CE BRANDS INC.

STOCK OPTION PLAN

1.0 Purposes

1.1 The purposes of this Plan are to attract and retain Directors, Employees, and Consultants, and align the interests of the Directors, Employees, and Consultants with the interests of the Shareholders.

2.0 Definitions

2.1 In this Plan, the following definitions apply:

"**Blackout Period**" means, with respect to any Optionee, the period of time when, pursuant to any policies of the Issuer, securities of the Issuer may not be traded by such Optionee, including any period when such Optionee has material undisclosed information, but excluding any period during which a security commission or similar regulatory authority has halted trading in the securities of the Issuer.

"**Board**" means the board of directors of the Issuer.

"**Business Day**" means any day that is not a Saturday, a Sunday, or a general holiday under the *Employment Standards Code* (Alberta).

"**Common Shares**" means the common shares in the capital stock of the Issuer.

"**Consultant**" means, in relation to the Issuer, an individual (other than a Director or Employee of the Issuer) or a Company that:

(a) is engaged to provide on an ongoing *bona fide* basis, consulting, management, technical, or other services to the Issuer or any of its Subsidiaries, other than services provided in relation to a Distribution;

(b) provides the services under a written contract between the Issuer or any of its Subsidiaries and the individual or the Company, as the case may be;

(c) in the reasonable opinion of the Issuer, spends or will spend a significant amount of time and attention on the affairs and business of the Issuer or any of its Subsidiaries; and

(d) has a relationship with the Issuer or any of its Subsidiaries that enables the individual or the Company to be knowledgeable about the business and affairs of the Issuer.

"**Director**" means a director of the Issuer or any of its Subsidiaries and any Company, all of whose securities are owned by such director.

"**Discounted Market Price**" means the Market Price less the following maximum discounts based on closing price (and subject, notwithstanding the application of any such maximum discount, to a minimum price per Common Share of $0.05):

Closing Price	Discount
Up to $0.50	25%
$0.51 to $2.00	20%
Above $2.00	10%

"**Distribution**" has the meaning ascribed to the term "distribution" in the *Securities Act* (Alberta), and generally refers to the sale of securities from the treasury of the Issuer.

"**Employee**" means:

(a) an individual who is considered an employee of the Issuer or any of its Subsidiaries under the *Income Tax Act* (Canada) (and for whom income tax, employment insurance and Canadian Pension Plan deductions must be made at source), and any Company, all of whose securities are owned by such individual;

(b) an individual who works full-time for the Issuer or any of its Subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Issuer over the details and methods of work as an employee of the Issuer, but for whom income tax deductions are not made at source, and any Company, all of whose securities are owned by such individual; or

(c) an individual who works for the Issuer or any of its Subsidiaries on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an employee and who is subject to the same control and direction by the Issuer over the details and methods of work as an employee of the Issuer, but for whom income tax deductions are not made at source, and any Company, all of whose securities are owned by such individual.

"**Exchange**" means TSX Venture Exchange Inc.

"**Exchange Hold Period**" has the meaning ascribed to that term in Exchange Policy 1.1 *Interpretation*.

"**Insider**" means:

(a) a Director or a senior officer of the Issuer;

(b) a director or senior officer of a Company that is an Insider or Subsidiary of the Issuer;

(c) an individual or a Company that beneficially owns or controls, directly or indirectly,

Common Shares carrying more than 10% of the voting rights attached to all of the outstanding Common Shares; or

(d) the Issuer itself if it holds any of its own securities.

"**Investor Relations Activities**" means has the meaning ascribed to that term in Exchange Policy 1.1 *Interpretation*.

"**IPO**" means the initial public offering of the Common Shares pursuant to its first prospectus.

"**Issuer**" means CE Brands Inc.

"**Market Price**" means the last closing price of the Common Shares before either the issuance of the news release or the filing of the price reservation form in the form of TSXV Form 4A required to fix the price at which the Common Shares are to be issued or deemed to be issued, except under the circumstances, where applicable, specified by the Exchange in Exchange Policy 1.1 *Interpretation*.

"**Option**" means an option to purchase Common Shares under this Plan.

"**Optionee**" means an individual or a Company to whom an Option is granted pursuant to this Plan.

"**Plan**" means this stock option plan dated August 14, 2018.

"**Qualifying Transaction**" has the meaning ascribed to that term in Exchange Policy 2.4 *Capital Pool Companies*.

"**Shareholder**" means a holder of Common Shares.

"**Shareholder Approval**" means a resolution passed by a majority of the votes cast by the Shareholders who voted in respect of that resolution at a meeting of the Shareholders unless the resolution is in respect of an amendment to this Plan described in section 3.10(a) of Exchange Policy 4.4 *Incentive Stock Options*, in which case the term means a resolution passed by a majority of the votes cast by the disinterested Shareholders who voted in respect of that resolution at a meeting of the Shareholders.

2.2 A Company is a "**Subsidiary**" of the Issuer if the voting securities of that Company:

(a) are held, other than by way of security only, by or for the benefit of the Issuer; and

(b) if voted, entitle the Issuer to elect a majority of the directors of that Company.

3.0 Administration

3.1 The Board shall administer this Plan and fix the terms of each Option.

3.2 The terms of each Option must comply with the requirements of the following:

(a) this Plan;

(b) Canadian Securities Legislation;

(c) if the Common Shares are listed on the Exchange, but the Issuer has not yet completed a Qualifying Transaction, then Exchange Policy 2.4 *Capital Pool Companies* and Exchange Policy 4.4 *Incentive Stock Options*; and

(d) if the Common Shares are listed on the Exchange, and the Issuer has completed a Qualifying Transaction, then Exchange Policy 4.4 *Incentive Stock Options*.

4.0 Eligibility

4.1 The Optionee must be a Director, Employee, or Consultant at the time an Option is granted, in order to be eligible to receive the Option.

5.0 Common Shares Subject to Plan

5.1 The total number of Common Shares that the Issuer reserves pursuant to the exercise of Options must not exceed 10% of the outstanding Common Shares, calculated on the date that any Option is granted to an Optionee.

6.0 Participation Limits

6.1 The number of Common Shares reserved under option for issuance to any Optionee must not exceed 5% of the Common Shares outstanding, calculated on the date any Option is granted to the Optionee.

6.2 The total number of Options that the Issuer grants to any one Optionee, other than an Optionee that is a Consultant, in a 12-month period must not exceed 5% of the outstanding Common Shares, calculated on the date any Option is granted to the Optionee, calculated on the date any Option is granted to the Optionee.

6.3 The total number of Options that the Issuer grants to any one Optionee that is a Consultant in a 12-month period must not exceed 2% of the outstanding Common Shares, calculated on the date any Option is granted to the Optionee.

7.0 Exercise Price

7.1 If the Common Shares are not listed on the Exchange, then the minimum exercise price of each Option must not be less than $0.10.

7.2 If the Common Shares are listed on the Exchange, but the Issuer has not yet completed a Qualifying Transaction, then the minimum exercise price of each Option must not be less than the greater of $0.10 and the Discounted Market Price.

7.3 If the Common Shares are listed on the Exchange and the Issuer has completed a Qualifying

Transaction, then the minimum exercise price of each Option must not be less than the Discounted Market Price.

8.0 Vesting

8.1 No Option may vest before the completion of the Qualifying Transaction.

9.0 Expiry Date

9.1 The expiry date of an Option must not be more than ten years after the grant date.

9.2 If an Optionee ceases to be a Director, Employee, or Consultant for any reason, other than death, then the Optionee may exercise any Option that has already vested at any time during the period that terminates on the later of the date that is (a) three months after such cessation; and (b) 12 months after the completion of the Qualifying Transaction.

9.3 If an Optionee dies, then any Option held by the Optionee will automatically vest, and the heirs or administrators of the Optionee may exercise the Option at any time during the period that terminates on the earlier of expiry date of the Option and the 12-month anniversary of the death of the Optionee.

9.4 Notwithstanding any other provision of this Plan, any Option that would expire during or within ten Business Days immediately following a Blackout Period will expire on the date that is ten Business Days immediately following the end of the Blackout Period.

10.0 Adjustment

10.1 If there is a stock consolidation, stock split, stock dividend, stock reclassification, exchange of shares, amalgamation, arrangement, spin-off, or distribution (other than normal cash dividends) of the assets of the Issuer to Shareholders, or any other change in the capital of the Issuer affecting the Common Shares, the Board will make such proportionate adjustments, if any, as the Board in its discretion deems appropriate to reflect such change (for the purpose of preserving the value of the Options), and such adjustment will be conclusive and binding for all purposes.

11.0 Shareholder Approval

11.1 The Issuer must obtain Shareholder Approval of this Plan on an annual basis, at each annual meeting of the Shareholders at which Directors are to be elected.

12.0 Assignment

12.1 Each Option must be non-assignable and non-transferable.

13.0 Amendment to an Option

13.1 The Issuer may amend the terms of any Option on the condition that:

(a) the amendment complies with Canadian Securities Legislation;

(b) the amendment complies with Exchange Policy 4.4 *Incentive Stock Options*; and

(c) the Issuer obtains prior Exchange acceptance of the amendment (unless the amendment is to:

(i) reduce the total number of Common Shares reserved pursuant to the exercise of the Option;

(ii) increase the exercise price of the Option; or

(iii) cancel the Option;

in which case no Exchange acceptance will be required);

(d) if the amendment is in respect of an Option held by an Insider, but excluding an amendment to extend the expiry date of an Option, the Issuer obtains Shareholder Approval;

(e) if the amendment is to the exercise price of an Option, at least six months have elapsed since the later of the date that the Issuer granted the Option, the date that the Common Shares commenced trading on the Exchange, or the date that the exercise price of the Option was last amended;

(f) if the amendment is to reduce the exercise price to the Discounted Market Price, the Exchange Hold Period is applied from the date of the amendment; and

(g) if the amendment is to extend the expiry date of an Option:

(i) the Option has been outstanding for at least one year before the extension; and

(ii) the extension is treated as a grant of a new Option, and therefore the amended Option complies with the pricing and other requirements of Exchange 4.4 *Incentive Stock Options* as if it were a newly granted Option.

14.0 Amendment of this Plan

14.1 The Issuer may amend the terms of this Plan on the condition that:

(a) it obtains prior Exchange acceptance of such amendment; and

(b) it obtains prior Shareholder Approval of such amendment (unless the amendment is to:

(i) fix typographical errors; or

(ii) clarify existing provisions of the Plan that do not have the effect of altering the

scope, nature, and intent of such provisions;

in which case no Shareholder Approval will be required.)

15.0 Disclosure

15.1 After the Common Shares are listed on the Exchange, then, except as stated in section 15.2, the Issuer shall disseminate a news release containing the information prescribed by Exchange Policy 4.4 *Incentive Stock Options* on the date it grants or amends the terms of any Option.

15.2 Notwithstanding section 15.1, the Issuer need not disseminate a news release disclosing the grant of an Options on the condition that the Option is granted to an Employee or Consultant that is not a Director or an officer of the Issuer or performing Investor Relations Activities, except where the grant constitutes a "material fact" or a "material change" under Canadian Securities Legislation.

16.0 Capital Pool Company Restriction

16.1 Notwithstanding any other provision of this Plan, while the Corporation is a Capital Pool Company and until the Corporation completes its Qualifying Transaction, the following restrictions apply:

(a) the maximum number of Shares issuable upon the exercise of all options granted under the Plan as set out under section 4, must not exceed a maximum of 10% of the post-IPO issued common shares of the Corporation;

(b) the maximum number of Shares subject to an option granted to any individual director or officer on authorized but unissued Shares as set out under section 8(b) may not exceed 5% of the post-IPO issued common shares of the Corporation;

(c) the maximum number of Shares subject to an option granted to any technical consultants on authorized but unissued Shares as set out under section 8(c) must not exceed 2% of the post-IPO issued common shares of the Corporation;

(d) the exercise price of the Shares subject to each option as set out under section 7(a) cannot be less than the greater of the IPO Share price and the "Discounted Market Price" (as defined in Policy 1.1 of the Exchange);

(e) no options may be granted to a Participant providing investor relations activities, promotional or market-making services;

(f) Shares subject to an option granted to any Participant that do not continue as a director, officer, technical consultant or employee of the Corporation as set out under section 11, have a maximum term of the later of (i) 12 months after the completion of the Qualifying Transaction and 90 days after the Participant ceases to become a director, officer, technical consultant or employee; and

(g) all Shares subject to an option exercised prior to the completion of the Qualifying Transaction will be subject to escrow provisions.

17.0 Governing Law

17.1 The laws of the Province of Alberta, and the laws of Canada applicable in that province, excluding any rule or principle of conflicts of law that may provide otherwise, govern the interpretation of this Plan.

This Plan was adopted by the Board on May 3, 2019.