

**JESSY VENTURES CORP.**

**MANAGEMENT INFORMATION CIRCULAR AND PROXY STATEMENT**

**WITH RESPECT TO**

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS OF  
JESSY VENTURES CORP.**

**TO BE HELD ON MONDAY, OCTOBER 4, 2021**

**DATED SEPTEMBER 1, 2021**

*This management information circular and the accompanying materials require your immediate attention. If you are in doubt as to how to deal with these documents or the matters to which they refer, please consult your financial, legal, tax or other professional advisor.*

**JESSY VENTURES CORP.**

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON MONDAY, OCTOBER 4, 2021**

**NOTICE IS HEREBY GIVEN** that the annual general and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (“**Shares**”) of Jessy Ventures Corp. (the “**Company**”) will be held at the Suite 605 – 815 Hornby Street, Vancouver, B.C., V6Z 2E6, at 9:30 a.m. (Vancouver time) on Monday, October 4, 2021, for the following purposes:

1. to receive the audited financial statements of the Company for the financial years ended April 30, 2021 and 2020, together with the notes thereto and the auditors’ report thereon;
2. to fix the number of directors to be elected at the Meeting at three (3);
3. to elect the board of directors of the Company (the “**Board**”) to hold office until the next annual meeting of the Shareholders or until their successors are duly elected or appointed;
4. to re-appoint the auditors for the ensuing year and to authorize the directors of the Company to determine the remuneration to be paid to the auditors;
5. to consider and, if deemed advisable, to approve, with or without variation, an ordinary resolution of the Shareholders, the full texts of which are set forth in the Information Circular, approving the following matters of business required to give effect to certain amendments to the TSX Venture Exchange’s Policy 2.4 – *Capital Pool Companies* (the “**New CPC Policy**”): approving the new stock option plan of the Company in the form set out as Schedule “A” to the Information Circular;
6. to consider and, if deemed advisable, to approve, with or without variation, an ordinary resolution of the Shareholders, the full texts of which are set forth in the Information Circular, approving the following matters of business required to give effect to certain amendments to the New CPC Policy: approving the removal of the consequences associated with the Company not completing a Qualifying Transaction (as that term is defined in the New CPC Policy) within 24 months of its listing date in accordance with the New CPC Policy;
7. to consider and, if deemed advisable, to approve, with or without variation, an ordinary resolution of the Shareholders, the full texts of which are set forth in the Information Circular, approving the following matters of business required to give effect to certain amendments to the New CPC Policy: authorizing the Company to make certain amendments to the Company’s escrow agreement to effect certain changes contemplated under the New CPC Policy;
8. to consider and, if deemed advisable, to approve, with or without variation, an ordinary resolution of the Shareholders, the full texts of which are set forth in the Information Circular, approving the following matters of business required to give effect to certain amendments to the New CPC Policy: authorizing and permitting the Company to pay any finders’ fee or commission to a Non-Arm’s Length Party (as that term is defined in the New CPC Policy) to the Company upon completion of the Qualifying Transaction, in accordance with the terms of the New CPC Policy; and
9. to transact any other business as may properly be brought before the Meeting or any adjournment(s) or postponement thereof.

The details of all matters proposed to be put before the Shareholders at the Meeting are set forth in the Information Circular of the Company accompanying this Notice of Annual General and Special Meeting.

**In light of the rapidly evolving public health guidelines related to COVID-19, the Company asks Shareholders to consider voting their shares by proxy and not attend the Meeting in person.**

Since the COVID-19 pandemic is evolving, the Company will continue to monitor and review provincial and federal governmental guidance and may implement measures to reduce the risk of spreading the virus at the Meeting. The Company will provide updates in respect of the Meeting by way of news release available from SEDAR at [www.sedar.com](http://www.sedar.com), where copies of such news releases, if any, will be posted under the Company's profile.

**A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. To be valid, the proxy must be received by Computershare Trust Company of Canada, Attention: Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in British Columbia) prior to the Meeting or any adjournment or postponement thereof. Registered Shareholders may also use the Internet ([www.voteproxyonline.com](http://www.voteproxyonline.com)) to vote their Common Shares.**

If you are an unregistered shareholder of the Company and received these materials through your broker or another intermediary, please complete and return the form of proxy or voting instruction form provided to you by such broker or through another intermediary, in accordance with the instructions provided. Late forms of proxy may be accepted or rejected by the Chairman of the Meeting in his sole discretion and the Chairman is under no obligation to accept or reject any particular late form of proxy.

The form of proxy confers discretionary authority with respect to: (i) amendments or variations to the matters of business to be considered at the Meeting; and (ii) other matters that may properly come before the Meeting. As of the date hereof, management of the Company knows of no amendments, variations or other matters to come before the Meeting other than the matters set forth in this Notice of Annual General and Special Meeting. Shareholders who are planning on returning the accompanying form of proxy are encouraged to review the Information Circular carefully before submitting the proxy form.

The record date for determination of the Shareholders entitled to receive notice of and to vote at the Meeting is August 30, 2021 (the "**Record Date**"). Only the Shareholders whose names have been entered in the register of Common Shares on the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

**DATED** this September 1, 2021.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
JESSY VENTURES CORP.**

(signed) "Anthony Zelen"

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Anthony Zelen  
Chief Executive Officer  
Jessy Ventures Corp.

**JESSY VENTURES CORP.**

**ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON MONDAY, OCTOBER 4, 2021**

**MANAGEMENT INFORMATION CIRCULAR**

**GENERAL**

This management information circular (the “**Information Circular**”) is furnished to holders (“**Shareholders**”) of common shares (“**Common Shares**”) of Jessy Ventures Corp. (the “**Company**”) in connection with the solicitation of proxies and voting instruction forms by the management of the Company for use at the annual general and special meeting (the “**Meeting**”) of Shareholders to be held at Suite 605 – 815 Hornby Street, Vancouver, B.C., V6Z 2E6, on Monday, October 4, 2021, at 9:30 a.m. (Vancouver time), and at any adjournment or postponement thereof, for the purposes set forth in the accompanying Notice of Annual General and Special Meeting (the “**Notice of Meeting**”).

The information contained herein is given as of September 1, 2021, except where otherwise indicated. Enclosed herewith is a form of proxy or voting instruction form for use at the Meeting. Each Shareholder entitled to attend at meetings of Shareholders are urged to vote on matters to be considered in person or by proxy.

**In light of the rapidly evolving public health guidelines related to COVID-19, the Company asks Shareholders to consider voting their shares by proxy and not attend the Meeting in person.**

Shareholders should not construe the contents of this Information Circular as legal, tax or financial advice and should consult with their own professional advisors in considering the relevant legal, tax, financial or other matters contained in this Information Circular.

If you hold Common Shares through a broker, investment dealer, bank, trust company, nominee or other intermediary (collectively, an “**Intermediary**”), you should contact your Intermediary for instructions and assistance in voting the Common Shares that you beneficially own.

**Persons Making the Solicitation**

This solicitation is made on behalf of the management of the Company. The costs incurred in the preparation of both the form of proxy and this Information Circular will be borne by the Company. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication or by directors, officers and employees of the Company who will not be directly compensated therefor.

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the Notice of Meeting, this Information Circular and the form of proxy have been sent by the Company to its registered Shareholders (Shareholders holding a paper share certificate or Direct Registration Statement registered in their name) and the Company has also sent such proxy-related materials directly to those unregistered (beneficial) Shareholders that have consented to the release of their addresses to the Company (“**NOBOs**”).

The Company does not intend to pay for intermediaries such as stockbrokers, securities dealers, banks, trust companies, clearing agencies, trustees and their agents and nominees (“**Intermediaries**”) to deliver proxy-related materials or Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to the beneficial Shareholders that have refused to release their addresses to the Company (“**OBOs**”) and as such, OBOs will not receive such materials unless their Intermediary assumes the costs thereof.

The OBOs and NOBOs are herein collectively referred to as the “**Non-Registered Shareholders**”. See also “*Proxy Related Information – Advice to Non-Registered Shareholders*” in this Information Circular.

The Company will not be providing the Notice of Meeting, the Information Circular or the form of proxy to registered Shareholders or Non-Registered Shareholders through the use of notice-and-access, as such term is defined in NI 54-101.

## **PROXY RELATED INFORMATION**

### **Appointment and Revocation of Proxies**

Those Shareholders desiring to be represented at the Meeting by proxy must deposit their respective forms of proxy with Computershare Trust Company (“**Computershare**”), Attention: Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in British Columbia) prior to the Meeting or any adjournment or postponement thereof. A proxy must be executed by the Shareholder or by his attorney authorized in writing, or if the Shareholder is a corporation, under its seal or by an officer or attorney thereof duly authorized. A proxy is valid only at the Meeting in respect of which it is given or any adjournment or postponement of the Meeting.

Registered Shareholders may also use the Internet ([www.voteproxyonline.com](http://www.voteproxyonline.com)) to vote their Common Shares. Shareholders will be prompted to enter the control number which is located on the form of proxy when voting by the internet. Votes by the internet must be received not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in British Columbia) prior to the time of the Meeting or any adjournment or postponement thereof. The Internet may also be used to appoint a proxyholder to attend and vote at the Meeting on the Shareholder’s behalf and to convey a Shareholder’s voting instructions.

**The Company will refuse to recognize any instrument of proxy deposited in writing or by the Internet received later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in British Columbia) prior to the Meeting or any adjournment or postponement thereof.**

**The persons named in the enclosed form of proxy are officers and directors of the Company. Each Shareholder submitting a proxy has the right to appoint a person, who need not be a Shareholder, to represent them at the Meeting other than the persons designated in the form of proxy furnished by the Company. A Shareholder may exercise this right by inserting the name of the desired representative in the blank space provided in the form of proxy or by completing another form of proxy and, in either case, depositing the proxy with Computershare, at the place and within the time specified above for the deposit of proxies.**

A Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, 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 instrument in writing executed by the Shareholder or by the Shareholder’s attorney authorized in writing (or if the Shareholder is a corporation, under its seal or by an officer or attorney thereof duly authorized), deposited at Computershare Trust Company of Canada, Attention: Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof or with the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof, and upon either of such deposits, the proxy is revoked.

## **Exercise of Discretion**

All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting in accordance with the instructions of the Shareholder where voting is by way of a show of hands or by ballot and, if the Shareholder specifies a choice with respect to any matter to be voted upon, the Common Shares represented by the proxy will be voted in accordance with such instructions. **In the absence of any such instructions, the persons whose names appear on the enclosed form of proxy will vote in favour of the matters set forth in the Notice of Meeting and in this Information Circular.**

**The enclosed form of proxy confers discretionary authority on the persons named therein with respect to any amendments or variations of those matters specified in the form of proxy and Notice of Meeting and with respect to any other matters which may be properly brought before the Meeting or any adjournment or postponement thereof. If any such amendment, variation or other matter should come before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote such proxies in accordance with their best judgment, unless the Shareholder has specified to the contrary or that Common Shares are to be withheld from voting. At the time of printing this Information Circular, management of the Company knows of no such amendment, variation or other matter.**

## **Advice to Non-Registered Shareholders**

**The information in this section is of significant importance to Non-Registered Shareholders, as most Shareholders do not hold their Common Shares in their own name.** Non-Registered Shareholders are advised that only proxies from Shareholders of record can be recognized and voted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms).

### *Voting by Non-Registered Shareholders*

Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Non-Registered Shareholder. Without specific instructions, brokers and their nominees are prohibited from voting Common Shares for their clients. The directors and officers of the Company do not know for whose benefit the Common Shares registered in the name of CDS & Co. are held, and directors and officers of the Company do not necessarily know for whose benefit the Common Shares registered in the name of any Intermediary are held.

Applicable regulatory policy requires brokers and other Intermediaries to seek voting instructions from Non-Registered Shareholders in advance of Shareholders' meetings. Every broker and other Intermediary has its own mailing procedure, and provides its own return instructions, which should be carefully followed. The form of proxy supplied by brokers and other Intermediaries to Non-Registered Shareholders may be very similar and in some cases identical to that provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Non-Registered Shareholder.

In Canada, the vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Non-Registered Shareholders and asks Non-Registered Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Non-Registered Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted.** If you have any questions

respecting the voting of Common Shares held through a broker or other Intermediary, please contact that broker or other Intermediary for assistance.

Although a Non-Registered Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker or other Intermediary, a Non-Registered Shareholder may attend the Meeting as proxyholder for the registered Shareholder that holds the Non-Registered Shareholder's Common Shares and vote those Common Shares in that capacity. **Non-Registered Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker or agent.**

**Non-Registered Shareholders should contact their broker or other Intermediary through which they hold Common Shares if they have any questions regarding the voting of such Common Shares.**

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

### Voting Rights

The authorized share capital of the Company consists of an unlimited number of Common Shares and an unlimited number of preferred shares (“**Preferred Shares**”) without nominal or par value. As at the date of this Information Circular, there are 6,718,332 Common Shares currently issued and outstanding and no Preferred Shares issued and outstanding. Shareholders of the Record Date are entitled to receive notice of and attend and vote at the Meeting. The outstanding Common Shares are listed on the TSX Venture Exchange under the symbol “SARG”.

**Each Shareholder will be entitled to one vote at the Meeting for each Common Share held by them on the Record Date.**

### Record Date

The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting or any adjournment or postponement thereof is August 30, 2021 (the “**Record Date**”).

The Company will prepare or cause to be prepared a list of the Shareholders recorded as holders of Common Shares on its register of Shareholders as of the close of business on the Record Date, each of whom shall be entitled to vote the Common Shares shown opposite their name on the list at the Meeting or any adjournment or postponement thereof.

In addition, persons who are Non-Registered Shareholders as of the Record Date will be entitled to exercise their voting rights in accordance with the procedures established under NI 54-101. See “*Proxy Related Information – Advice to Non-Registered Shareholders*”.

### Principal Holders of Common Shares

To the best of the knowledge of the directors and executive officers of the Company, no person or company, other than those listed below, beneficially owns, or controls or directs, directly or indirectly, 10% or more of the voting rights attached to all the issued and outstanding Common Shares as at the date of this Information Circular.

<b>Name of Shareholder</b>	<b>Number and Percentage of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly<sup>(1)</sup></b>
Anthony Zelen <sup>(2)</sup>	910,000 Common Shares (13.5%)
1185313 B.C. Ltd. <sup>(3)</sup>	890,000 Common Shares (13.2%)
1249439 B.C. Ltd. <sup>(4)</sup>	1,000,000 Common Shares (14.88%)

**Notes:**

- (1) Percentage of Common Shares beneficially owned is calculated based on an aggregate of 6,718,332 Common Shares issued and outstanding as of the Record Date.
- (2) 350,000 of these common shares are held by Zelen Consulting Inc., a private company owned and controlled by Anthony Zelen.
- (3) A private company owned and controlled by Emma Fairhurst.
- (4) A private company owned and controlled by Arielle Morgan.

**Quorum**

Under the articles of the Company (the “**Articles**”), a quorum of Shareholders is present at a meeting if at least one (1) person is present in person or by proxy.

**INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Except as disclosed herein, no person who has been a director or executive officer of the Company at any time since the beginning of the last financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors set out herein. Certain of the directors and officers may be considered as having an interest in the affirmation, ratification and approval of the Option Plan given their eligibility for stock options grants thereunder.

Certain directors and officers of the Company hold Options (as defined herein). At the Meeting, Shareholders will be asked to approve and adopt an ordinary resolution relating to the approval of the Option Plan (as defined herein). See “*Matters to be Considered at the Meeting – Amendments to the Option Plan*”.

In addition, certain directors and officers of the Company hold Seed Shares (as such term is defined in the TSX Venture Exchange Policies). At the Meeting, disinterested shareholders will be asked to approve and adopt (i) an ordinary resolution relating to the removal of the consequences of failing to complete a Qualifying Transaction (as such term is defined in the TSX Venture Exchange Policies) within 24 months of listing, which consequences includes the cancellation of certain of the Seed Shares; (ii) an ordinary resolution relating to the amendment of the escrow terms applicable to the Seed Shares, so that such Seed Shares are released from escrow on an accelerated schedule, both of which will benefit the holders of Seed Shares; and (iii) an ordinary resolution relating to the permitting to the Company to pay a finders’ fee to a Non-Arm’s Length Party in connection with a Qualifying Transaction. See “*Matters to be Considered at the Meeting - Elimination of the Requirement to Complete a Qualifying Transaction Within 24 Months of Listing Date and Associated Consequences*” and “*Matters to be Considered at the Meeting - Amendments to the Escrow Agreement*”.

**MATTERS TO BE CONSIDERED AT THE MEETING**

To the knowledge of the board of directors of the Company (the “**Board**”), the only matters to be brought before the Meeting are those matters set forth in the Notice of Meeting.

## A. ORDINARY BUSINESS

### 1. Financial Statements

At the Meeting, the audited financial statements of the Company for the financial years ended April 30, 2021 and 2020, together with the notes thereto and the independent auditor's reports thereon (the "**Financial Statements**") will be presented. No vote by the Shareholders with respect to the Financial Statements is required or proposed to be taken.

The Financial Statements are available on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at [www.sedar.com](http://www.sedar.com) under the Company's profile.

### 2. Fixing Number of Directors

At the Meeting, it will be proposed that three (3) directors be elected to hold office for the next ensuing year, subject to the provisions of the Articles relating to subsequent appointments by the Board. Management therefore intends to place before the Meeting, for approval, with or without modification, a resolution setting the number of directors to be elected until the next annual meeting of Shareholders, subject to the Articles of the Company relating to subsequent appointments by the Board, at three (3) members.

**The text of the ordinary resolution which management intends to place before the Meeting for the approval of the fixing of the number of directors is as follows:**

**"BE IT HEREBY RESOLVED** as an ordinary resolution of the Shareholders of Jessy Ventures Corp. (the "**Company**") that:

1. the number of directors to be elected at the Meeting for the ensuing year or otherwise as authorized by the Shareholders of the Company be and is hereby set at three (3); and
2. any one director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, documents and other instruments and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this ordinary resolution."

The foregoing ordinary resolution must be approved by a simple majority of the votes cast at the Meeting by the Shareholders voting in person or by proxy. **The Board believes the passing of the above resolution is in the best interests of the Company and recommends that the Shareholders vote IN FAVOUR of the resolution. Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy or voting instruction form to vote in favour of the ordinary resolution setting the number of directors to be elected at the Meeting at three (3).**

### 3. Election of Directors

The Company currently has three (3) directors, all of whom are being nominated for re-election. It is proposed to set the number of directors for the following year at the same number. This requires the approval of the Shareholders by an ordinary resolution, which approval will be sought at the Meeting.

The directors of the Company are elected annually. At the Meeting, Shareholders will be asked to elect the three (3) nominees set forth in the table below as directors of the Company. Each of the nominees elected as a director of the Company will hold office until the next annual general meeting of Shareholders or until a successor is duly elected or appointed or their office is vacated earlier in accordance with the Articles and the provisions of the *Business Corporations Act* (British Columbia).

Each director nominee will be elected on an individual basis and not as a member of a slate. Management does not contemplate that any of such nominees will be unable to serve as directors.

The following is a brief description of the nominees, including the name and province or state and country of residence of each of the nominees, the date each first became a director of the Company, their principal occupation and the number of Common Shares beneficially owned, or controlled or directed, directly or indirectly, by each of the foregoing as of the date of this Information Circular.

**The Board believes the election of the below named nominees as directors of the Company is in the best interests of the Company, and recommends that the Shareholders vote IN FAVOUR of electing the nominees. Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy or voting instruction form to vote in favour of the election of the nominees set forth in the table above as directors of the Company.**

<b>Name and Province/State and Country of Residence</b>	<b>Director Since</b>	<b>Principal Occupation<sup>(1)</sup></b>	<b>Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly<sup>(2)</sup></b>
<b>Anthony Zelen<sup>(3)</sup></b> <i>Director &amp; CEO</i> British Columbia, Canada	Nov. 21, 2018	President of Zelen Consulting Inc., a Private company providing consulting services to public and private companies.	910,000
<b>David Weinkauff<sup>(3)</sup></b> <i>Director</i> British Columbia, Canada	Apr. 11, 2019	President, Next Level Health Sciences Inc. Previous President and CEO of the Weco Group of Companies.	410,000
<b>Chris Reynolds<sup>(3)</sup></b> <i>Director</i> British Columbia, Canada	Jan. 29, 2021	Principal with Ore Capital Partners and Founder of Progenitor Metals Corp. Previously, corporate development at Longview Capital Partners and Investment Advisor at Research Capital Corporation.	100,000

**Notes:**

- (1) Includes occupations for preceding five years unless the director was elected at the previous Annual General Meeting and was shown as a nominee for election as a director in the information circular for that meeting.
- (2) Information respecting the number of Common Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, as at the date of this Information Circular has been furnished to the Company by the above named individuals
- (3) A member of the audit committee.

*Cease Trade Orders*

To the knowledge of the Company, no proposed director of the Company (nor any personal holding company of any of such persons) is or has been within ten (10) years before the date of this Information Circular, a director,

chief executive officer or chief financial officer of any corporation (including the Company), that: (i) was subject to a cease trade order (including a voluntary or involuntary cease trade order applying to some or all of the management of a corporation), 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 thirty (30) consecutive days (collectively, an “**Order**”), that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to 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.

#### *Bankruptcies*

To the knowledge of the Company, no proposed director of the Company (nor any personal holding company of any of such persons): (i) is, as at the date of this Information Circular, or has been within ten (10) years before the date of this Information Circular, a director or executive officer of any corporation (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within the ten (10) years before the date of this Information 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 the assets of the proposed director.

#### *Penalties and Sanctions*

To the knowledge of the Company, no proposed director of the Company (nor any personal holding company of any of such persons) has been subject to: (i) 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 (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in deciding whether to vote for a proposed director.

### **4. Appointment of Auditors**

Management of the Company intends to nominate Charlton & Company, Chartered Professional Accountants (“**Charlton**”), Chartered Professional Accountants, of Vancouver, British Columbia, for re-appointment as the auditors of the Company, to hold office for the ensuing year until the close of the next annual general meeting of Shareholders or until Charlton is removed from office or resigns, at a remuneration to be fixed by the Board. Charlton have been the auditors of the Company since March 18, 2020.

**The Board believes the re-appointment of Charlton as auditors of the Company is in the best interests of the Company, and recommends that the Shareholders vote IN FAVOUR of re-appointing Charlton as auditors. Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy or voting instruction form to vote in favour of the election of Charlton as auditors of the Company.**

## **B. SPECIAL BUSINESS**

### **1. Amendments to the Option Plan**

At the Meeting, the Shareholders will be asked to consider and, if deemed appropriate, to pass an ordinary resolution of disinterested shareholders in the form set out below (the “**Amended Option Plan Resolution**”), approving a new stock option plan in the form set out as Schedule A hereto (the “**New Option Plan**”) to replace the Company’s existing stock option plan (the “**Option Plan**”) to reflect certain updates to Policy 2.4 – Capital Pool Companies (“**Policy 2.4**”) in the Corporate Finance Manual of the TSX Venture Exchange (the “**TSXV**” or the “**Exchange**”) which became effective January 1, 2021 (the “**New CPC Policy**”).

The principal amendment that the Company wishes to make that is reflected in the New Option Plan is to change it to a “10% rolling” plan, in accordance with the New CPC Policy, such that the total number of Shares that may be reserved for issuance pursuant to options under the New Option Plan may not exceed 10% of the Shares issued and outstanding at the date of grant.

The Company’s current Option Plan, provides that the total number of Shares reserved for issuance pursuant to options under the Option Plan shall not exceed 10% of the Shares outstanding as at the closing of the Company’s initial public offering on October 8, 2019 (“**IPO**”). At the closing of the IPO, 4,000,000 common shares in the Company were issued and outstanding and 400,000 stock options were granted at that time, meaning that under the current Option Plan, no common shares can be reserved for issuance pursuant to options under the Option Plan as of the date hereof.

As of the date hereof, there are 400,000 shares of the Company available for future grants as options under the Option Plan. In keeping with the purpose of the Option Plan, the Company believes that options are a valuable mechanism that assist in compensating, attracting, retaining and motivating persons such as directors, officers, employees and consultants of the Company and its affiliates and closely aligns the personal interests of such persons to that of the Shareholders by providing such persons the opportunity, through options, to acquire an increased proprietary interest in the development and financial success of the Company. As a result of the low number of options remaining that are available for future grants under the Option Plan, the Company wishes to replace the Option Plan with New Option Plan so that the total number of Shares that may be reserved for issuance pursuant to options under the Option Plan may not exceed 10% of the Shares issued and outstanding at the date of grant (such that as of the date hereof there are 271,833 stock options of the Company available for future grants).

The Company also wishes to replace the Option Plan with the New Option Plan in accordance with the New CPC Policy such that prior to the completion of its Qualifying Transaction (as defined in the New CPC Policy): (i) the minimum exercise price for options granted before the IPO is the lowest price at which any Shares were issued by the Company prior to the IPO; (ii) the number of Shares reserved for issuance as options under the New Option Plan to any individual director or senior officer may not exceed 5% of the Shares outstanding as at the date of grant, rather than at the closing of the IPO; (iii) the number of Shares reserved for issuance as options under the New Option Plan to any consultant of the Company may not exceed 2% of the Shares outstanding as at the date of grant, rather than at the closing of the IPO; and (iv) no options granted pursuant to the New Option Plan may be granted unless the optionee first enters into a CPC Escrow Agreement (as defined in the New CPC Policy) agreeing to deposit the options, and the Shares acquired pursuant to the exercise of such options, into escrow as described in the New CPC Policy. A full copy of the New Option Plan is attached hereto as Schedule “A”.

The Amended Option Plan Resolution requires the affirmative vote of not less than a majority of the votes cast by disinterested shareholders who vote in respect thereof, in person or by proxy, at the Meeting (“**Disinterested Approval**”). In accordance with the New CPC Policy, the votes attached to the listed shares of the Company held by shareholders who are Insiders to whom options may be granted under the Option Plan and their associates and affiliates (“**Interested Shareholders**”) are excluded from the calculation of any such approval in connection with the adoption of the New Option Plan. The Company currently has 1,610,000 shares issued and outstanding held by Interested Shareholders, and therefore, these 1,610,000 shares will be excluded from the calculation of this approval.

If Disinterested Approval is obtained at the Meeting, the New Option Plan will replace the current Option Plan and the New Option Plan will be filed on SEDAR.

The Board recommends the adoption of the New Option Plan Resolution and has approved the amendments to the Option Plan reflected in the New Option Plan, subject to Disinterested Approval and Exchange approval. The Exchange has conditionally approved the adoption of New Option Plan, subject to Disinterested Approval. **Unless otherwise directed, the Management Designees, if named as proxyholders, intend to vote proxies IN FAVOUR of the New Option Plan Resolution.**

**The text of the New Option Plan resolution to be submitted to the disinterested shareholders at the Meeting is set forth below:**

**“BE IT HEREBY RESOLVED:**

1. subject to the approval of the Exchange, the adoption of the Company’s New Option Plan as described in this Information Circular, and a copy of which is attached to this Information Circular as Schedule “A”, is hereby authorized, confirmed and approved; and
2. any director or officer of the Company, is hereby authorized and directed, for and in the name of and on behalf of the Company, to do all such acts and things and to execute, or cause to be executed, under the corporate seal of the Company or otherwise, and to deliver, or cause to be delivered, such other agreements, certificates, documents and instruments, as may in the opinion of such director or officer of the Company be necessary or advisable to carry out and to fulfill the intent of the foregoing resolution.”

**2. Elimination of the Requirement to Complete a Qualifying Transaction Within 24 Months of Listing Date and Associated Consequences**

At the Meeting, the Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution of disinterested shareholders in the form set out below (the “**24 Months Resolution**”), removing the applicability of section 14.13 of Policy 2.4 to reflect the New CPC Policy, thereby removing the requirement of the Company to complete a “Qualifying Transaction” within 24 months of its date of listing on the Exchange (the “**Listing Date**”), and removing the associated consequences of not completing such requirement.

Under Policy 2.4, if the Company fails to complete a Qualifying Transaction within 24 months of its Listing Date, it faces the consequences of either (i) having its Shares delisted or suspended from the Exchange, or (ii) subject to the approval of the majority of shareholders, transferring the Shares to list on the NEX and cancelling certain Shares issued to the Company’s founders.

The New CPC Policy eliminates the requirement for a Capital Pool Company, such as the Company, to complete a Qualifying Transaction within 24 months of the Listing Date and eliminates the associated consequences of not completing such requirement. The Company believes that the removal of the requirement to complete a Qualifying Transaction within 24 months of Listing Date, and the associated consequences of not completing such requirement, as exists under Policy 2.4, will put the Company in a better position to complete a Qualifying Transaction that will be beneficial to the Shareholders and the Company, by allowing increased flexibility to complete such a transaction. Further, this change will allow the Company to better withstand any potential volatility in the capital markets which was clearly evident in 2020 and 2021 with the COVID-19 pandemic.

The 24 Months Resolution requires Disinterested Approval. In accordance with the New CPC Policy, requires the votes attached to the listed shares of the CPC held by non-arm’s length parties to the CPC who own seed shares and their associates and affiliates (“**Interested Shareholders**”) are excluded from the calculation of any such approval in connection with removal of the potential consequences for failing to complete a Qualifying Transaction within twenty-four (24) months after the date of listing. The Company currently has 2,000,000 shares issued and outstanding held by Interested Shareholders, and therefore, these 2,000,000 shares will be excluded from the calculation of this approval.

The Board recommends the adoption of the 24 Months Resolution and has approved the 24 Month Resolution, subject to Disinterested Approval and Exchange approval. The Exchange has conditionally approved the 24 Months Resolution, subject to Disinterested Approval. **Unless otherwise directed, the Management Designees, if named as proxyholders, intend to vote proxies IN FAVOUR of the 24 Months Resolution.**

**The text of the 24 Months Resolution to be submitted to disinterested shareholders at the Meeting is set forth below:**

**“BE IT HEREBY RESOLVED:**

1. subject to the approval of the Exchange, the removal of the potential consequences of the Company failing to complete a Qualifying Transaction within 24 months after the date of listing of the Shares of the Company on the Exchange in accordance with the updates to Policy 2.4 which became effective January 1, 2021, is hereby authorized, confirmed and approved; and
2. any director or officer of the Company, is hereby authorized and directed, for and in the name of and on behalf of the Company, to do all such acts and things and to execute, or cause to be executed, under the corporate seal of the Company or otherwise, and to deliver, or cause to be delivered, such other agreements, certificates, documents and instruments, as may in the opinion of such director or officer of the Company be necessary or advisable to carry out and to fulfill the intent of the foregoing resolution.”

**3. Amendments to the Escrow Agreement**

At the Meeting, the Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution of disinterested shareholders in the form set out below (the “**Amended Escrow Agreement Resolution**”), allowing the Company to make certain amendments to the Company’s escrow agreement dated August 6, 2019 (the “**Escrow Agreement**”) to reflect the New CPC Policy.

The Escrow Agreement was initially entered into under Policy 2.4 and in the form of escrow agreement published by the Exchange as at June 14, 2010. The Escrow Agreement imposes restrictive escrow conditions on the securities held by directors, officers and the holders of seed shares acquired prior to the completion of the Company’s IPO. For the Company, such securities are subject to restrictions on transfer until the completion of a Qualifying Transaction, after which such securities begin to be released over a 36 month period. Under the New CPC Policy and the new CPC Form of Escrow Agreement effective as at January 1, 2021, the Company’s escrowed securities will be subject to only an 18 month escrow release schedule, whereby 25% of the escrowed securities will be released from escrow on the date the Exchange issues its Final QT Exchange Bulletin (as such term is defined in the New CPC Policy), and 25% of the escrowed securities will be released from escrow on each of the 6, 12 and 18 months following such date.

In addition, the Company wishes to amend the Escrow Agreement as follows to also reflect that all options granted prior to the date the Exchange issues its Final QT Exchange Bulletin and all Shares that were issued upon exercise of such options prior to the date of the Final QT Exchange Bulletin will be released from escrow on such date, other than options that were granted prior to the Company’s IPO with an exercise price less than the issue price of the Shares issued in the IPO and any Shares that were issued pursuant to the exercise of such options, which shall be released from escrow in accordance with the schedule set out above.

The Amended Escrow Agreement Resolution requires Disinterested Approval. In accordance with the New CPC Policy, the votes attached to the listed shares of the Company held by shareholders who are parties to the Company Escrow Agreement and their associates and affiliates (“**Interested Shareholders**”) are excluded from the calculation of any such approval in connection with amending the Company Escrow Agreement. The Company currently has 3,500,000 shares issued and outstanding held by Interested Shareholders, and therefore, these 3,500,000 shares will be excluded from the calculation of this approval.

If the Amended Escrow Agreement Resolution receives Disinterested Approval, the Company will work with the escrow agent to finalize the amendments and a new Escrow Agreement will replace the current Escrow Agreement, and this new Escrow Agreement will be filed on SEDAR. If not approved, the current Escrow Agreement will continue in full force and effect.

The Board recommends the adoption of the Amended Escrow Agreement Resolution and has approved the Amended Escrow Agreement Resolution, subject to Disinterested Approval and Exchange approval. The Exchange has conditionally approved the Amended Escrow Agreement Resolution, subject to Disinterested Approval. **Unless otherwise directed, the Management Designees, if named as proxyholders, intend to vote proxies IN FAVOUR of the Amended Escrow Agreement Resolution.**

**The text of the Amended Escrow Agreement Resolution to be submitted to disinterested shareholders at the Meeting is set forth below:**

**“BE IT HEREBY RESOLVED:**

1. subject to the approval of the Exchange the Company is authorized and approved to amend the Escrow Agreement to make the changes as are deemed necessary for the Escrow Agreement to reflect the New CPC Policy, including the changes to the escrow release schedule contained in the New CPC Policy; and
2. any director or officer of the Company, is hereby authorized and directed, for and in the name of and on behalf of the Company, to do all such acts and things and to execute, or cause to be executed, under the corporate seal of the Company or otherwise, and to deliver, or cause to be delivered, such other agreements, certificates, documents and instruments, as may in the opinion of such director or officer of the Company be necessary or advisable to carry out and to fulfill the intent of the foregoing resolution.”

#### **4. Permission to Pay Finder’s Fee or Commission to a Non-Arm’s Length Party**

At the Meeting, the Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution of disinterested shareholders in the form set out below (the “**Non-Arm’s Length Party Resolution**”), permitting the Company to pay a finder’s fee or a commission to a Non-Arm’s Length Party (as that term is defined in the New CPC Policy) to the Company upon Completion of the Qualifying Transaction (as that term is defined in the New CPC Policy).

The Non-Arm’s Length Party Resolution requires Disinterested Approval. In accordance with the New CPC Policy, the votes attached to the listed shares of the Company held by all non-arm’s length parties to the CPC and their associates and affiliates (“**Interested Shareholders**”) are excluded from the calculation of any approval in connection with a Finder’s Fee Payment. The Company currently has 3,500,000 shares issued and outstanding held by Interested Shareholders, and therefore, these 3,500,000 shares will be excluded from the calculation of this approval;

The Board recommends the adoption of the Non-Arm’s Length Party Resolution and has approved the Non-Arm’s Length Party Resolution, subject to Disinterested Approval and Exchange approval. The Exchange has conditionally approved the Non-Arm’s Length Party Resolution, subject to Disinterested Approval. **Unless otherwise directed, the Management Designees, if named as proxyholders, intend to vote proxies IN FAVOUR of the Non-Arm’s Length Party Resolution.**

**The text of the Non-Arm’s Length Party Resolution to be submitted to disinterested shareholders at the Meeting is set forth below:**

**“BE IT HEREBY RESOLVED:**

1. subject to the approval of the Exchange, payment of a finder’s fee or commission to a Non-Arm’s Length Party to the Company upon Completion of the Qualifying Transaction (as that term is defined in the New CPC Policy) in accordance with the New CPC Policy is hereby authorized, confirmed and approved; and
2. any director or officer of the Company, is hereby authorized and directed, for and in the name of and on behalf of the Company, to do all such acts and things and to execute, or cause to be executed, under the corporate seal of the Company or otherwise, and to deliver, or cause to be delivered, such other agreements, certificates, documents and instruments, as may in the opinion of such director or officer of the Company be necessary or advisable to carry out and to fulfill the intent of the foregoing resolution.”

## **5. Other Business**

Management is not aware of any other matters to come before the Meeting, other than those set out in the Notice of Meeting. **If other matters come before the Meeting, it is the intention of the Management Designees, if named as proxyholders, to vote the same in accordance with their best judgment in such matters.**

### **EXECUTIVE COMPENSATION**

#### ***Compensation Discussion and Analysis***

The Company is currently a CPC. Pursuant to Policy 2.4 of the TSXV, and until the Company completes a Qualifying Transaction, no compensation of any kind may be provided to the Company's directors or officers, directly or indirectly, by any means, including payment of salary, other than compensation that may be provided by way of Options pursuant to the Company's Option Plan.

The Company chooses to issue Options to maintain a competitive position in the CPC marketplace and because it is the only permissible form of compensation that may be awarded to its directors and officers while it is a CPC.

The objective and purpose of any Option reward is to encourage the Company's directors and officers to find a Qualifying Transaction that is in the best interest of the Shareholders. If a Qualifying Transaction is not successfully completed, or if one is completed that does not increase the value of the Common Shares during the term of the Option, the directors and officers will receive no benefit, or very little benefit, from any Options.

With respect to the grant of Options, the Chief Executive Officer of the Company recommends to the Board the individual equity incentive awards for each executive officer and director. The Board then takes these recommendations into consideration when making final decisions on compensation for those executive officers. The Board does not use formulas or benchmarks for each grant, but is restricted by the policies of the TSXV and the terms of the Option Plan in how many Options it may grant. Options under the Option Plan are awarded to executive officers by the Board based upon the level of responsibility and contribution of the individuals towards the Company's goals and objectives. Previous grants of Options to a particular individual will be taken into account when considering future grants of Options to that particular individual.

Following the completion of a Qualifying Transaction by the Company, if any, it is anticipated that the Company will pay compensation to its directors and officers in accordance with industry standards, depending on the nature and size of the particular business that the Company acquires in connection with any Qualifying Transaction that it may complete.

#### **Risks of Compensation Policies and Practices**

The Company's compensation program is designed to provide executive officers incentives for the achievement of near-term and long-term objectives, without motivating them to take unnecessary risk. As part of its review and discussion of executive compensation, the Board noted the following facts that discourage the Company's executives from taking unnecessary or excessive risk: (i) the Company's business strategy and related compensation philosophy; and (ii) the effective balance, in each case, between near-term and long-term focus, corporate and individual performance, and financial and non-financial performance.

Based on this review, the Board believes that the Company's total executive compensation program does not encourage executive officers to take unnecessary or excessive risk.

#### **Financial Instruments**

The Company has not implemented any policies which restrict its executive officers and directors from purchasing financial instruments, including 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 the executive officer or director.

## Share Based and Non-Equity Incentive Plan Compensation

The Company has not at any time granted any share-based awards nor has it provided any awards pursuant to a non-equity incentive plan.

## Compensation Governance

For a discussion on policies and practices by the Board to determine the compensation of the Company's directors and executive officers, see "*Executive Compensation – Compensation Discussion and Analysis*". The Company has not established a compensation committee and does not intend to do so before the completion of a Qualifying Transaction, if any.

## Benefit, Contribution, Pension, Retirement, Deferred Compensation and Actuarial Plans

The Company currently has no defined benefit, defined contribution, pension, retirement, deferred compensation or actuarial plans for its Named Executive Officers (as defined below) or directors of the Company.

## Director and Named Executive Officer Compensation

*Unless otherwise noted the following information is for the Company's financial year ended April 30, 2021.*

### *Named Executive Officer Summary Compensation and Outstanding Option-Based Awards*

Securities legislation requires the disclosure of compensation received by each "Named Executive Officer" of the Company for the two (2) most recently completed financial years. The Company is currently a CPC and pursuant to Policy 2.4 of the TSXV, and until the Company completes a Qualifying Transaction, no compensation of any kind may be provided to the Company's directors or officers, directly or indirectly, by any means, including payment of salary, other than compensation that may be provided by way of options to purchase Common Shares in the Company pursuant to the Option Plan. As of the date hereof, none of the Company's Named Executive Officers or directors have received any salary, share-based awards, non-equity incentive plan compensation, pension value or other compensation other than Option-based awards from the Company.

Securities legislation requires the disclosure of compensation received by each "Named Executive Officer" of the Company for the most recently completed financial period. "Named Executive Officer" is defined by the legislation to mean: (i) each of the Chief Executive Officer and Chief Financial Officer of the Company, (ii) each of the Company's three (3) most highly compensated executive officers, or the three (3) most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year and whose total compensation exceeds \$150,000 for that financial year, and (iii) each individual for whom disclosure would have been provided under (ii) but for the fact that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year ended of the Company.

"**Executive Officer**" is defined by the legislation to mean: (i) the chair, vice-chair or president of the Company, (ii) a vice-president of the Company in charge of a principal business unit, division or function including sales, finance or production, or (iii) an individual performing a policy-making function in respect of the Company.

Anthony Zelen was appointed Chief Executive Officer of the Company on April 12, 2019 and Ryan Cheung was appointed Chief Financial Officer and Corporate Secretary of the Company on March 17, 2020 (the "**Named Executive Officer**"). As at the date hereof, the Named Executive Officers have not received any salary, share-based awards, non-equity incentive plan compensation, pension value or other compensation other than Option-based awards. The Named Executive Officers are also directors of the Company; however, neither of the Named Executive Officers have received any compensation in their capacity as directors of the Company.

The table below provides compensation information for the Named Executive Officers and directors of the Company for the two most recently completed financial years.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
<b>Anthony Zelen</b> <i>CEO &amp; Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
<b>Ryan Cheung</b> <i>CFO &amp; Corporate Secretary</i>	2021	7,950 <sup>(1)</sup>	Nil	Nil	Nil	Nil	7,950
	2020	4,650 <sup>(1)</sup>	Nil	Nil	Nil	Nil	4,650
<b>David Weinkauf</b> <i>Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
<b>Chris Reynolds</b> <i>Director</i>	2021 <sup>(2)</sup>	Nil	Nil	Nil	Nil	Nil	Nil
	2020	N/A	N/A	N/A	N/A	N/A	N/A
<b>Simon Dyakowski</b> <i>Former Director</i>	2021 <sup>(3)</sup>	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
<b>Chris Dyakowski</b> <i>Former Director</i>	2021 <sup>(4)</sup>	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
<b>Chung (Sally) Yi Poon</b> <i>Former Director</i>	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020 <sup>(5)</sup>	Nil	Nil	Nil	Nil	Nil	Nil
<b>Tak Tsan (Simon) Tso</b> <i>Former CFO, Corporate Secretary &amp; Director</i>	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020 <sup>(6)</sup>	5,000	Nil	Nil	Nil	Nil	5,000

(1) Accounting, corporate secretary and regulatory services. Ryan Cheung has served as chief financial officer & corporate secretary since March 17, 2020.

(2) Chris Reynolds has served as a director since January 29, 2021.

(3) Simon Dyakowski ceased as a director of the Company on January 29, 2021.

(4) Chris Dyakowski ceased as a director of the Company on January 29, 2021.

(5) Sally Poon ceased as a director of the Company on March 17, 2020.

(6) Simon Tso ceased as the chief financial officer, corporate secretary and a director of the Company on March 17, 2020.

## Stock Options and Other Compensation Securities

No compensation securities were granted or issued to any Named Executive Officer or director by the Company in the financial year ended April 30, 2021.

No compensation securities were exercised by any director or Named Executive Officer during the financial year ended April 30, 2021.

## Termination and Change of Control Benefits

Other than as provided for at common law, there is no agreement or arrangement that provides for payments to the Named Executive Officers at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in the Named Executive Officers' responsibilities.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the Company's equity compensation plans under which equity securities are authorized for issuance as at April 30, 2021.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by the security holders	400,000 <sup>(1)(2)</sup>	\$0.10 <sup>(1)(2)</sup>	271,833 <sup>(1)</sup>
Equity compensation plans not approved by security holders	N/A	N/A	N/A
<b>Total</b>	<b>400,000<sup>(1)(2)</sup></b>	<b>N/A<sup>(1)(2)</sup></b>	<b>271,833<sup>(1)(2)</sup></b>

### Notes:

- (1) The New Option Plan is a "rolling" stock option plan which reserves for issuance a maximum of 10% of the issued and outstanding Common Shares at the time of the Option grant.
- (2) An aggregate of 400,000 Stock options were granted on October 8, 2019 in connection with the closing of the Company's initial public offering, with an exercise price of \$0.10 and an expiry date of October 8, 2024.

## CORPORATE GOVERNANCE DISCLOSURE

### General

The Board views effective corporate governance as an essential element for the effective and efficient operation of the Company. The Company believes that effective corporate governance improves corporate performance and benefits all of its Shareholders. The following statement of corporate governance practices sets out the Board's review of the Company's governance practices relative to National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101") and National Policy 58-201 - *Corporate Governance Guidelines*.

## Board of Directors

The Board, which is responsible for supervising the management of the business and affairs of the Company, is currently comprised of three (3) directors. Following the Meeting, it is anticipated that there will be three (3) directors, of which two (2) are independent, as such term is defined in National Instrument 52-110 – *Audit Committees* (“NI 52-110”). The independent directors are David Weinkauff and Chris Reynolds. Anthony Zelen, the Chief Executive Officer of the Company is not independent by virtue of being a member of the Company’s management or a related party thereto.

The Board has not adopted any formal terms of reference or mandate for the Board other than a charter (“**Audit Committee Charter**”) for the audit committee of the Company (“**Audit Committee**”) which is attached hereto as Schedule B.

The Board has plenary power to manage and supervise the management of the business and affairs of the Company and to act in the best interest of the Company. The Board is responsible for the overall stewardship of the Company and approves all significant decisions that affect the Company before they are implemented. The Board also considers their implementation and reviews the results. The Board has the responsibility to participate with management in finding, and ultimately approving, the Company’s Qualifying Transaction.

## Other Reporting Issuer Experience

Certain of the Company’s directors or nominee directors are currently directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name	Name of other Reporting Issuer	Exchange
Anthony Zelen	Samurai Capital Corp.	TSX-V
	Rex Resources Corp.	TSX-V
	Lida Resources inc.	TSX-V
	Midpoint Holdings Limited	TSX-V
	Paloma Resources Inc.	TSX-V
	Hollister Biosciences Inc.	CSE
	New Wave Holdings Corp.	CSE
Prospect Park Capital Corp.	CSE	
David Weinkauff	Samurai Capital Corp.	TSX-V
Chris Reynolds	Opawica Explorations Inc.	TSX-V
	Rain City Resources Inc.	CSE

## **Orientation and Continuing Education of Board Members**

The Company currently does not have any formal orientation or continuing education programs in place for new directors, as there have been no changes in Board membership since incorporation. At such time as there is a change in the Board, this policy will be reviewed.

## **Ethical Business Conduct**

The Board is of the view that the fiduciary duties placed on individual directors pursuant to corporate legislation and the common law, and the conflict of interest provisions under corporate legislation which restricts an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

## **Nomination of Directors**

The size of the Board is reviewed annually when the Board considers the number of directors to recommend for election at the annual meeting of Shareholders. The Board takes into account the number of directors required to carry out the Board duties effectively, and to maintain a diversity of view and experience.

## **Compensation of Directors and Officers**

Other than Options granted pursuant to the Option Plan, the directors and officers of the Company are not currently compensated for acting in such capacities. See "*Executive Compensation – Compensation of Directors*" and "*Executive Compensation – Compensation of Named Executive Officers*".

## **Other Board Committees**

The Board has no standing committees other than the Audit Committee.

## **Assessment of Directors, the Board and Board Committees**

The Board monitors the adequacy of information given to directors, the communications between the Board and management and the strategic direction and processes of the Board and its Audit Committee, to satisfy itself that the Board, its Audit Committee and its individual directors are performing effectively.

## **AUDIT COMMITTEE**

The following information is provided in accordance with Form 52-110F2 – *Audit Committees* under NI 52-110.

### **Audit Committee Charter**

The Audit Committee is a committee of the Board established for the purpose of overseeing the accounting and financial reporting processes of the Company and annual external audits of the financial statements. The Audit Committee has formally set out its responsibilities and compensation requirements in fulfilling its oversight in relation to the Company's internal accounting standards and practices, financial information, accounting systems and procedures. The Audit Committee Charter is set forth in Schedule B attached hereto.

### **Composition of the Audit Committee**

The Audit Committee of the Board consists of Anthony Zelen, David Weinkauff, and Chris Reynolds. David Weinkauff and Chris Reynolds are "independent" and all members of the Audit Committee are "financially literate", as such terms are defined in NI 52-110. Anthony Zelen is not considered to be independent within the meaning of NI 52-110 by virtue of being a member of the Company's management or a related party thereto.

## Relevant Education and Experience of Audit Committee Members

### *Anthony Zelen*

Mr. Zelen has over 23 years of experience in finance, investor relations, start-ups and corporate development. He has served as a director and officer for a number of public companies listed both in the United States and Canada as well as serving on the audit committee for several of them.

### *David Weinkauff*

Mr. Weinkauff has experience in finance, start-ups, management and corporate development, including project management and budgeting where he has gained the knowledge and financial skills required for early-stage companies including analyzing and consulting on financial statements.

### *Chris Reynolds*

Principal with Ore Capital Partners and Founder of Progenitor Metals Corp. Previously, corporate development at Longview Capital Partners and Investment Advisor at Research Capital Corporation.

## Audit Committee Oversight

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

## Reliance on Certain Exemptions

As a venture issuer, the Company is exempt from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of NI 52-110.

## Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services under the heading "*External Auditor*" of the Audit Committee Charter of the Company which is attached hereto as Schedule B.

## External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in financial years ended April 30, 2021 and 2020 is set out below.

<b>Financial Period Ending</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit Related Fees<sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees<sup>(4)</sup></b>
April 30, 2021	\$7,000	Nil	Nil	Nil
April 30, 2020	\$6,000	Nil	Nil	Nil

### Notes:

- (1) The aggregate fees billed for audit services.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the "Audit Fees" column.
- (3) The aggregate fees billed for tax compliance, tax advice, and tax planning services.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No current or former director, executive officer or employee of the Company, or any proposed nominee director, or any of their respective associates or affiliates, is or has been at any time since the beginning of the last completed fiscal year, indebted to the Company or any of its subsidiaries nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Company or any of its subsidiaries.

## **INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as set forth herein, the Company is not aware of any material interest, direct or indirect, of any “informed person” of the Company, any proposed director of the Company or any associate or affiliate, of any of the foregoing in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

For the purposes of the above, “informed person” means: (i) a director or executive officer of the Company; (ii) a director or executive officer of a company that is itself an informed person or subsidiary of the Company; (iii) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and (iv) the Company after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

There are potential conflicts of interest to which all of the directors and officers of the Company may be subject in connection with the operations of the Company. All of the directors and officers are engaged in and will continue to be engaged in corporations or businesses, including publicly traded corporations, which may be in competition with the search by the Company for businesses or assets in order to close a Qualifying Transaction. Accordingly, situations may arise where all of the directors and officers will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies as provided under the *Business Corporations Act* (British Columbia).

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is available under the Company’s profile on the SEDAR website at [www.sedar.com](http://www.sedar.com). Financial information in respect of the Company and its affairs is provided in the Company’s financial statements for the financial year ended April 30, 2021 and the related management’s discussion and analysis. Copies of the Company’s financial statements and related management’s discussion and analysis are available on SEDAR at [www.sedar.com](http://www.sedar.com) and will be sent by the Company to any Shareholder upon request.

**SCHEDULE A**  
**STOCK OPTION PLAN**  
**OF**  
**JESSY VENTURES CORP.**

**JESSY VENTURES CORP.**  
**STOCK OPTION PLAN**

**1. Objectives**

The Plan is intended as an incentive to attract and retain qualified Directors, senior officers, Employees, and Consultants of the Company and its Affiliates, to promote a proprietary interest in the Company and its Affiliates among such persons, and to stimulate the active interest of such persons in the development and financial success of the Company and its Affiliates.

**2. Definitions**

2.1 As used in the Plan, the terms set forth below shall have the following respective meanings:

- (a) “**Affiliate**”, when referring to the relationship between two companies, means that one of them is the subsidiary of the other, or each of them is controlled by the same person or entity;
- (b) “**Black-Out Period**” means that period during which a trading black-out period is imposed by the Company to restrict trades in the Company’s securities by an Optionee or Permitted Assign;
- (c) “**Board**” means the board of directors of the Company;
- (d) “**Cause**” means: (i) in the case of an Employee (1) cause as such term is defined in the written employment agreement with the Employee or if there is no written employment agreement or cause is not defined therein, the usual meaning of just cause under the common law or the laws of the jurisdiction in which the employee is employed; or (2) the termination of employment as a result of an order made by any Regulatory Authority having jurisdiction to so order; (ii) in the case of a Consultant (1) the occurrence of any event which, under the written consulting contract with the Consultant or the common law or the laws of the jurisdiction in which the consultant provides services, gives the Company or any of its affiliates the right to immediately terminate the consulting contract; or (2) the termination of the consulting contract as a result of an order made by any Regulatory Authority having jurisdiction to so order; (iii) in the case of a Director, ceasing to be a Director as a result of (1) ceasing to be qualified to act as a director of a company under section 128 of the *Business Corporations Act* (British Columbia) or equivalent provisions in any replacement legislation; (2) a resolution having been passed under section 128 (3) of the *Business Corporations Act* (British Columbia) or equivalent provisions in any replacement legislation; or (3) an order made by any Regulatory Authority having jurisdiction to so order; or (iv) in the case of an Officer, ceasing to be an Officer as a result of an order made by any Regulatory Authority having jurisdiction to so order;
- (e) “**Change of Control**” means and shall be deemed to have occurred if one of the following events takes place: (i) the Company sells, leases or otherwise disposes of all or substantially all of its assets and undertaking to a Person or a combination of Persons at arm’s length

to the Company and its affiliates, whether pursuant to one or more transactions; (ii) the Company amalgamates or enters into a plan of arrangement with another company at arm's length to the Company and its affiliates, other than an amalgamation or plan of arrangement that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or resulting entity) more than 50% of the combined voting power of the surviving or resulting entity outstanding immediately after such amalgamation or plan of arrangement; (iii) any Person or combination of Persons at arm's length to the Company and its affiliates acquires or becomes the beneficial owner of, directly or indirectly, more than 50% of the voting securities of the Company, whether through the acquisition of previously issued and outstanding voting securities, or of voting securities that have not been previously issued, or any combination thereof, or any other transaction having a similar effect; or (iv) any resolution is passed or any action or proceeding is taken with respect to the liquidation, dissolution or winding-up of the Company;

- (f) **“Committee”** means a committee of the Board that the Board may, in accordance with section 3.1 hereof, designate to administer the Plan, or if no such Committee has been designated or established, the Board;
- (g) **“Company”** means Jessy Ventures Corp., a company existing under the laws of the Province of British Columbia, and any successor company;
- (h) **“Consultant”** means, in relation to the Company, an individual or Consultant Company, other than an Employee or a Director/Officer of the Company, that:
  - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to an Affiliate of the Company, other than services provided in relation to a distribution of securities;
  - (ii) provides the services under a written contract between the Company of the Affiliate of the Company and the individual or the Consultant Company;
  - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate of the Company; and
  - (iv) has a relationship with the Company or an Affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company.
- (i) **“Consultant Company”** means, for an individual Consultant, a company or partnership of which the individual is an employee, shareholder or partner;
- (j) **“CPC”** means a Capital Pool Company as defined in Policy 2.4 of the TSXV Manual;
- (k) **“Date of Grant”** means the date an Option is granted by the Committee to the Optionee, subject to any Regulatory Authority or other approvals or conditions;

- (l) “**Directors**” means directors of the Company or any subsidiary of the Company;
- (m) “**Disinterested Shareholder Approval**” means approval by a majority of the votes cast by all shareholders of the Company entitled to vote at a shareholders’ meeting, excluding votes attaching to shares of the Company beneficially owned by Insiders to whom Options may be granted under the Plan and associates of such persons;
- (n) “**Employee**” means:
  - (i) an individual who is considered an employee of the Company or its subsidiary under the *Income Tax Act* (Canada);
  - (ii) an individual who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
  - (iii) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source;
- (o) “**Exchange**” means the TSX Venture Exchange, the Toronto Stock Exchange or any other stock exchange on which the Shares are listed;
- (p) “**Final QT Exchange Bulletin**” has the meaning given to such term in Policy 2.4 of the TSXV Manual;
- (q) “**IPO**” means the initial public offering of the Company as a CPC conducted pursuant to Policy 2.4 of the TSXV Manual;
- (r) “**Insider**” in relation to the Company means:
  - (i) a director or senior officer of the Company;
  - (ii) a director or senior officer of a company that is an Insider or subsidiary of the Company; or
  - (iii) a person that beneficially owns or controls, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding Shares;
- (s) “**Investor Relations Activities**” means any activities, by or on behalf of the Company or a shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, except for such activities that the Exchange specifically states to not be Investor Relations Activities;

- (t) “**Management Company Employee**” means an individual employed by an entity providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding an entity engaged in Investor Relations Activities;
- (u) “**Market Price**” in relation to a Share subject to an Option on the Date of Grant of the Option means the last closing price of the Shares on the Exchange before such Date of Grant;
- (v) “**Officers**” means senior officers or Management Company Employees of the Company or any subsidiary of the Company;
- (w) “**Option**” means an option to purchase Shares granted under or subject to the terms of the Plan;
- (x) “**Option Agreement**” means a written agreement between the Company and an Optionee that sets forth the terms, conditions and limitations applicable to an Option;
- (y) “**Option Period**” means the period during which an Option may be exercised;
- (z) “**Optionee**” means a person to whom an Option has been granted under the terms of the Plan or who holds an Option that is otherwise subject to the terms of the Plan;
- (aa) “**Person**” means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency or entity however designated or constituted;
- (bb) “**Plan**” means this Stock Option Plan of the Company;
- (cc) “**Qualifying Transaction**” has the meaning given to such term in Policy 2.4 of the TSXV Manual;
- (dd) “**Regulatory Authorities**” means all Exchanges on which the Shares are listed, and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company or its securities, this Plan or the Options granted from time to time hereunder;
- (ee) “**Shares**” means common shares without par value in the capital of the Company;
- (ff) “**Termination Date**” means: (i) in the case of an Optionee’s resignation from employment or the termination of the Optionee’s consulting contract by the Optionee, the date that the Optionee provides notice of such resignation or termination to the Company or any of its affiliates; or (ii) in the case of the termination of the Optionee’s employment or consulting contract by the Company or any of its affiliates for any reason (whether such termination is lawful or unlawful) other than death, the date that the Company or any of its affiliates delivers written notice of such lawful or unlawful termination of the Optionee’s employment or consulting contract to the Optionee; or (iii) in the case of the expiry of a

fixed-term employment agreement or consulting contract that is not renewed or extended, the last day of the term; and

- (gg) “**TSXV Manual**” means the Corporate Finance Manual of the TSX Venture Exchange.

### **3. Administration of the Plan**

3.1 The Plan shall be administered by the Committee. With respect to Option grants to directors of the Company, the Board shall serve as the Committee. With respect to any other Options, the Board may specifically constitute a committee of directors of the Company as the Board may designate from time to time to serve as the Committee for the Plan, all of the members of which shall be and remain directors of the Company. Notwithstanding the foregoing, the Board may resolve to be the Committee to administer the Plan with respect to all of the Plan or certain participants and/or awards made or to be made under the Plan.

3.2 The Board shall have full and exclusive power to interpret the Plan, to adopt such rules, regulations and guidelines for carrying out the Plan as it may deem necessary or proper, all of which powers shall be exercised in the best interests of the Company and in keeping with the objectives of the Plan, and to reserve and issue Shares issuable pursuant to the exercise of Options. The Board may, in its discretion but subject to any necessary approvals of any stock exchange or Regulatory Authorities having jurisdiction over the securities of the Company, provide for the extension of the exercise period of an Option, eliminate or make less restrictive any restrictions contained in an Option, waive any restriction or other provision of the Plan or an Option or otherwise amend or modify an Option in any manner that is either (a) not adverse to the Optionee holding such Option or (b) consented to by such Optionee. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any Option in the manner and to the extent the Committee deems necessary or desirable to carry it into effect. Any decision of the Committee in the interpretation and administration of the Plan shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned. No member of the Committee shall be liable for anything done or omitted to be done by such member, by any member of the Committee or by any officer of the Company in connection with the performance of any duties under the Plan, except for such member’s own willful misconduct or as expressly provided by statute.

3.3 All administrative costs of the Plan shall be paid by the Company.

### **4. Eligibility**

4.1 Options may be granted to Employees, Directors/Officers and Consultants (and Consultant Companies as may be permitted by the Exchange) who are in the opinion of the Committee in a position to contribute to the success of the Company or any of its Affiliates or who, by virtue of their service to the Company or any predecessors thereof or to any of its Affiliates are, in the opinion of the Committee, worthy of special recognition, provided, however, that for the time the Company is a CPC, Options may only be granted to a director or officer of the CPC, and where permitted by applicable

securities legislation, a technical consultant to the Company as described in subsection 6.1 of Policy 2.4 of the TSXV Manual or a company, all of whose securities are owned, directly and indirectly, by such a director, officer or technical consultant. The granting of Options is entirely discretionary and nothing in this Plan shall be deemed to give any person any right to participate in this Plan or to be granted an Option and designation of an Optionee in any year shall not require the designation of such person to receive an Option in any other year. The Committee shall consider such factors as it deems pertinent in selecting participants and in determining the amount and terms of their respective Options.

- 4.2 Subject to any applicable Regulatory Authority approvals, Options may also be granted under the Plan in exchange for outstanding options granted by the Company or any predecessor company thereof or any Affiliate thereof, whether such outstanding options are granted under the Plan, under any other stock option plan of the Company or any predecessor company or any Affiliate thereof, or under any stock option agreement with the Company or any predecessor corporation or Affiliate thereof.
- 4.3 Subject to any applicable Regulatory Authority approvals, Options may also be granted under the Plan in substitution for outstanding options of another company in connection with a plan of arrangement or exchange, amalgamation, merger, consolidation, acquisition of property or shares, or other reorganization between or involving such other company and the Company or any of its subsidiaries.

## **5. Shares Subject to the Plan**

- 5.1 Subject to sections 5.2, 5.3 and 5.4, the number of Shares which may be issuable pursuant to the exercise of Options granted under the Plan, together with all of the Company's previously established or proposed share compensation arrangements, shall be a maximum of 10% of the number of issued and outstanding from time to time on a non-diluted basis. Shares issuable pursuant to Options granted under this Plan that have been exercised, cancelled or otherwise terminated shall be available for subsequent grants under the Plan.
- 5.2 No Options may be granted pursuant to this Plan such that the Options issued pursuant to the Plan, together with all of the Company's previously established or proposed share compensation arrangements, could result at any time in:
- (a) the number of Shares reserved for issuance to be granted to Insiders exceeding 10% of the issued Shares calculated on a non-diluted basis; the grant to Insiders in the aggregate, within a 12-month period, of a number of Options exercisable to purchase more than 10% of the issued Shares; or
  - (b) the issuance to any one Optionee, within a 12-month period, of a number of Shares exceeding 5% of the issued Shares.
- 5.3 If the Shares are listed on the TSX Venture Exchange, the aggregate number of Shares which may be purchased by the exercise of Options granted to Persons employed to provide

Investor Relations Activities must not exceed 2% of the issued Shares in any 12-month period, calculated on the Grant Date, and such Options must vest in stages over a period of not less than 12 months with no more than 1/4 of the options vesting in any three month period, provided, however, that for the time that the Company is a CPC, no Options may be granted to any Person conducting Investor Relations Activities or any promotional or market-making services.

5.4 The aggregate number of Shares which may be purchased by the exercise of Options granted to any Consultant (including technical consultants) must not exceed 2% of the issued Shares in any 12-month period, calculated on the Grant Date.

5.5 The aggregate number of Shares which may be purchased by the exercise of Options granted to any Eligible Charitable Organizations must not exceed 1% of the issued Shares in any 12-month period, calculated on the Grant Date.

5.6 For the purposes of this section, the number of Shares issued and outstanding is determined on the basis of the number of Shares that are outstanding immediately prior to the Share issuance in question unless otherwise stated.

## **6. Price**

6.1 The exercise price per Share subject to an Option shall be determined by the Committee at the time the Option is granted, provided that the exercise price shall not be less than the Discounted Market Price (as defined in the policies of the Exchange), provided, however, that for the time the Company is a CPC, such exercise price per Share subject to an Option shall not be less than the greater of the IPO share price and the Discounted Market Price.

6.2 Subject to applicable Regulatory Authority requirements and approval, the Committee may reprice the prevailing exercise price of an Option. Any reduction in the exercise price of an Option held by an Optionee who is an Insider at the time of the proposed amendment is, however, subject to Disinterested Shareholder Approval if and as required by the Exchange.

## **7. Term and Exercise of Options**

7.1 The Option Period shall be determined by the Committee at the time the Option is granted and may be up to ten years from the Date of Grant, except as the same may be reduced pursuant to the provisions of section 9. Subject to the applicable maximum Option Period provided for in this section 7.1 and subject to applicable Regulatory Authority requirements and approvals, the Committee may extend the Option Period for an Option. Any extension of the Option Period of an Option held by an Optionee who is an Insider at the time of the proposed amendment is, however, subject to Disinterested Shareholder Approval if and as required by the Exchange. If an Option expires during a Black-Out Period, then, notwithstanding any other provision of the Plan, the Option shall expire 10 business days after the Black-Out Period is lifted by the Company.

7.2 The exercise of any Option will be contingent upon receipt by the Company of payment

for the full exercise price of the Shares being purchased in cash by way of certified cheque or bank draft. No Optionee or the legal representatives, legatees or distributees of the Optionee will be, or will be deemed to be, a holder of any Shares subject to an Option under the Plan unless and until certificates for such Shares are issued to the Optionee or such other persons under the terms of the Plan, provided, however, that for the time that the Company is a CPC, no Option granted pursuant to this Plan may be granted unless the Optionee first enters into an escrow agreement with the Company agreeing to deposit the Options, and the Shares acquired pursuant to the exercise of such Options, into escrow until the issuance of the Final QT Exchange Bulletin and in accordance with the terms of the escrow agreement and Policy 2.4 of the TSXV Manual.

## **8. Stock Option Agreement**

Upon the grant of an Option to an Optionee, the Company and the Optionee shall enter into an Option Agreement setting out the number of Shares subject to the Option, the exercise price per Share, the Option Period, and incorporating the terms and conditions of the Plan and any other requirements of applicable Regulatory Authorities and such other terms and conditions as the Committee may determine are necessary or appropriate, subject to the terms of the Plan. Without limiting the generality of the foregoing and if and for so long as the Company is listed on the Exchange, for Options granted to Employees, Consultants or Management Company Employees, the Company and the Optionee are required to represent in an Option Agreement that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

## **9. Effect of Termination of Employment or Death**

- 9.1 The vested portion of Options granted to any Optionee who is a Director/Officer or Management Company Employee shall expire on the earlier of: (a) that date which is 90 days after the Optionee ceases to be in at least one of such categories unless such Optionee ceases to be in at least one of such categories for Cause, in which case that date which the Optionee ceases to be in at least one of such categories; (b) an earlier date which is provided for in the Option Agreement with the Optionee; and (c) the expiry of the Option Period. The unvested portion of Options granted to any Optionee who is a Director/Officer, Consultant (including technical consultant) or Management Company Employee shall expire on the date the Optionee ceases to be in at least one of such categories and shall not vest after the date that the Optionee ceases to be in at least one of such categories.
- 9.2 The vested portion of Options granted to any Optionee who is an Employee or Consultant shall expire on the earlier of: (a) that date which is 90 days after the Termination Date unless such Optionee ceases to be in at least one of such categories for Cause, in which case the Termination Date; (b) an earlier date which is provided for in the Option Agreement with the Optionee; and (c) the expiry of the Option Period. The unvested portion of Options granted to any Optionee who is an Employee or Consultant shall expire on the Termination Date and shall not vest after the Termination Date.
- 9.3 Options granted to an Optionee who is engaged in Investor Relations Activities for the Company shall expire on the earlier of: (a) that date which is 30 days after the Termination Date unless such Optionee ceases to be employed to provide Investor Relation Activities

for Cause, in which case the Termination Date; (b) an earlier date which is provided for in the Option Agreement with the Optionee; and (c) the expiry of the Option Period. The unvested portion of Options granted to any Optionee who is an Employee or Consultant shall expire on the Termination Date and shall not vest after the Termination Date.

- 9.4 Notwithstanding sections 9.1, 9.2 and 9.3, in the event of the death of an Optionee while in service to the Company, each outstanding Option (to the extent then vested, if applicable, and not exercised) shall be exercisable until the earlier of (a) the expiration of one year following such death unless an earlier date is provided for in the Option Agreement with the Optionee, and (b) the expiry of the Option Period, but only by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or by the laws of descent and distribution.
- 9.5 In the event of a Change of Control or impending Change of Control, the Board may, in its sole discretion, deal with outstanding Options in the manner it deems fair and reasonable in light of the circumstances. Without limiting the generality of the foregoing, the Board may, without any action or consent required on the part of any Optionee:
- (a) subject to Exchange approval, deliver a notice to the Optionee advising the Optionee that the unvested portion of the Options held by the Optionee, if any, shall immediately vest;
  - (b) deliver a notice to an Optionee advising the Optionee that the expiry of the Option Period for any vested portion or portions of the Option shall be the earlier of the expiry of the Option Period and the 10<sup>th</sup> day following the date of the notice and the expiry of the Option Period for any unvested portion of the Option shall be the date of the notice; or
  - (c) take such other actions, and combinations of the foregoing actions, as it deems fair and reasonable under the circumstances.
- 9.6 Notwithstanding the foregoing provisions of this section 9, for the time that the Company is a CPC, the vested portion of Options granted to any Optionee that does not continue as a Director, Officer, Consultant or Employee of the Company following the issuance of the Final QT Exchange Bulletin shall expire on the earlier of (a) the later of (i) 12 months after the date of the Final QT Exchange Bulletin and (ii) 90 days after the Optionee ceases to become a director, officer, technical consultant or employee of the Company following the issuance of the Final QT Exchange Bulletin; (b) an earlier date which is provided for in the Option Agreement with the Optionee; and (c) the expiry of the Option.
- 9.7 Notwithstanding the foregoing provisions of this section 9 and subject to any applicable Regulatory Authority approvals, the Committee may, in its discretion, provide for the extension of the exercisability of an Option for any period that is not beyond the applicable Option Period thereof, eliminate or make less restrictive any restrictions governing an Option, waive any restriction or other provision of this Plan or an Option or otherwise amend or modify the Option in any manner that is either (a) not adverse to such Optionee or (b) consented to by such Optionee.

## **10. Adjustment in Shares Subject to the Plan**

10.1 The exercise price for and the number of Shares covered by an Option will be adjusted, with respect to the then unexercised portion thereof, by the Committee from time to time (on the basis of such advice as the Committee considers appropriate, including, if considered appropriate by the Committee, a certificate of the auditor of the Company) in the event and in accordance with the provisions and rules set out in this section 10. Any dispute that arises at any time with respect to any adjustment pursuant to such provisions and rules will be conclusively determined by the Committee, and any such determination will be binding on the Company, the Optionee and all other affected parties.

- (a) In the event that a dividend is declared upon the Shares, payable in Shares (other than in lieu of dividends paid in the ordinary course), the number of Shares then subject to any Option shall be adjusted by adding to each such Share the number of Shares which would be distributable thereon if such Share had been outstanding on the date fixed for determining shareholders entitled to receive such stock dividend.
- (b) In the event that the outstanding Shares are changed into or exchanged for a different number or kind of Shares or other securities of the Company or of another corporation, whether through an arrangement, amalgamation or other similar procedure or otherwise, or a share recapitalization, subdivision or consolidation, then there shall be substituted for each Share subject to any Option the number and kind of Shares or other securities of the Company or another corporation into which each outstanding Share shall be so changed or for which each such Share shall be exchanged.
- (c) In the event that there is any change, other than as specified above in this section 10, in the number or kind of outstanding Shares or of any securities into which such Shares shall have been changed or for which they shall have been exchanged, then, if the Committee, in its sole discretion, determines that such change equitably requires an adjustment to be made in the number or kind of Shares then subject to any Option, an equitable adjustment shall be made in the number or kind of Shares, such adjustment shall be made by the Committee and be effective and binding for all purposes.
- (d) In the event that the Company distributes by way of a dividend, or otherwise, to all or substantially all holders of Shares, property, evidences of indebtedness or shares or other securities of the Company (other than Shares) or rights, options or warrants to acquire Shares or securities convertible into or exchangeable for Shares or other securities or property of the Company, other than as a dividend in the ordinary course, then, if the Committee, in its sole discretion, determines that such action equitably requires an adjustment in the exercise price of the Option or number of Shares subject to any Option, or both, such adjustment shall be made by the Committee and shall be effective and binding for all purposes.

10.2 In the case of any such substitution or adjustment as provided for in this section 10, the

exercise price in respect of each Option for each Share covered thereby prior to such substitution or adjustment will be proportionately and appropriately varied, such variation shall generally require that the number of Shares or securities covered by the Option after the relevant event multiplied by the varied option exercise price be equal to the number of Shares covered by the Option prior to the relevant event multiplied by the original exercise price of the Option.

- 10.3 No adjustment or substitution provided for in this section 10 shall require the Company to issue a fractional share in respect of any Option. Fractional shares shall be eliminated.
- 10.4 The grant of an Option shall not affect in any way the right or power of the Company to effect adjustments, reclassifications, reorganizations, arrangements or changes of its capital or business structure, or to amalgamate, merge, consolidate, dissolve or liquidate, or to sell or transfer all or any part of its business or assets.

## **11. Non-Assignability**

All Options, benefits and rights accruing to any Optionee in accordance with the terms and conditions of the Plan are non-assignable and non-transferable, except as specifically provided in section 9.4 in the event of the death of the Optionee. During the lifetime of the Optionee, all such Options, benefits and rights may only be exercised by the Optionee.

## **12. Employment**

Nothing contained in the Plan shall confer upon any Optionee any right with respect to employment or continuance of employment with, or the provision of services to, the Company or any of its Affiliates, or interfere in any way with the right of the Company or any of its Affiliates to terminate the Optionee's employment or services at any time. Participation in the Plan by an Optionee is voluntary.

## **13. Record Keeping**

The Company shall maintain a register in which shall be recorded or maintained:

- (a) the name and address of each Optionee;
- (b) the number of Shares subject to Options granted to each Optionee, the number of Shares issued to each Optionee upon the exercise of Options, and the number of Shares subject to Options remaining outstanding;
- (c) a copy of each outstanding Option Agreement; and
- (d) such other information as the Committee may determine.

## **14. Regulatory Approvals**

- 14.1 The Plan is subject to the approval of Regulatory Authorities having, or which may have, jurisdiction over the securities of the Company, and the Board is authorized to amend the

text thereof from time to time in order to comply with any changes thereto required by such applicable Regulatory Authorities.

- 14.2 The obligation of the Company to issue and deliver Shares in accordance with the Plan is subject to the approval of any governmental authority having jurisdiction or any stock exchange or stock quotation system on which the Shares are listed for trading or quoted which may be required in connection with the authorization, issuance or sale of such Shares by the Company. If any Shares cannot be issued to any Optionee for any reason including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and any exercise price for an Option paid to the Company shall be returned to the Optionee.

## **15. Hold Periods, Securities Regulation and Tax Withholding**

- 15.1 Any Shares issued pursuant to this Plan will be subject to any resale restrictions required by the Exchange or those of any securities Regulatory Authorities having jurisdiction.
- 15.2 Where necessary to effect exemption from registration or distribution of the Shares under securities laws applicable to the securities of the Company, an Optionee shall be required, upon the acquisition of any Shares upon the exercise of Options, to acquire such Shares with investment intent (i.e. for investment purposes) and not with a view to their distribution, and to present to the Committee an undertaking to that effect in a form acceptable to the Committee. The Committee may cause a legend or legends to be placed upon any certificates for the Shares to make appropriate reference to applicable resale restrictions. The Committee may take such other action or require such other action or agreement by such Optionee as may from time to time be necessary to comply with applicable securities laws. This provision shall in no way obligate the Company to undertake the registration or qualification of any Options or the underlying Shares under any securities laws applicable to the securities of the Company.
- 15.3 The Committee and the Company may take all such measures as they deem appropriate to ensure that the Company's obligations under the withholding provisions under income tax laws applicable to the Company and other provisions of applicable laws are satisfied with respect to the issuance of Shares pursuant to the Plan or the grant or exercise of Options under the Plan.
- 15.4 Issuance, transfer or delivery of certificates for Shares purchased pursuant to the Plan may be delayed, at the discretion of the Committee, until the Committee is satisfied that the applicable requirements of securities and income tax laws have been met.

## **16. Amendment and Termination of Plan**

- 16.1 The Board reserves the right to amend or terminate the Plan at any time if and when it is advisable in the absolute discretion of the Board; provided, however, that no such amendment or termination shall adversely affect any outstanding Options granted under the Plan without the consent of the Optionee. Any amendment to the Plan shall also be subject to any necessary approvals of any Exchange or Regulatory Authority having jurisdiction over the securities of the Company and, where applicable, the approval of the

shareholders of the Company (except where an amendment is made pursuant to section 14.1 and 16.2 hereof).

- 16.2 The Board are specifically authorized to amend the terms of the Plan, and the terms of any Options granted under the Plan, without obtaining shareholder approval, in order to:
- (a) a change to the vesting provisions of an Option or the Plan, including accelerating the vesting period of any Options; or
  - (b) make other amendments of a housekeeping nature.

## **17. No Representation or Warranty**

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

## **18. General Provisions**

- 18.1 Nothing contained in the Plan shall prevent the Company or any of its Affiliates from adopting or continuing in effect other compensation arrangements, which may, but need not, provide for the issuance of securities of the Company (subject to shareholder approval if such approval is required by applicable securities Regulatory Authorities) and such arrangements may be either generally applicable or applicable only in specific cases.
- 18.2 The validity, construction and effect of the Plan and any rules and regulations relating to the Plan and any option agreement, and all determinations made and actions taken pursuant hereto shall be governed by and determined in accordance with the laws of the Province of British Columbia, Canada.
- 18.3 If any provision of the Plan or any Option is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or as to any person or Option, or would disqualify the Plan or any Option under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Option, such provision shall be stricken as to such jurisdiction, person or Option and the remainder of the Plan and any such Option shall remain in full force and effect.
- 18.4 Neither the Plan nor any Option shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any of its Affiliates and an Optionee or any other person.
- 18.5 Headings are given to the sections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision thereof.

**19. Term of the Plan**

- 19.1 The Plan shall be effective as of ●, 2021, subject to its approval by the shareholders of the Company at an Annual General Meeting, if required by Regulatory Approvals, and all necessary Regulatory Authority approvals pursuant to section 14 hereof.
- 19.2 Subject to being approved on a yearly basis by the Company's shareholders at an Annual General Meeting, if required by Regulatory Approvals, the Plan shall be effective unless the Plan is terminated by the Board pursuant to section 16 hereof, and no Option shall be granted under the Plan after that date. Unless otherwise expressly provided in the Plan or in an applicable Option Agreement, any Option granted hereunder may, and the authority of the Board to amend, alter, adjust, suspend, discontinue or terminate any such Option or to waive any conditions or rights under any such Option shall, continue after ●, 2021 or any earlier termination date of the Plan, provided such continuation is approved by the shareholders of the Company at an Annual General Meeting.

**SCHEDULE B**  
**AUDIT COMMITTEE CHARTER**  
**OF**  
**JESSY VENTURES CORP.**

**JESSY VENTURES CORP.**  
**(the "Company")**

**AUDIT COMMITTEE CHARTER**

**1. Mandate and Purpose of the Committee**

The Audit Committee (the “**Committee**”) of the board of directors (the “**Board**”) of Jessy Ventures Corp. (the “**Company**”) is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities relating to:

- (a) the integrity of the Company’s financial statements;
- (b) the Company’s compliance with legal and regulatory requirements, as they relate to the Company’s financial statements;
- (c) the qualifications, independence and performance of the Company’s auditor;
- (d) internal controls and disclosure controls;
- (e) the performance of the Company’s internal audit function;
- (f) consideration and approval of certain related party transactions; and
- (g) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

**2. Authority**

The Committee has the authority to:

- (i) engage and compensate independent counsel and other advisors as it determines necessary or advisable to carry out its duties; and
- (ii) communicate directly with the Company’s auditor.

The Committee has the authority to delegate to individual members or subcommittees of the Committee.

**3. Composition and Expertise**

The Committee shall be composed of a minimum of three members, each of whom is a director of the Company. A majority of the Committee’s members must be “independent” and “financially literate” as such terms are defined in applicable securities legislation.

Committee members shall be appointed annually by the Board at the first meeting of the Board following each annual meeting of shareholders. Committee members hold office until the next annual meeting of shareholders or until they are removed by the Board or cease to be directors of the Company.

The Board shall appoint one member of the Committee to act as Chair of the Committee. If the Chair of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.

#### **4. Meetings**

Any member of the Committee or the auditor may call a meeting of the Committee. The Committee shall meet at least four times per year and as many additional times as the Committee deems necessary to carry out its duties. The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and senior management.

Notice of the time and place of every meeting shall be given in writing to each member of the Committee, at least 72 hours (excluding holidays) prior to the time fixed for such meeting. The Company's auditor shall be given notice of every meeting of the Committee and, at the expense of the Company, shall be entitled to attend and be heard thereat. If requested by a member of the Committee, the Company's auditor shall attend every meeting of the Committee held during the term of office of the Company's auditor.

A majority of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously. Business may also be transacted by the unanimous written consent resolutions of the members of the Committee, which when so approved shall be deemed to be resolutions passed at a duly called and constituted meeting of the Committee.

The Committee may invite such directors, officers and employees of the Company and advisors as it sees fit from time to time to attend meetings of the Committee.

The Committee shall meet without management present whenever the Committee deems it appropriate.

The Committee shall appoint a Secretary who need not be a director or officer of the Company. Minutes of the meetings of the Committee shall be recorded and maintained by the Secretary and shall be subsequently presented to the Committee for review and approval.

#### **5. Committee and Charter Review**

The Committee shall conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter. The Committee shall conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board.

The Committee shall also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any guidelines recommended by regulators or the Toronto Stock Exchange and shall recommend changes to the Board thereon.

## **6. Reporting to the Board**

The Committee shall report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

## **7. Duties and Responsibilities**

### **(a) Financial Reporting**

The Committee is responsible for reviewing and recommending approval to the Board of the Company's annual and interim financial statements, MD&A and related news releases, before they are released.

The Committee is also responsible for:

- (i) being satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;
- (ii) engaging the Company's auditor to perform a review of the interim financial statements and receiving from the Company's auditor a formal report on the auditor's review of such interim financial statements;
- (iii) discussing with management and the Company's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability of thereof;
- (iv) discussing with management any significant variances between comparative reporting periods; and
- (v) in the course of discussion with management and the Company's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

### **(b) Auditor**

The Committee is responsible for recommending to the Board:

- (i) the 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 Company; and
- (ii) the compensation of the Company's auditor.

The Company's auditor reports directly to the Committee. The Committee is directly responsible for overseeing the work of the Company's auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the Company's auditor regarding financial reporting.

(c) Relationship with the Auditor

The Committee is responsible for reviewing the proposed audit plan and proposed audit fees. The Committee is also responsible for:

- (i) establishing effective communication processes with management and the Company's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;
- (ii) receiving and reviewing regular feedback from the auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditor's final report;
- (iii) reviewing, at least annually, a report from the auditor on all relationships and engagements for non-audit services that may be reasonably thought to bear on the independence of the auditor; and
- (iv) meeting in camera with the auditor whenever the Committee deems it appropriate.

(d) Accounting Policies

The Committee is responsible for:

- (i) reviewing the Company's accounting policy note to ensure completeness and acceptability with applicable accounting principles and financial reporting standards as part of the approval of the financial statements;
- (ii) discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;
- (iii) reviewing with management and the auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;
- (iv) discussing with management and the auditor the acceptability, degree of aggressiveness/conservatism and quality of underlying accounting policies and key estimates and judgments; and

(v) discussing with management and the auditor the clarity and completeness of the Company's financial disclosures.

(e) Risk and Uncertainty

The Committee is responsible for reviewing, as part of its approval of the financial statements:

- (i) uncertainty notes and disclosures; and
- (ii) MD&A disclosures.

The Committee, in consultation with management, will identify the principal business risks and decide on the Company's "appetite" for risk. The Committee is responsible for reviewing related risk management policies and recommending such policies for approval by the Board. The Committee is then responsible for communicating and assigning to the applicable Board committee such policies for implementation and ongoing monitoring.

The Committee is responsible for requesting the auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are managed or controlled.

(f) Controls and Control Deviations

The Committee is responsible for reviewing:

- (i) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and
- (ii) major points contained in the auditor's management letter resulting from control evaluation and testing.

The Committee is also responsible for receiving reports from management when significant control deviations occur.

(g) Compliance with Laws and Regulations

The Committee is responsible for reviewing regular reports from management and others (e.g. auditors) concerning the Company's compliance with financial related laws and regulations, such as:

- (i) tax and financial reporting laws and regulations;
- (ii) legal withholdings requirements;
- (iii) environmental protection laws; and

(iv) other matters for which directors face liability exposure.

(h) **Related Party Transactions**

All transactions between the Company and a related party (each a “related party transaction”), other than transactions entered into in the ordinary course of business, shall be presented to the Committee for consideration.

The term “related party” includes (i) all directors, officers, employees, consultants and their associates (as that term is defined in the *Securities Act* (British Columbia)), as well as all entities with common directors, officers, employees and consultants (each “general related parties”), and (ii) all other individuals and entities having beneficial ownership of, or control or direction over, directly or indirectly securities of the Company carrying more than 10% of the voting rights attached to all of the Company’s outstanding voting securities (each “10% shareholders”).

Related party transactions involving general related parties which are not material to the Company require review and approval by the Committee. Related party transactions that are material to the Company or that involve 10% shareholders require approval by the Board, following review thereof by the Committee and the Committee providing its recommendation thereon to the Board.

**8. Non-Audit Services**

All non-audit services to be provided to the Company or its subsidiary entities by the Company’s auditor must be pre-approved by the Committee.

**9. Submission Systems and Treatment of Complaints**

The Committee is responsible for establishing procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

The Committee is responsible for reviewing complaints and concerns that are brought to the attention of the Chair of the Audit Committee and for ensuring that any such complaints and concerns are appropriately addressed. The Committee shall report quarterly to the Board on the status of any complaints or concerns received by the Committee.

**10. Procedure For Reporting Of Fraud Or Control Weaknesses**

Each employee is expected to report situations in which he or she suspects fraud or is aware of any internal control weaknesses. An employee should treat suspected fraud seriously, and ensure that the situation is brought to the attention of the Committee. In addition, weaknesses in the internal control procedures of the Company that may result in errors or omissions in financial information, or that create a risk of potential

fraud or loss of the Company's assets, should be brought to the attention of both management and the Committee.

To facilitate the reporting of suspected fraud, it is the policy of Company that the employee (the "whistleblower") has anonymous and direct access to the Chair of the Audit Committee. Should a new Chair be appointed prior to the updating of this document, current Chair will ensure that the whistleblower is able to reach the new Chair in a timely manner. In the event that the Chair of the Audit Committee cannot be reached, the whistleblower should contact the Chair of the Board of Directors. Access to the names and place of employment of the Company's Directors can be found in the Company's website.

In addition, it is the policy of the Company that employees concerned about reporting internal control weaknesses directly to management are able to report such weaknesses to the Committee anonymously. In this case, the employee should follow the same procedure detailed above for reporting suspected fraud.

## **11. Hiring Policies**

The Committee is responsible for reviewing and approving the Company's hiring policies regarding partners, employees and former partners and employees of the present and former auditor of the Company.

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