



HALO LABS INC.

**NOTICE OF SPECIAL MEETING
TO BE HELD ON DECEMBER 23, 2020
AND
MANAGEMENT INFORMATION CIRCULAR**

November 25, 2020

HALO LABS INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS (the "Notice")

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") of Halo Labs Inc. (the "**Corporation**") will be held on Wednesday, December 23, 2020 at 11:00 a.m. (Toronto time). To deal with the public health impact of COVID-19, the Corporation is conducting an online only shareholders' meeting.

Registered Shareholders (as defined in the accompanying information circular (the "**Information Circular**") under the heading "*Voting at the Meeting*") and duly appointed proxyholders can attend the Meeting online at <https://web.lumiagm.com/238041734> where they can participate, vote, or submit questions during the Meeting's live webcast.

The Meeting is being held for the following purposes:

- a) to consider and, if deemed advisable, pass a special resolution, the full text of which is set out in the Information Circular, approving one or more amendments to the articles of the Corporation for one or more future consolidations of the Corporation's issued and outstanding Common Shares on the basis of consolidation ratios to be selected by the board of directors of the Corporation within a range between 10 pre-consolidation Common Shares for one (1) post-consolidation Common Share and 200 pre-consolidation Common Shares for one (1) post-consolidation Common Share, provided that, (A) the cumulative effect of the one or more consolidations shall not result in a consolidation ratio that exceeds 200 pre-consolidation Common Shares for one (1) post-consolidation Common Share, and (B) such consolidations occur prior to the earlier of the 10 month anniversary of the Meeting and the next annual meeting of Shareholders; if, and at such time(s) following the date of the Meeting, as may be determined by the board of directors of the Corporation in its sole discretion, as more particularly described in the Information Circular;
- b) to consider and, if deemed advisable, pass a special resolution, the full text of which is set out in the Information Circular, approving an amendment to the articles of the Corporation to change the name of the Corporation from "Halo Labs Inc." to "Halo Collective Inc.", if, and at such time following the date of the Meeting, as may be determined by the board of directors of the Corporation in its sole discretion, as more particularly described in the Information Circular; and
- c) to transact such further or other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

The Information Circular provides additional information relating to each of the matters to be addressed at the Meeting. Shareholders are directed to read the Information Circular carefully and in full to evaluate the matters to be considered at the Meeting.

The record date for the determination of shareholders of the Corporation entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof is November 23, 2020 (the "**Record Date**"). Shareholders of the Corporation whose names have been entered in the register of shareholders of the Corporation at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof.

If you are a Registered Shareholder and are unable to attend the Meeting or any adjournment(s) or postponement(s) thereof, please date, sign and return the accompanying form of proxy (the "**Proxy**") for

use at the Meeting or any adjournment(s) or postponement(s) thereof in accordance with the instructions set forth in the Proxy and Information Circular. The Corporation's transfer agent recommends that shareholders vote in advance of the Meeting.

If you are a Non-Registered Beneficial Shareholder, a voting information form (also known as a VIF), instead of a form of proxy, may be enclosed. You must follow the instructions provided by your intermediary in order to vote your Common Shares. Non-registered beneficial Shareholders who have not duly appointed themselves as proxyholders will be able to attend the Meeting virtually as guests, but guests will not be able to vote at the Meeting.

DATED at Toronto, Ontario this 25th day of November, 2020.

BY ORDER OF THE BOARD

(signed) "*Kiran Sidhu*"

Chief Executive Officer and Director

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HALO LABS INC.
("Halo" or the "Corporation")

MANAGEMENT INFORMATION CIRCULAR

This management information circular (the "**Information Circular**") is dated November 25, 2020 and is furnished in connection with the solicitation of proxies by and on behalf of the management of the Corporation ("**Management**") for use at the special meeting (the "**Meeting**") of shareholders of the Corporation (the "**Shareholders**") to be held virtually at <https://web.lumiagm.com/238041734> on Wednesday, December 23, 2020 at 11:00 a.m. (Toronto time) for the purposes set out in the notice of Meeting (the "**Notice**") accompanying this Information Circular.

All dollar amounts herein are expressed in United States dollars unless otherwise indicated.

GENERAL PROXY INFORMATION

Solicitation of Proxies

Solicitation of proxies for the Meeting will be primarily by mail, the cost of which will be borne by the Corporation. Proxies may also be solicited personally by employees of the Corporation at nominal cost to the Corporation. In some instances, the Corporation has distributed copies of the Notice, the Information Circular, and the accompanying form of proxy (the "**Proxy**", and collectively with the Notice and Information Circular, the "**Documents**") to clearing agencies, securities dealers, banks and trust companies, or their nominees (collectively "**Intermediaries**", and each an "**Intermediary**") for onward distribution to Shareholders whose common shares in the capital of the Corporation (the "**Common Shares**") are held by or in the custody of those Intermediaries ("**Non-registered Shareholders**"). The Intermediaries are required to forward the Documents to Non-registered Shareholders.

Solicitation of proxies from Non-registered Shareholders will be carried out by Intermediaries, or by the Corporation if the names and addresses of Non-registered Shareholders are provided by the Intermediaries.

Voting at the Meeting

A Registered Shareholder (as defined below), or a Non-registered Shareholder who has appointed themselves or a third party proxyholder to represent him, her or it at the Meeting, will appear on a list of Shareholders prepared by Odyssey Transfer Inc. ("**Odyssey**"). Each Registered Shareholder or proxyholder will be required to enter the control number or username provided by Odyssey at <https://web.lumiagm.com/238041734> (password: "halo2020") prior to the start of the Meeting to have his, her or its Common Shares voted at the Meeting. In order to vote, Non-registered Shareholders who appoint themselves as a proxyholder MUST register with Odyssey at halolabs@odysseytrust.com after submitting their voting instruction form in order to receive a username (please see the information under "*Appointment of Proxyholders*" below for details).

Registered Shareholders and duly appointed proxyholders can attend the Meeting online by going to <https://web.lumiagm.com/238041734>.

Registered Shareholders and duly appointed proxyholders can participate in the Meeting by clicking "**I have a control number**" and entering a username and password before the start of the Meeting.

- Registered Shareholders – The 12-digit control number located on the Proxy or in the email notification received by such Shareholder is the username and the password is "halo2020" (case sensitive).
- Duly appointed proxyholders – Odyssey will provide the proxyholder with a control number after the voting deadline has passed. The password to the Meeting is "halo2020" (case sensitive).

Voting at the Meeting will only be available for Registered Shareholders and duly appointed proxyholders. Non-registered Shareholders who have not appointed themselves may attend the Meeting by clicking "**I am a guest**" and completing the online form.

Shareholders may appoint a third party proxyholder to represent them at the Meeting. Shareholders wishing to do so must submit their Proxy or voting instruction form (as applicable) prior to registering their proxyholder. Registering the proxyholder is an additional step once a Shareholder has submitted his, her or its Proxy/voting instruction form. Failure to register a duly appointed proxyholder will result in the proxyholder not receiving a username to participate in the Meeting. To register a proxyholder, shareholders MUST send an email to halolabs@odysseytrust.com and provide Odyssey with their proxyholder's contact information, amount of shares appointed, name in which the shares are registered if they are a registered shareholder, or name of broker where the shares are held if a beneficial shareholder, so that Odyssey may provide the proxyholder with a Username via email.

It is important to be connected to the internet at all times during the Meeting in order to vote when balloting commences.

In order to participate online, Shareholders must have a valid 12-digit control number and proxyholders must have received an email from Odyssey containing a control number.

Non-registered Shareholders

Non-registered Shareholders who have received the Documents from their Intermediary should, other than as set out herein, follow the directions of their Intermediary with respect to the procedure to be followed for voting at the Meeting. Generally, Non-registered Shareholders will either:

- be provided with a form of proxy executed by the Intermediary but otherwise uncompleted. The Non-registered Shareholder may complete the proxy and return it directly to Odyssey; or
- be provided with a request for voting instructions. The Intermediary is required to send the Corporation an executed form of proxy completed in accordance with any voting instructions received by the Intermediary.

If you are a Non-registered Shareholder, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained from your Intermediary in accordance with applicable securities regulatory requirements. By choosing to send the Documents to you directly, the Corporation (and not your Intermediary) has assumed responsibility for

(i) delivering the Documents to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Participating in the Meeting

The Meeting will be hosted online by way of a live audiocast. Shareholders will not be able to attend the Meeting in person. A summary of the information Shareholders will need to attend the Meeting is provided below. The Meeting will begin at 11:00 a.m. (Toronto time) on Wednesday, December 23, 2020.

- Registered Shareholders that have a 12-digit control number, along with duly appointed proxyholders who were assigned a control number by Odyssey (see details under "*Appointment of Proxyholders*"), will be able to vote and submit questions during the Meeting. To do so, please go to <https://web.lumiagm.com/238041734> prior to the start of the Meeting to login. Click on "I have a control number" and enter your 12-digit control number or username along with the password "halo2020" (case sensitive). Non-Registered Shareholders who have not appointed themselves to vote at the Meeting may login as a guest by clicking on "I am a guest" and completing the online form. Guests will not be able to vote at the Meeting.
- United States Non-registered Shareholders: To attend and vote at the Meeting, you must first obtain a valid legal proxy from your Intermediary and then register in advance to attend the Meeting. Follow the instructions from your Intermediary included with these Meeting materials, or contact your Intermediary to request a legal proxy form. After first obtaining a valid legal proxy from your Intermediary, to then register to attend the Meeting, you must submit a copy of your legal proxy to Odyssey. Requests for registration should be directed to Odyssey Transfer Inc., Victoria Tower, Suite 702 - 67 Yonge St., Toronto ON M5E 1J8.
- Requests for registration must be labeled as "Legal Proxy" and be received no later than 11:00 a.m. (Toronto time) on December 21, 2020. You will receive a confirmation of your registration by email after your registration materials have been received. You may attend the Meeting and vote your Common Shares at <https://web.lumiagm.com/238041734> (password: "halo2020") during the Meeting. Any appointees must reach out to Odyssey in advance of the meeting (latest 48 hours before the meeting). They must complete the Request for Control Number form and email it to halolabs@odysseytrust.com in advance of the meeting.
- Non-registered Shareholders who do not have a 12-digit control number or username will only be able to attend as a guest which allows such persons to listen to the Meeting, however, Non-registered Shareholders will not be able to vote or submit questions.
- If you are using a 12-digit control number to login to the Meeting and you accept the terms and conditions, you will be revoking any and all previously submitted proxies. However, in such a case, you will be provided the opportunity to vote by ballot on the matters put forth at the Meeting. If you DO NOT wish to revoke all previously submitted proxies, please log in as a guest.
- If you are eligible to vote at the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting.

Appointment of Proxyholders

The persons named in the enclosed Proxy (the "**Management Designees**") are directors and/or officers of the Corporation. **SHAREHOLDERS HAVE THE RIGHT TO APPOINT A PERSON TO REPRESENT HIM, HER OR IT AT THE MEETING OTHER THAN THE PERSONS DESIGNATED IN THE PROXY INSTRUMENT** either by striking out the names of the persons designated in the Proxy and by inserting the name of the person or company to be appointed in the space provided in the Proxy or by completing another proper form of proxy.

Shareholders who wish to appoint a third party proxyholder to represent them at the Meeting **must submit their Proxy or voting instruction form (if applicable) prior to registering their proxyholder. Registering a proxyholder is an additional step once the Proxy or voting instruction form have been submitted. Failure to register the proxyholder will result in the proxyholder not receiving a username to participate in the Meeting.** To register a proxyholder, shareholders MUST send an email no later than 11:00 a.m. (Toronto time) on December 21, 2020 to halolabs@odysseytrust.com and provide Odyssey with their proxyholder's contact information, amount of shares appointed, name in which the shares are registered if they are a registered shareholder, or name of broker where the shares are held if a beneficial shareholder, so that Odyssey may provide the proxyholder with a Username via email.

A Proxy can be submitted to Odyssey either in person, or by mail or courier, to Odyssey Transfer Inc., Victoria Tower, Suite 702 - 67 Yonge St., Toronto ON M5E 1J8. The Proxy must be deposited with Odyssey by no later than 11:00 a.m. (Toronto time) on December 21, 2020 or, if the Meeting is adjourned or postponed, at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) before the beginning of any adjournment(s) or postponement(s) to the Meeting. If a Shareholder who has submitted a Proxy attends the Meeting and has accepted the terms and conditions when entering the Meeting, any votes cast by such Shareholder on a ballot will be counted and the submitted Proxy will be disregarded.

Without a control number, proxyholders will not be able to vote at the Meeting.

Revocation of Proxy

A Registered Shareholder who has given a proxy pursuant to this solicitation may revoke it at any time up to and including the last business day preceding the day of the Meeting or any adjournment(s) or postponement(s) thereof at which the proxy is to be used:

- (a) by an instrument in writing executed by the Shareholder or by his, her or its attorney authorized in writing and either delivered to the attention of the Corporate Secretary of the Corporation c/o Odyssey Transfer Inc., Victoria Tower, Suite 702 - 67 Yonge St., Toronto ON M5E 1J8;
- (b) by delivering written notice of such revocation to the chair of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof;
- (c) by attending the Meeting and voting the Common Shares; or
- (d) in any other manner permitted by law.

Non-registered Shareholders who wish to change their vote must contact their Intermediary to discuss their options well in advance of the Meeting.

Voting of Proxies and Discretion Thereof

Common Shares represented by properly executed proxies in favour of persons designated in the printed portion of the enclosed Proxy **WILL, UNLESS OTHERWISE INDICATED, BE VOTED FOR THE SHARE CONSOLIDATION RESOLUTION AND THE NAME CHANGE RESOLUTION**. The Common Shares represented by the Proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. The enclosed Proxy confers discretionary authority on the persons named therein with respect to amendments or variations to matters identified in the Notice or other matters which may properly come before the Meeting. At the date of this Information Circular, management knows of no such amendments, variations or other matters to come before the Meeting. However, if other matters properly come before the Meeting, it is the intention of the persons named in the enclosed Proxy to vote such proxy according to their best judgment.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The voting securities of the Corporation consist of an unlimited number of common shares (the "**Common Shares**") and convertible class B restricted voting shares (the "**Restricted Voting Shares**"). As of the Record Date, the Corporation had issued and outstanding 984,942,984 Common Shares and Nil Restricted Voting Shares.

The Restricted Voting Shares are "restricted securities" within the meaning of such term under applicable Canadian securities laws. As of the Record Date, the Restricted Voting Shares represent 0.00% of voting rights attached to outstanding securities of the Corporation and the Common Shares represent 100% of voting rights attached to outstanding securities of the Corporation. The rights and restrictions attached to each class of outstanding securities of the Corporation are as follows:

Common Shares

Holders of the Common Shares are entitled to notice of and to attend at any meeting of the Shareholders of the Corporation, except a meeting of which only holders of another particular class or series of shares of the Corporation have the right to vote. At each such meeting holders of the Common Shares are entitled to one vote in respect of each Common Share held. Holders of Common Shares are entitled to receive, as and when declared by the directors of the Corporation, dividends in cash or property of the Corporation. In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or in the event of any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of Common Shares are, subject to the prior rights of the holders of any shares of the Corporation ranking in priority to the Common Shares, entitled to participate rateably along with all other holders of Common Shares.

Restricted Voting Shares

The holders of Restricted Voting Shares are entitled to receive notice of and to attend and vote at all meetings of the Shareholders of the Corporation and each holder of Restricted Voting Shares has the right to one vote for each Restricted Voting Share in person or by proxy at all meetings of the Shareholders of the Corporation, except for the purpose of electing directors of the Corporation, in which case the holders of the Restricted Voting Shares are not entitled to vote.

The holders of the Restricted Voting Shares are entitled to receive such dividends as may be granted to holders of the Common Shares in any financial year as the board of directors of the Corporation (the "**Board**") may by resolution determine. All dividends which the Board may declare on the Common Shares and the Restricted Voting Shares shall be declared and paid in equal amounts per share on all Common Shares and Restricted Voting Shares at the time outstanding.

In the event of a liquidation event, the holders of the Restricted Voting Shares are entitled to participate rateably in equal amounts per share as the holders of the Common Shares, without preference or distinction, in the remaining property and assets of the Corporation.

Subject to certain exceptions set out in the articles of the Corporation, in the event an offer is made to all or substantially all of the holders of Common Shares to purchase Common Shares, the holder of each Restricted Voting Share may require the Corporation to redeem their Restricted Voting Shares at the applicable redemption price, which shall be the price at which the offer is made to the holders of the Common Shares.

In addition, subject to certain restrictions, each of the Restricted Voting Shares is convertible into one Common Share, without the payment of any additional consideration, at the option of the holder of the Restricted Voting Shares at any time after the three year anniversary of the date of issuance of such Restricted Voting Share, or in certain other circumstances, including the Corporation determining that it has ceased to be a Foreign Private Issuer.

Record Date & Principal Shareholders

The close of business on November 23, 2020 has been fixed as the record date (the "**Record Date**") for the determination of Shareholders entitled to receive notice of the Meeting and any adjournment(s) thereof. Accordingly, only Shareholders of record on the Record Date are entitled to vote at the Meeting or any adjournment(s) thereof.

The registered holders of Common Shares and Restricted Voting Shares are shown on the list of Shareholders which is available for inspection during usual business hours at Odyssey Trust Company, Victoria Tower, Suite 702 - 67 Yonge St., Toronto ON M5E 1J8 and at the Meeting. The list of Shareholders will be prepared not later than ten days after the Record Date. If a person has acquired ownership of shares since that date, he, she or it may establish such ownership and demand, not later than ten days before the Meeting, that his, her or its name be included in the list of Shareholders.

To the knowledge of the directors and officers of the Corporation, as of the Record Date, no person beneficially owns or exercises control over, directly or indirectly, more than 10% of the outstanding voting securities of the Corporation.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. *Approval of Share Consolidation*

At the Meeting, Shareholders will be asked to consider and, if thought advisable, pass a special resolution (the "**Share Consolidation Resolution**") authorizing the Board to elect, in its discretion, to direct the Corporation to file one or more articles of amendment (collectively, the "**Articles of Amendment**") to amend the Corporation's articles in order to effect one or more consolidations (or reverse splits) of the Corporation's

issued Common Shares into a lesser number of issued Common Shares (each, a "**consolidation**" and, collectively, the "**Share Consolidation**"). The Share Consolidation Resolution will authorize the Board to:

- select one or more Share Consolidation ratios of between 10 pre-consolidation Common Shares for one (1) post-consolidation Common Share and 200 pre-consolidation Common Shares for one (1) post-consolidation Common Share, provided that, (A) the cumulative effect of the Share Consolidation shall not result in a consolidation ratio that exceeds 200 pre-Share Consolidation Common Shares for one (1) post-Share Consolidation Common Share, and (B) such Share Consolidation occurs prior to the earlier of the 10 month anniversary of the Meeting and the next annual meeting of Shareholders; and
- file the Articles of Amendment to give effect to the Share Consolidation at the selected consolidation ratio(s).

Background to and Reasons for the Share Consolidation

The Board believes that it is in the best interests of the Corporation to provide the Board with the flexibility to elect to reduce the number of outstanding Common Shares by way of the Share Consolidation. Some of the potential benefits of the Share Consolidation include:

- ***Potential U.S. Listing.*** Subject to changes to U.S. federal laws with respect to cannabis, the Corporation may consider the possibility of a future listing on a U.S. stock exchange. The higher anticipated price of the post-consolidation Common Shares may help make the Corporation eligible for such a listing.
- ***Increased Investor Interest.*** The current share structure of the Corporation may make it more difficult for the Corporation to attract additional equity financing that may be required or desirable to maintain the Corporation or to further develop its products. The Share Consolidation may have the effect of raising, on a proportionate basis, the price of the Common Shares, which could appeal to certain investors that find shares valued above certain prices to be more attractive from an investment perspective.
- ***Reduced Volatility.*** The higher anticipated price of the post-consolidation Common Shares may result in less volatility as a result of small changes in the share price of the Common Shares. For example, a nominal price movement will result in a less significant change (in percentage terms) in the market capitalization of the Corporation.

The Corporation believes that providing the Board with the authority to select within a range of Share Consolidation ratios and to effect the Share Consolidation in one or more consolidations provides the flexibility to implement the Share Consolidation in a manner intended to maximize the anticipated benefits of the Share Consolidation for the Corporation and the Shareholders.

The Share Consolidation is subject to certain conditions, including the approval of the Shareholders and acceptance by the Neo Exchange Inc. (the "**NEO**"). If the requisite approvals are obtained and the Board elects to proceed with the Share Consolidation, the Share Consolidation will take place at a time to be determined by the Board through one or more consolidations, subject to the *Business Corporations Act* (Ontario) (the "**OBCA**"). No further action on the part of Shareholders would be required in order for the Board to implement the Share Consolidation. Shareholders will be notified and registered shareholders will receive a letter of transmittal containing instructions for exchange of their share certificates in connection

with each consolidation. The special resolution also authorizes the Board to elect not to proceed with, and abandon, the Share Consolidation at any time if it determines, in its sole discretion, to do so.

Following a vote by the Board to implement the Share Consolidation, the Corporation will file articles of amendment with the director under the OBCA to amend the Corporation's articles. A particular consolidation will become effective on the date shown in the certificate of amendment issued by the director under the OBCA in connection with such consolidation or such other date indicated in the articles of amendment.

Share Consolidation Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve the Share Consolidation Resolution authorizing the Board to elect, in its discretion, to file the Articles of Amendment giving effect to the Share Consolidation. The Share Consolidation Resolution is a special resolution and, as such, requires approval by not less than two-thirds (66^{2/3}%) of the votes cast by the Shareholders present virtually, or represented by proxy, at the Meeting. The full text of the Share Consolidation Resolution is as follows:

"BE IT RESOLVED, as a special resolution of the shareholders of Halo Labs Inc. (the "**Corporation**"), that:

1. the Articles of the Corporation be amended to change the number of issued and outstanding common shares of the Corporation by consolidating the issued and outstanding common shares of the Corporation on the basis of a ratio to be selected by the board of directors of the Corporation (the "**Board**"), in its sole discretion, within a range between 10 pre-consolidation common shares of the Corporation for one (1) post-consolidation common share of the Corporation and 200 pre-consolidation common shares of the Corporation for one (1) post-consolidation common share of the Corporation (the "**Share Consolidation**"), with such Share Consolidation to be effected through one or more consolidations, in the sole discretion of the Board, provided, (A) that the cumulative effect of the one or more consolidations shall not result in a consolidation ratio that exceeds 200 pre-Share Consolidation common shares of the Corporation for one (1) post-Share Consolidation common share of the Corporation, and (B) such Share Consolidation occur prior to the earlier of the 10 month anniversary of the date of this resolution and the next annual meeting of shareholders of the Corporation, with such amendment(s) to become effective at a date or dates in the future to be determined by the Board of the Corporation in its sole discretion if and when the Board considers it to be in the best interests of the Corporation to implement such a Share Consolidation, all as more fully described in the management information circular of the Corporation dated November 25, 2020 (the "**Circular**"), and subject to all necessary stock exchange approvals;
2. the amendment(s) to the Articles of the Corporation giving effect to the Share Consolidation will provide that no fractional common share will be issued but the number of common shares to be received by a Shareholder shall be rounded down to the nearest whole common share in the event that such Shareholder would otherwise be entitled to a receive fractional common share;
3. any director or officer of the Corporation be, and each of them is, hereby authorized and directed for and in the name of and on behalf of the Corporation to execute and deliver or cause to be executed and delivered one or more articles of amendment of the Corporation to the director under the *Business Corporations Act* (Ontario) and to execute and deliver or cause to be executed and delivered all documents and to take any action which, in the opinion of that person, is necessary or desirable to give effect to this special resolution;

4. notwithstanding that this special resolution has been duly passed by the holders of the common shares of the Corporation, the Board may, in its sole discretion (including in the circumstances described in the Circular), revoke this special resolution in whole or in part at any time prior to its being given effect without further notice to, or approval of, the holders of the common shares of the Corporation; and
5. any one director or officer of the Corporation be, and each of them is, hereby authorized and directed for and in the name of and on behalf of the Corporation, to execute or cause to be executed, whether under corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in order to carry out the terms of this resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing."

To be effective, the Share Consolidation Resolution must be approved by special resolution, being the affirmative vote of at least two-thirds (66^{2/3}%) of the votes cast with respect to the Share Consolidation Resolution by Shareholders present in person or represented by proxy at the Meeting.

The Board unanimously recommends a vote for the Share Consolidation Resolution. **In the absence of instructions to the contrary, the Common Shares represented by proxies in favour of Management Designees will be voted FOR the Share Consolidation Resolution.**

Effects of the Share Consolidation

General

If the Share Consolidation is implemented, its principal effect will be to proportionately decrease the number of issued and outstanding Common Shares by a factor equal to the consolidation ratio selected by the Board. At the close of business on the Record Date, there were 984,942,984 Common Shares issued and outstanding. For illustrative purposes only, the following table sets forth, based on the number of Common Shares issued and outstanding as of the Record Date, the number of Common Shares that would be issued and outstanding (disregarding any resulting fractional Common Shares and subject to any issuances occurring after the Record Date) following the implementation of the Share Consolidation, at various consolidation ratios:

Share Consolidation Ratio	Common Shares Outstanding
10 pre-consolidation Common Shares for one (1) post-consolidation Common Share	98,494,298
50 pre-consolidation Common Shares for one (1) post-consolidation Common Share	19,698,859
100 pre-consolidation Common Shares for one (1) post-consolidation Common Share	9,849,429
150 pre-consolidation Common Shares for one (1) post-consolidation Common Share	6,566,286
200 pre-consolidation Common Shares for one (1) post-consolidation Common Share	4,924,714

The Corporation does not expect the Share Consolidation itself to have any economic effect on holders of Common Shares or securities convertible into or exercisable to acquire Common Shares, except to the extent the Share Consolidation will result in fractional Common Shares. See "*No Fractional Shares*" below.

The Share Consolidation may be completed via one or more consolidations, through the filing of Articles of Amendment, provided that that the cumulative effect of the one or more consolidations shall not result in a

consolidation ratio that exceeds 200 pre-Share Consolidation Common Shares for one (1) post-Share Consolidation Common Share. For example, if the Board elected to effect the Share Consolidation via two separate consolidations and the first consolidation was completed on the basis of 10 pre-consolidation Common Shares for one (1) post-consolidation Common Share, the maximum consolidation ratio the Board would be authorized to select for the second consolidation would be 20 pre-consolidation Common Shares per one (1) post-consolidation Common Share.

The Share Consolidation will not affect the listing of the Common Shares on the NEO. Following the Share Consolidation, it is expected that the Common Shares will continue to be listed on the NEO under the symbol "HALO". Following each consolidation the Common Shares will be assigned new CUSIP and ISIN numbers.

Voting rights and other rights of the holders of Common Shares prior to the implementation of the Share Consolidation will not be affected by the Share Consolidation, other than as a result of the creation and disposition of fractional Common Shares as described below. For example, a holder of 2% of the voting power attached to the outstanding Common Shares immediately prior to the implementation of any consolidation will generally continue to hold 2% of the voting power attached to the Common Shares immediately after the implementation of such consolidation. The number of registered Shareholders is not expected to be affected by any consolidation (except to the extent resulting from the elimination of post-consolidation fractional shares). For example, if the selected consolidation ratio for a particular consolidation is 100 pre-consolidation Common Shares per one (1) post-consolidation Common Share a Shareholder that holds less than 100 pre-consolidation Common Shares may cease to hold any Common Shares following such consolidation.

The exercise or conversion price and the number of Common Shares issuable under any outstanding convertible securities of the Corporation, including outstanding stock options, will be adjusted in accordance with their respective terms on the same basis as any consolidation.

Effect on Beneficial Shareholders

Beneficial Shareholders (i.e. non-registered Shareholders) holding Common Shares through an intermediary (a securities broker, dealer, bank or financial institution) should be aware that the intermediary may have different procedures for processing a consolidation than those that will be put in place by the Corporation for registered Shareholders. If Shareholders hold their Common Shares through an intermediary and they have questions in this regard, they are encouraged to contact their intermediaries.

Effect of the Share Consolidation on Convertible Securities

The exercise or conversion price and/or the number of Common Shares issuable under any of the Corporation's outstanding convertible securities, including under outstanding stock options, warrants, rights and any other similar securities will be proportionately adjusted upon the implementation of any consolidation, in accordance with the terms of such securities, based on the Share Consolidation ratio.

Effect on Share Certificates

If the Share Consolidation is approved by Shareholders and subsequently implemented through one or more consolidations, in connection with each consolidation, those registered Shareholders who will hold at least one post-consolidation Common Share will be required to exchange their share certificates representing pre-consolidation Common Shares for share certificates representing post-consolidation

Common Shares following each consolidation or, alternatively, a Direct Registration System ("**DRS**") Advice/Statement representing the number of post-consolidation Common Shares they hold following each consolidation. The DRS is an electronic registration system which allows Shareholders to hold Common Shares in their name in book-based form, as evidenced by a DRS Advice/Statement, rather than a physical share certificate.

If the Share Consolidation is implemented through one or more consolidations, the Corporation (or its transfer agent) will mail to each registered Shareholder a letter of transmittal in connection with each consolidation. Each registered Shareholder must complete and sign a letter of transmittal after the applicable consolidation takes effect. The letter of transmittal will contain instructions on how to surrender to the transfer agent the certificate(s) representing the registered Shareholder's pre-consolidation Common Shares. The transfer agent will send to each registered Shareholder who follows the instructions provided in the letter of transmittal a share certificate representing the number of post-consolidation Common Shares to which the registered Shareholder is entitled rounded down to the nearest whole number or, alternatively, a DRS Advice/Statement representing the number of post-consolidation Common Shares the registered Shareholder holds following the applicable consolidation. Beneficial Shareholders (i.e. non-registered Shareholders) who hold their Common Shares through intermediaries (securities brokers, dealers, banks, financial institutions, etc.) and who have questions regarding how the Share Consolidation will be processed should contact their intermediaries with respect to the Share Consolidation. See "*Effect on Beneficial Shareholders*" above.

Until surrendered to the transfer agent, each share certificate representing pre-consolidation Common Shares will be deemed for all purposes to represent the number of post-consolidation Common Shares to which the registered Shareholder is entitled as a result of the applicable consolidation. Until registered Shareholders have returned their properly completed and duly executed letter of transmittal and surrendered their share certificate(s) for exchange, registered Shareholders will not be entitled to receive any distributions, if any, that may be declared and payable to holders of record following the applicable consolidation.

Any registered Shareholder whose old certificate(s) have been lost, destroyed or stolen will be entitled to a replacement share certificate only after complying with the requirements that the Corporation and the transfer agent customarily apply in connection with lost, stolen or destroyed certificates.

The method chosen for delivery of share certificates and letters of transmittal to the Corporation's transfer agent is the responsibility of the registered Shareholder and neither the transfer agent nor the Corporation will have any liability in respect of share certificates and/or letters of transmittal which are not actually received by the transfer agent.

REGISTERED SHAREHOLDERS SHOULD NEITHER DESTROY NOR SUBMIT ANY SHARE CERTIFICATE UNTIL HAVING RECEIVED A LETTER OF TRANSMITTAL.

No Fractional Shares

No fractional Common Shares will be issued in connection with any consolidation and no cash will be paid in lieu of fractional post-consolidation Common Shares. In the event that a Shareholder would otherwise be entitled to receive a fractional Common Share upon the occurrence of a consolidation, such fraction will be rounded down to the nearest whole number.

No Dissent Rights

Shareholders are not entitled to exercise any statutory dissent rights with respect to any proposed consolidation.

Accounting Consequences

If the Share Consolidation is implemented through one or more consolidations, net income or loss per Common Share, and other per Common Share amounts, will be increased because there will be fewer Common Shares issued and outstanding. In future financial statements, net income or loss per Common Share and other per Common Share amounts for periods ending before the applicable consolidation took effect would be recast to give retroactive effect to such consolidations.

NEO Approval

Assuming shareholder approval is received at the Meeting, and assuming that the Board determines to proceed with the Share Consolidation, the Share Consolidation will be subject to acceptance by NEO, and confirmation that, on a post-Share Consolidation basis, the Corporation would meet all of NEO's applicable continuous listing requirements. If the NEO does not accept the Share Consolidation, the Corporation will not proceed with the Share Consolidation.

Risks Associated with the Share Consolidation

Reducing the number of issued and outstanding Common Shares through the Share Consolidation is intended, absent other factors, to increase the per share market price of the Common Shares. However, the market price of the Common Shares will also be affected by the Corporation's financial and operational results, its financial position, including its liquidity and capital resources, the development of its operations, industry conditions, the market's perception of the Corporation's business and other factors, which are unrelated to the number of Common Shares outstanding.

The market price of the Common Shares immediately following the implementation of any consolidation is expected to be approximately equal to the market price of the Common Shares prior to the implementation of such consolidation multiplied by the applicable consolidation ratio but there is no assurance that the anticipated market price immediately following the implementation of any consolidation will be realized or, if realized, will be sustained or will increase. There is a risk that the total market capitalization of the Common Shares (the market price of the Common Shares multiplied by the number of Common Shares outstanding) after the implementation of any consolidation may be lower than the total market capitalization of the Common Shares prior to the implementation of any consolidation.

Although the Corporation believes that establishing a higher market price for the Common Shares could increase investment interest for the Common Shares in equity capital markets by potentially broadening the pool of investors that may consider investing in the Corporation, including investors whose internal investment policies prohibit or discourage them from purchasing stocks trading below a certain minimum price, there is no assurance that implementing the Share Consolidation will achieve this result.

If the Share Consolidation is implemented through one or more consolidations and the market price of the Common Shares (adjusted to reflect the applicable consolidation ratio) declines, the percentage decline as an absolute number and as a percentage of the Corporation's overall market capitalization may be greater than would have occurred if any such consolidation had not been implemented. Both the total market

capitalization of a company and the adjusted market price of such company's shares following a consolidation may be lower than they were before the consolidation took effect. The reduced number of Common Shares that would be outstanding after any consolidation is implemented could adversely affect the liquidity of the Common Shares.

Any consolidation may result in some Shareholders owning "odd lots" of fewer than 100 Common Shares on a post-consolidation basis. Odd lot Common Shares may be more difficult to sell, or may attract greater transaction costs per Common Share to sell, and brokerage commissions and other costs of transactions in odd lots may be higher than the costs of transactions in "round lots" of even multiples of 100 Common Shares.

Tax Considerations

SHAREHOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES OF THE SHARE CONSOLIDATION TO THEM, INCLUDING THE EFFECTS OF ANY CANADIAN OR U.S. FEDERAL, PROVINCIAL, STATE, LOCAL, FOREIGN AND/OR OTHER TAX LAWS.

2. Approval of Name Change

At the Meeting, Shareholders will be asked to consider and, if thought advisable, pass a special resolution (the "**Name Change Resolution**") authorizing the Board to elect, in its discretion, to direct the Corporation to file articles of amendment to change the name of the Corporation from "Halo Labs Inc." to "Halo Collective Inc.", or to such other name as the Board deems appropriate and as may be approved by applicable regulatory authorities (the "**Name Change**").

Although Shareholder approval of the Name Change Resolution is being sought at the Meeting, such name change would only become effective at a date in the future to be determined by the Board when it considers it to be in the best interests of the Corporation to implement such a change of name. The proposed change of name is also subject to certain regulatory approvals, including the acceptance by NEO and the approval of the director under the OBCA. The Board may, in its sole discretion, determine not to implement the Name Change Resolution at any time after the Meeting and after receipt of necessary regulatory approvals, but prior to the issuance of a certificate of amendment, without further notice to or action on the part of the Shareholders. Subject to the exercise of such discretion by the Board, the Corporation will file articles of amendment in the prescribed form with the director under the OBCA. The change of name will become effective on the date shown on the certificate of amendment issued by the director under the OBCA.

The Common Shares currently trade under the symbol "HALO" on the NEO. Upon the approval of the Name Change Resolution, it is expected that the Common Shares will thereafter continue to trade under the symbol "HALO" on the NEO (subject to receipt of all necessary approvals from the NEO).

A change of the Corporation's name will not by itself affect in any way the validity of currently outstanding Common Shares of the Corporation or the trading of the Corporation's securities. Shareholders will not be required to surrender or exchange any certificates representing securities of the Corporation that they currently hold. If the Name Change Resolution is approved by Shareholders as set out below, and the Board determines to proceed with the Name Change, the Corporation will, as soon as practicable thereafter, file an amendment to its articles with the Ontario Ministry of Government Services to give effect to the Name Change.

No Dissent Rights

Under the OBCA, the Shareholders of the Corporation do not have dissent and appraisal rights with respect to the Name Change Resolution.

Name Change Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve the Name Change Resolution authorizing the Board to elect, in its discretion, to file articles of amendment giving effect to the Name Change. The Name Change Resolution is a special resolution and, as such, requires approval by not less than two-thirds (66^{2/3}%) of the votes cast by the Shareholders present virtually, or represented by proxy, at the Meeting. The full text of the Name Change Resolution is as follows:

"**BE IT RESOLVED**, as a special resolution of the shareholders of Halo Labs Inc. (the "**Corporation**"), that:

1. the Corporation is hereby authorized to file articles of amendment to change its name from "Halo Labs Inc." to "Halo Collective Inc.", or such other name that the board of directors of the Corporation (the "**Board**") deems appropriate and as may be approved by applicable regulatory authorities (the "**Name Change**"), such amendment to become effective at a date in the future to be determined by the Board in its sole discretion if and when the Board considers it to be in the best interests of the Corporation to implement such a Name Change, all as more fully described in the management information circular of the Corporation dated November 25, 2020 (the "**Circular**"), and subject to all necessary stock exchange approvals;
2. any director or officer of the Corporation be, and each of them is, hereby authorized and directed for and in the name of and on behalf of the Corporation to execute and deliver or cause to be executed and delivered articles of amendment of the Corporation to the director under the *Business Corporations Act* (Ontario) and to execute and deliver or cause to be executed and delivered all documents and to take any action which, in the opinion of that person, is necessary or desirable to give effect to this special resolution;
3. notwithstanding that this special resolution has been duly passed by the holders of the common shares of the Corporation, the Board may, in its sole discretion (including in the circumstances described in the Circular), revoke this special resolution in whole or in part at any time prior to its being given effect without further notice to, or approval of, the holders of the common shares of the Corporation; and
4. any one director or officer of the Corporation be, and each of them is, hereby authorized and directed for and in the name of and on behalf of the Corporation, to execute or cause to be executed, whether under corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in order to carry out the terms of this resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing."

To be effective, the Name Change Resolution must be approved by special resolution, being the affirmative vote of at least two-thirds (66^{2/3}%) of the votes cast with respect to the Name Change Resolution by Shareholders present in person or represented by proxy at the Meeting.

The Board unanimously recommends a vote for the Name Change Resolution. **In the absence of instructions to the contrary, the Common Shares represented by proxies in favour of Management Designees will be voted FOR the Name Change Resolution.**

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

Other than as set forth herein, management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, or of any associate or affiliate of any such persons, in any matter to be acted upon at the Meeting. Certain directors and officers of the Corporation, and their affiliates, own or control, directly or indirectly, Common Shares.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as described herein, to the knowledge of the Corporation, no "informed person," proposed director, or any associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since January 1, 2019 or in any proposed transaction that has materially affected or would materially affect the Corporation or any of its subsidiaries. An "informed person" means, among others, (i) a director or executive officer of the Corporation or of a subsidiary of the Corporation, (ii) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Corporation or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation other than voting securities held by the person or company as underwriter in the course of a distribution, and (iii) a reporting issuer that has purchased, redeemed, or otherwise acquired any of its securities, for so long as it holds any of its securities.

On August 19, 2020, the Corporation announced that it had acquired all of the issued and outstanding shares in the capital of Ukiah Ventures Inc. ("**Ukiah**") that it did not already own for aggregate consideration of 71,881,607 Common Shares (the "**Ukiah Transaction**"), as further described and pursuant to a share exchange agreement, dated August 5, 2020, among the Corporation, Ukiah, the shareholders of Ukiah, the holder of the outstanding warrants of Ukiah and Origins-Cali, Inc. Philip van den Berg, Chief Financial Officer of the Corporation, and Andrew Turman, a director of the Corporation, were shareholders of Ukiah and received 581,395 Common Shares and 287,791 Common Shares pursuant to the Ukiah Transaction, respectively. Further information about the Ukiah Transaction can be found in the Corporation's press release dated August 19, 2020, the Corporation's material change report dated August 19, 2020 and the Corporation's final short form base shelf prospectus dated September 2, 2020, copies of which have been filed under the Corporation's profile on SEDAR at www.sedar.com and which will be provided free of charge to a securityholder of the Corporation upon request.

On July 17, 2020, the Corporation announced that it had acquired all of the issued and outstanding shares of Bophelo-Bioscience and Wellness (Pty) Ltd. ("**Bophelo**"). Following the acquisition, the Corporation owns 45% of the issued and outstanding shares of Bophelo directly and 100% of the issued and outstanding shares of Middleton Gardens Ltd. (which owns the remaining 55% of the issued and outstanding shares of Bophelo) (the "**Bophelo Transaction**"). As consideration for all of the issued and outstanding shares of Bophelo, the Corporation issued an aggregate of 43,712,667 Common Shares. Concurrently and in connection with the announcement of the acquisition of Bophelo, the Corporation announced that it had entered into an agreement pursuant to which it acquired certain debt obligations of Middleton Gardens Ltd. Pursuant to the terms of the debt purchase agreement, the Corporation acquired such debt in exchange for the issuance of 28,586,807 Common Shares. Louisa Mojela, who would now be considered an informed

person of the Corporation, had a material interest in the Bophelo Acquisition due to her position as a shareholder of Boiketlo Biomed (Pty) Ltd. (which was a shareholder of Bophelo). In connection with the Bophelo Transaction, Ms. Mojela received an aggregate of 15,038,864 Common Shares, which are held indirectly through Boiketlo Biomed (Pty) Ltd. Further information about the Bophelo Acquisition can be found in the Corporation's press release dated July 17, 2020 and the Corporation's final short form base shelf prospectus dated September 2, 2020, copies of which have been filed under the Corporation's profile on SEDAR at www.sedar.com and which will be provided free of charge to a securityholder of the Corporation upon request.

On April 4, 2019, the Corporation announced the closing of a "best efforts" offering (the "**Offering**") of convertible debenture units (each, a "**Debenture Unit**") of the Corporation at a price of \$1,000 per Debenture Unit for gross proceeds of \$18,143,000. In connection with the Offering, the Corporation issued (i) 18,143 Debenture Units at a price of \$1,000 per Debenture Unit, and (ii) 3,020 Debenture Units to certain debtholders to satisfy and extinguish an aggregate of US\$2,220,000 of debt and interest accrued thereon. Philip van den Berg, Chief Financial Officer of the Corporation, exchanged \$136,000 of indebtedness for 136 Debenture Units pursuant to a debt settlement agreement. G. Scott Paterson, a former director of the Corporation, exchanged \$135,000 of indebtedness for 135 Debenture Units pursuant to a debt settlement agreement and subscribed for an additional 240 Debenture Units having an aggregate subscription price of \$240,000. Further information about the Offering can be found in the Corporation's press release dated April 4, 2019, the Corporation's material change report dated April 18, 2019 and the Corporation's annual information form dated April 16, 2020, copies of which have been filed under the Corporation's profile on SEDAR at www.sedar.com and which will be provided free of charge to a securityholder of the Corporation upon request.

AUDITORS

The auditors of the Corporation are Davidson & Company LLP. Davidson & Company LLP has been the Corporation's auditors since February 6, 2019.

OTHER BUSINESS

Management is not aware of any matters to come before the Meeting other than those set forth in this Information Circular. If any other matter properly comes before the Meeting, the persons named in the Proxy will vote the shares represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

Financial information is provided in the Corporation's audited consolidated financial statements for the fiscal year ended December 31, 2019 and the related management's discussion and analysis (the "**MD&A**"). Shareholders who wish to obtain a copy of the financial statements and MD&A of the Corporation should email a request to the Corporation at info@halocanna.com, Attention: Financial Reporting. Additional information relating to the Corporation is also available free of charge on SEDAR at www.sedar.com.

