External Auditor Service Fees

The fees we paid to our auditor during the fiscal years ended July 31, 2023 and July 31, 2022, by category, are as follows:

Service	Year ended July 31, 2023	Year ended July 31, 2022
Audit Fees <sup>(1)</sup>	\$150,000	\$150,000
Audit-Related Fees <sup>(2)</sup>	\$10,000	\$19,500
Tax Fees <sup>(3)</sup>	\$nil	\$ nil
Other Fees <sup>(4)</sup>	\$nil	\$ nil
<b>Total</b>	<b>\$160,000</b>	<b>\$169,500</b>

**Notes:**

- (1) Audit fees consist of fees for the audit of the Corporation's annual financial statements or services that are normally provided in connection with statutory and regulatory filings or engagements.
- (2) Audit related fees are fees for assurance and related services related to the performance of the audit or review of the annual financial statements that are not reported under "Audit Fees".
- (3) Tax fees are fees for tax compliance, tax advice and tax planning.
- (4) All other fees include the aggregate fees billed for products and services provided by the Corporation's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.

### ADDITIONAL INFORMATION

Financial information in respect of the Corporation and its affairs is provided in the Corporation's audited financial statements and the related management discussion and analysis. We undertake to provide, upon request, a copy of our management's discussion and analysis of the financial condition and results of operations and the 2023 audited financial statements, as well as a copy of our subsequent interim financial statements and this Information Circular. Copies of these documents may be obtained on request without charge from mail at Suite 1620, 734 – 7th Avenue S.W., Calgary, Alberta, T2P 3P8 or our website <http://www.CanadaBis.com> or by accessing the disclosure documents available through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) website at [www.sedarplus.ca](http://www.sedarplus.ca).

### OTHER MATTERS

Our management knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the notice of annual and special meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person voting the proxy.

## APPENDIX "A"

### CANADABIS CAPITAL INC. AUDIT COMMITTEE CHARTER

1. **Establishment of Audit Committee:** The Board hereby establishes an audit committee (the "Audit Committee").
2. **Membership:** The membership of the Audit Committee shall be as follows:
  - (a) The Audit Committee shall be composed of three members or such greater number as the Board may from time to time determine.
  - (b) The majority of the members of the Audit Committee shall be independent directors.
  - (c) Each member of the Audit Committee shall be financially literate. For purposes hereof "financially literate" has the meaning set forth under NI 52-110 (as amended from time to time) and currently means the ability to read and understand a set of financial statements that present the breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can be reasonably be expected to be raised by the Corporation's financial statements.
  - (d) Members shall be appointed annually from among members of the Board. A member of the Audit Committee shall *ipso facto* cease to be a member of the Audit Committee upon ceasing to be a director of the Corporation.
3. **Oversight Responsibility:** The external auditor is ultimately accountable to the Board and the Audit Committee, as representatives of the shareholders and such shareholder's representatives have the ultimate authority and responsibility to select, evaluate, and where appropriate, replace the external auditors (or to nominate the external auditors to be proposed for shareholder approval in any management information circular and proxy statement). The external auditor shall report directly to the Audit Committee and shall have the responsibilities as set forth herein.
4. **Mandate:** The Audit Committee shall have responsibility for overseeing:
  - (a) the accounting and financial reporting processes of the Corporation; and
  - (b) audits of the financial statements of the Corporation.

In addition to any other duties assigned to the Audit Committee by the Board, from time to time, the role of the Audit Committee shall include meeting with the external auditor and the senior financial management of the Corporation to review all financial statements of the Corporation which require approval by the Board, including year end audited financial statements. Specifically, the Audit Committee shall have authority and responsibility for:

- (a) reviewing the Corporation's financial statements and MD&A before the information is publicly disclosed.
- (b) overseeing the work of the external auditors engaged for purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditors regarding financial reporting.
- (c) reviewing annually and recommending to the Board:

- (i) the external auditors to be nominated for purposes of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation; and
  - (ii) the compensation of the external auditors.
- (d) discussing with the external auditor:
  - (i) the scope of the audit, in particular their view of the quality of the Corporation's accounting principles as applied in the financials in terms of disclosure quality and evaluation methods, inclusive of the clarity of the Corporation's financial disclosure and reporting, degree of conservatism or aggressiveness of the Corporation's accounting principles and underlying estimates and other significant decisions made by management in preparing the financial disclosure reviewed by the auditors;
  - (ii) significant changes in the Corporation's accounting principles, practices or policies; and
  - (iii) new developments in accounting principles, reporting matters or industry practices which may materially affect the Corporation.
- (e) reviewing with the external auditor and the Corporation's senior financial management the results of the annual audit regarding:
  - (i) the financial statements;
  - (ii) MD&A and related financial disclosure contained in continuous disclosure documents;
  - (iii) significant changes, if any, to the initial audit plan;
  - (iv) accounting and reporting decisions relating to significant current year events and transactions;
  - (v) the management letter, if any, outlining the auditor's findings and recommendations, together with management's response, with respect to internal controls and accounting procedures;
  - (vi) any other matters relating to the conduct of the audit, including such other matters which should be communicated to the Audit Committee under Canadian generally accepted auditing standards; and
  - (vii) the Corporation's fraud risk assessment and anti-fraud controls. Obtain confirmation from senior management and the external auditor whether they are aware of any instances of fraud.
- (f) reviewing and discussing with the Corporation's senior financial management and, if requested by the Audit Committee, the external auditor:
  - (i) the interim financial statements;
  - (ii) the interim MD&A;

- (iii) any other material matters relating to the interim financial statements, including, inter alia, any significant adjustments, management judgments or estimates, new or amended accounting policies; and
  - (iv) the Corporation's fraud risk assessment and anti-fraud controls. Obtain confirmation from senior management and the external auditor whether they are aware of any instances of fraud.
- (g) receipt from external auditor of a formal written statement delineating all relationships between the auditor and the Corporation and considering whether the advisory services performed by the external auditor during the course of the year have impacted their independence, and also ensuring that no relationship or services between the external auditor and the Corporation is in existence which may affect the objectivity and independence of the auditor or recommending appropriate action to ensure the independence of the external auditor.
- (h) pre-approval of all non-audit services to be provided to the Corporation or its subsidiary entities by the external auditors or the external auditors of the Corporation's subsidiary entities, unless such pre-approval is otherwise appropriately delegated or if appropriate specific policies and procedures for the engagement of non-audit services have been adopted by the Audit Committee.
- (i) reviewing and discussing with the external auditors and senior financial management the adequacy of procedures for review of disclosure of financial information extracted or derived from financial statements, other than the disclosure referred to in subparagraph (a) above.
- (j) establishing and reviewing procedures for:
  - (i) receipt, retention and treatment of complaints received by the Corporation and its subsidiary entities regarding internal accounting controls, or auditing matters;
  - (ii) confidential anonymous submission by employees of the Corporation and its subsidiary entities of concerns regarding questionable accounting or auditing matters or fraud; and
  - (iii) hiring policies regarding employees and former employees of present and former external auditors of the Corporation and its subsidiary entities.
- (k) reviewing with the external auditor, the adequacy of management's internal control over financial reporting relating to financial information and management information systems and inquiring of management and the external auditor about significant risks and exposures to the Corporation that may have a material adverse impact on the Corporation's financial statements, and inquiring of the external auditor as to the efforts of management to mitigate such risks and exposures.
- (l) review with the Chief Financial Officer and the Chief Executive Officer of the Corporation their respective disclosures made to the Committee during the certification process as required by National Instrument 52-109.
- (m) reviewing and/or considering that, with regard to the previous fiscal year,
  - (i) management has reviewed the Corporation's audited financial statements with the Audit Committee, including a discussion of the quality of the accounting principles as applied and significant judgments affecting the financial statements;

- (ii) the external auditors and the Audit Committee have discussed the external auditors' judgments of the quality of the accounting principles applied and the type of judgments made with respect to the Corporation's financial statements;
  - (iii) the Audit Committee, on its own (without management or the external auditors present), has considered and discussed all the information disclosed to the Audit Committee from the Corporation's management and the external auditor; and
  - (iv) in reliance on review and discussions conducted with senior financial management and the external auditors, the Audit Committee believes that the Corporation's financial statements are fairly presented in conformity with Canadian Generally Accepted Accounting Principles (GAAP) in all material respects and that the financial statements fairly reflect the financial condition of the Corporation.
- (n) investigating fraud, illegal acts or conflicts of interest.

5. **Administrative Matters:** The following general provisions shall have application to the Audit Committee:

- (a) A quorum of the Audit Committee shall be the attendance of a majority of the members thereof. No business may be transacted by the Audit Committee except at a meeting of its members at which a quorum of the Audit Committee is present or by a resolution in writing signed by all the members of the Audit Committee.
- (b) Any member of the Audit Committee may be removed or replaced at any time by resolution of the Board. If and whenever a vacancy shall exist on the Audit Committee, the remaining members may exercise all their powers so long as a quorum remains. Subject to the foregoing, each member of the Audit Committee shall hold such office until the close of the annual meeting of shareholders next following the date of appointment as a member of the Audit Committee or until a successor is duly appointed.
- (c) The Audit Committee may invite such directors, officers and employees of the Corporation or affiliates thereof as it may see fit from time to time to attend at meetings of the Audit Committee and to assist thereat in the discussion of matters being considered by the Audit Committee. The independent auditor is to appear before the Audit Committee when requested to do so by the Audit Committee.
- (d) The time and place for the Audit Committee meetings, the calling and the procedure at such meetings shall be determined by the Audit Committee having regard to the Articles and By-Laws of the Corporation.
- (e) The Chair shall preside at all meetings of the Audit Committee and shall have a second and deciding vote in the event of a tie. In the absence of the Chair, the other members of the Audit Committee shall appoint a representative amongst them to act as Chair for that particular meeting.
- (f) Notice of meetings of the Audit Committee may be given to the independent auditor and shall be given in respect of meetings relating to the annual audited financial statements. The independent auditor has the right to appear before and to be heard at any meeting of the Audit Committee. Upon the request of the independent auditor, the Chair of the Audit Committee shall convene a meeting of the Audit Committee to consider any matters which the external auditor believes should be brought to the attention of the directors or shareholders of the Corporation.

- (g) The Audit Committee shall report to the Board on such matters and questions relating to the financial position of the Corporation or any affiliates of the Corporation as the Board may from time to time refer to the Audit Committee.
- (h) The members of the Audit Committee shall, for the purpose of performing their duties, have the right to inspect all the books and records of the Corporation and its affiliates, and to discuss such books and records that are in any way related to the financial position of the Corporation with the directors, officers, employees and independent auditor of the Corporation and its affiliates.
- (i) Minutes of the Audit Committee meetings shall be recorded and maintained. The Chair of the Audit Committee will report to the directors on the activities of the Audit Committee and/or the minutes of the Audit Committee meetings will be promptly circulated to the directors or otherwise made available at the next meeting of directors.
- (j) The Audit Committee shall, upon the approval of the directors, adopt a formal written charter, which sets out the Audit Committee's responsibilities, the way they should be implemented and any other requirement such as membership and structure of the Audit Committee. The Audit Committee shall review and reassess the adequacy of the charter on an annual basis.
- (k) The Audit Committee shall have the authority to:
  - (i) engage independent counsel and other advisors or consultants as it determines necessary to carry out its duties;
  - (ii) set and pay the compensation for any advisors employed by the Audit Committee; and
  - (iii) communicate directly with the internal (if any) and external auditors.