



IMPERIAL
GINSENG

IMPERIAL GINSENG PRODUCTS LTD.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

to be held on December 13, 2017

and

MANAGEMENT INFORMATION CIRCULAR

dated October 31, 2017

IMPERIAL GINSENG PRODUCTS LTD.

Suite 3030, 650 West Georgia Street
Vancouver, British Columbia V6B 4N7

NOTICE OF ANNUAL AND SPECIAL MEETING

NOTICE IS HEREBY GIVEN that the annual and special meeting (the "Meeting") of holders of common shares ("Shareholders") of Imperial Ginseng Products Ltd. (the "Company") will be held at the offices of Borden Ladner Gervais LLP, 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia on Wednesday, December 13, 2017 at 10:00 a.m. (Pacific time) for the following purposes:

1. to receive the financial statements of the Company for the year ended June 30, 2017 and the report of the auditor thereon;
2. to elect directors for the ensuing year;
3. to appoint auditors for the ensuing year and to authorize the Board of Directors to fix their remuneration;
4. to consider, and if thought fit, to approve the Company's Amended and Restated Stock Option Plan, as set out in the accompanying management information circular; and
5. to transact such further and other business as may properly come before the Meeting or any adjournment thereof.

The accompanying management information circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to and expressly made a part of this notice. If you are a registered Shareholder of the Company and are unable to attend the Meeting, please read the notes to the form of proxy and complete, sign and return the enclosed form of proxy, as applicable. To be effective, proxies must be deposited with the Toronto office of Imperial Ginseng's registrar and transfer agent, Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1 not later than 10:00 a.m. (Pacific time) on December 11, 2017 or at least 48 hours (excluding Saturdays, Sundays and holidays) before the time that the Meeting is to be reconvened after any adjournment of the Meeting. If you are able to attend the Meeting, sending your proxy will not prevent you from voting in person.

If you are a non-registered Shareholder and received this notice and accompanying material through your broker or through another intermediary, please complete and return the voting instruction form in accordance with the instructions provided by your broker or such other intermediary. If you are a non-registered Shareholder and do not complete and return the voting instruction form in accordance with such instructions, you may lose your right to vote at the Meeting, either in person or by proxy.

DATED at Vancouver, British Columbia as of October 31, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Stephen McCoach" _____
Stephen McCoach
Chief Executive Officer
Co-Chairman and Secretary

IMPERIAL GINSENG PRODUCTS LTD.

MANAGEMENT INFORMATION CIRCULAR

Annual and Special Meeting of Shareholders
to be held on December 13, 2017

SOLICITATION OF PROXIES

This management information circular (the "Circular") is furnished to holders ("Shareholders") of common shares ("Common Shares") of Imperial Ginseng Products Ltd. (the "Company" or "Imperial") in connection with the solicitation by the management of the Company of proxies to be used at the annual and special meeting of Shareholders (the "Meeting") to be held at the time and place and for the purposes set forth in the accompanying notice of annual and special meeting of Shareholders (the "Notice of Meeting").

The information contained herein is given as of October 31, 2017, except where otherwise indicated. Each Shareholder who is entitled to attend at meetings of Shareholders is encouraged to participate in the Meeting and Shareholders are urged to vote on matters to be considered in person or by proxy. All references to "Shareholders" in this Circular and the accompanying instrument of proxy and Notice of Meeting are to Shareholders of record, unless specifically stated otherwise.

It is expected that proxy solicitation will be primarily by mail but may also be supplemented by telephone or other personal contact by directors, officers and employees of the Company without special compensation. The cost of solicitation by management will be borne directly by the Company.

GENERAL PROXY INFORMATION

WHO CAN VOTE

The Company has fixed October 31, 2017 as the record date (the "Record Date") for the purpose of determining Shareholders entitled to receive the Notice of Meeting and to vote at the Meeting. Only Shareholders of the Company who are listed on its register of Shareholders on the Record Date or the persons they appoint as their proxyholders are permitted to vote at the Meeting. Voting at the Meeting generally will be by a show of hands, with each Shareholder present in person being entitled to one vote. On a poll, each Shareholder and each proxyholder will have one vote for each Common Share held or represented by proxy.

REGISTERED SHAREHOLDERS

Voting In Person

If you wish to attend and vote in person at the Meeting, you do not need to complete or return the accompanying form of proxy. Please register your attendance with the scrutineer upon arrival at the Meeting.

Appointment of Proxy

If you do not wish to attend the Meeting, you should complete and return the accompanying form of proxy. The individuals named in the form of proxy are representatives of the Company's management and are directors and officers of the Company. **You have the right to appoint another person (who need not be a shareholder) to attend and act for and on your behalf at the Meeting. If you wish to appoint someone else to represent you at the Meeting, insert the name of your representative in the blank space in the form of proxy.** You must sign and date the proxy.

To be valid, a proxy must be deposited with Computershare Trust Company of Canada ("Computershare"), 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, no later than 10:00 a.m. Pacific time on December 11, 2017, or, if the Meeting is adjourned, at least 48 hours (excluding Saturdays, Sundays and holidays) before the time that the Meeting is to be reconvened.

Voting of Proxy

You may indicate the manner in which the individuals named in the accompanying form of proxy are to vote with respect to a matter to be acted upon at the Meeting by marking the appropriate space. **If the instructions as to voting indicated in the proxy are certain, the shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy on any ballot that may be called for.**

If you specify a choice in the proxy with respect to a matter to be acted upon, then the shares represented will be voted or withheld from the vote on that matter accordingly. If no choice is specified in the proxy with respect to a matter to be acted upon, the proxy confers discretionary authority with respect to that matter upon the proxyholder named in the accompanying form of proxy. It is intended that the proxyholder named by management in the accompanying form of proxy will vote the shares represented by the proxy in favour of each matter identified in the proxy and for the nominees of the Company's Board of Directors for directors and auditors.

The accompanying form of proxy also confers discretionary authority upon the named proxyholder with respect to amendments or variations to the matters identified in the accompanying Notice of Meeting and with respect to any other matters which may properly come before the Meeting. As of the date of this Circular, management of the Company is not aware of any such amendments or variations, or any other matters that will be presented for action at the Meeting other than those referred to in the accompanying Notice of Meeting. If, however, other matters that are not now known to management properly come before the Meeting, then the individuals named in the accompanying form of proxy intend to vote on them in accordance with their best judgment.

CHANGING YOUR VOTE

If you want to revoke your proxy after you have delivered it, you must state in writing that you want to revoke your proxy and deliver such signed document to Computershare at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 or to the registered office of the Company at 1200 Waterfront Centre, 200 Burrard Street, Vancouver, BC V7X 1T2. A proxy can be revoked if a revocation is:

- (i) received by or on the last business day before the day of the Meeting or any adjournment of the Meeting;
- (ii) deposited with the Chairman of the Meeting on the day of the Meeting or any adjournment of the Meeting; or
- (iii) in any other way permitted by the law.

BENEFICIAL OWNERS (NON-REGISTERED HOLDERS)

You are a beneficial owner (or non-registered holder) if your shares are registered in the name of an intermediary (such as a bank, trust company or trustee of a self-administered RRSP, RRIF, RESP or similar plan).

In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101") of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Circular and the form of proxy (the "Meeting Materials") to the clearing agencies and intermediaries for onward distribution to non-registered holders with a request for voting instructions as the Company is not sending the Meeting Materials using notice-and-access this year.

If you are a beneficial owner, you may only vote by completing and returning the enclosed voting instruction form in accordance with the directions provided on it. If you wish to attend the Meeting and vote in person, you must appoint yourself as proxyholder by inserting your name in the space provided on the voting instruction form, sign and return the voting instruction form in accordance with the directions provided on it. Your vote will be taken at the Meeting so do not complete the voting instructions on the form. If you do not wish to attend the Meeting, you should complete, sign and return the voting instruction form in accordance with the directions provided. In all cases, you should follow the instructions set out on the voting instruction form and contact your intermediary if you need assistance.

The Company has decided to take advantage of those provisions of NI 54-101 that permit it to directly deliver proxy-related materials to its non-objecting beneficial owners ("NOBOs"). These Meeting Materials are being sent to both registered and non-registered owners of the Common Shares. If you are a non-registered holder, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Common Shares on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions. In this regard, NOBOs can expect to receive a voting instruction form which is to be completed and returned to Computershare. Computershare will tabulate the results received from NOBOs and will provide appropriate voting instructions at the Meeting with respect to those results.

The Company does not intend to pay for intermediaries to forward the Meeting Materials to objecting beneficial owners under NI 54-101 and Form 54-101F7 - *Request for Voting Instructions made by Intermediaries*. The objecting beneficial owners will not receive the Meeting Materials unless the objecting beneficial owner's intermediary assumes the cost of delivery.

VOTING COMMON SHARES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

At the close of business on the Record Date, 7,209,847 Common Shares were issued and outstanding.

To the knowledge of the directors and officers of the Company, the following beneficially own, or control or direct, directly or indirectly, shares carrying more than 10% of the voting rights attached to any class of outstanding voting securities of the Company.

Name	Number and Class of Securities	Percentage of Class
Stephen McCoach	2,315,400 Common Shares	32.11%
Maurice Levesque	1,235,673 Common Shares	17.14%
Hugh Cartwright	998,335 Common Shares	13.85%

BUSINESS OF THE MEETING

FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the year ended June 30, 2017, together with the report of the auditors thereon, have been approved by the board of directors of the Company (the "Board" or the "Board of Directors") and will be presented at the Meeting. Copies of these financial statements have been sent to those shareholders who had requested receipt of same. These financial statements are also available under the Company's profile on SEDAR at www.sedar.com.

ELECTION OF DIRECTORS

It is proposed that the below nominees be re-elected at the Meeting as directors of the Company, to hold office until the next annual meeting of Shareholders or until his successor is duly elected or appointed, unless his office is earlier vacated. The number of directors to be elected at the Meeting is six (6).

The following table sets out information for each of the persons proposed to be nominated for election as a director. Information relating to the nominees as directors is based partly on the Company's records and partly on information received from each nominee.

Name, Jurisdiction of Residence and Present Positions with the Company	Principal Occupation and, if not a Previously Elected Director, Occupation During the Past Five Years	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽¹⁾
Stephen McCoach ⁽⁵⁾ <i>Chief Executive Officer, Co-Chairman & Secretary British Columbia, Canada Director since 1992 Not independent</i>	CEO of Imperial Ginseng Products Ltd.	2,315,400 ⁽²⁾
Hugh Cartwright ⁽⁵⁾ <i>President & Co-Chairman British Columbia, Canada Director since 1992 Not independent</i>	Trustee of NationWide Self Storage Trust and Chairman of NationWide Self Storage Management Corporation Chairman and Director of Maple Leaf Flow-Through Holdings Corp. CEO and Director of Maple Leaf Corporate Funds Ltd. Founder and Managing Partner of CADO Bancorp Ltd. Director of the General Partners of WCSB Oil & Gas Royalty Income Limited Partnerships	998,335 ⁽³⁾

Name, Jurisdiction of Residence and Present Positions with the Company	Principal Occupation and, if not a Previously Elected Director, Occupation During the Past Five Years	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽¹⁾
Maurice Levesque ⁽⁶⁾ <i>Executive Vice-President</i> <i>Alberta, Canada</i> <i>Director since 1996</i> <i>Not independent</i>	Chairman, Chief Executive Officer and Director of Qwest Investment Management Corp. Chief Executive Officer, Chief Compliance Officer and Director of Qwest Investment Fund Management Ltd. Chairman, President and Director of Heritage Bancorp Ltd.	1,235,673 ⁽⁴⁾
James Chang ⁽⁵⁾ <i>British Columbia, Canada</i> <i>Director since 1996</i> <i>Not independent</i>	Founder and President of Golden Phoenix Ventures Inc. and Golden Sunshine International Ltd.	181,500 ⁽⁴⁾
Joseph Rogers ⁽⁶⁾ <i>British Columbia, Canada</i> <i>Director since 1994</i> <i>Independent</i>	Founder and President of Deerpark Management Corp. Director of Opus Cranberries Corporation	6,212
Cam Hui ⁽⁶⁾ <i>British Columbia, Canada</i> <i>Director since 2016</i> <i>Independent</i>	Founder and President of Bon Holdings Ltd.	Nil

- (1) The information with respect to the Common Shares beneficially owned, or controlled or directed is not within the direct knowledge of the Company and has been furnished by the respective individuals. Unless otherwise indicated, such shares are held directly.
- (2) Of these shares, 1,481,482 are held directly and 833,918 are held beneficially.
- (3) Of these shares, 567,902 are held directly and 430,433 are held beneficially.
- (4) Shares are held beneficially.
- (5) Member of the Executive Committee.
- (6) Member of the Audit Committee.

The Board does not contemplate that any of its nominees will be unable to serve as a director. If any vacancies occur in the slate of nominees listed above before the Meeting, the proxyholders named in the accompanying form of proxy will exercise discretionary authority to vote the shares represented by proxy for the election of any other persons as directors.

Certain of the proposed directors and/or the proposed directors' associates or affiliates beneficially own directly or indirectly, or control or direct over 10% or more of the Common Shares of the Company. Details of these holdings are disclosed in "Voting Common Shares and Principal Holders of Voting Securities".

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

During the ten years preceding the date of this Circular, no proposed director of the Company, to the knowledge of the Company:

- (a) is, or has been, a director, chief executive officer or chief financial officer of any issuer (including the Company) that:
- (i) was the subject of a cease trade or similar order or an order that denied such issuer access to any exemption under securities legislation that was in effect for a period of more than thirty consecutive days (an "Order") while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to such 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;

- (b) is, or has been, a director or executive officer of any issuer 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 the assets of that issuer;
- (c) made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to, or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

REAPPOINTMENT OF AUDITORS

Shareholders of the Company will be asked to vote for the re-appointment of Grant Thornton LLP, as auditors of the Company, to hold office until the next annual meeting of shareholders, and to authorize the Board of Directors to fix the remuneration of the auditors. Grant Thornton LLP was first appointed auditors of the Company in 2004 and was reappointed in 2007.

APPROVAL OF AMENDED AND RESTATED STOCK OPTION PLAN

The Company's previous stock option plan was adopted in 2002 (the "2002 Plan"). The 2002 Plan is a fixed number stock option plan whereby 20% of the then issued Common Shares, to a maximum of 2,482,164 Common Shares, were reserved for issuance under the 2002 Plan. Any previously granted options forfeited or expired were returned to and became available again for grant under the 2002 Plan. The exercise period of the options could not exceed ten years. In no circumstances shall the exercise price be less than the market closing price of the Common Shares at the date of the grant of the options.

In 2011, the Company completed a ten-for-one share consolidation thereby adjusting the maximum number of Common Shares that may be issued under the 2002 Plan to 248,216. As of October 31, 2017, the Company has 192,000 outstanding options and 6,716 Common Shares remain available for issuance pursuant to options to be granted under the 2002 Plan, which in total represents approximately 3.4% of the issued and outstanding Common Shares as of October 31, 2017.

The 2002 Plan has never been changed since it was originally adopted almost 15 years ago. With the changes in the economic, industry and regulatory environments in the past years, it is essential to amend certain terms of the 2002 Plan in order to enable the Company to continue to use stock options as its long-term incentive for directors, officers and employees by aligning their interests with that of the shareholders of the Company, hence maximizing shareholder value.

Amendments to the 2002 Stock Option Plan

Effective May 26, 2017, the Board approved and adopted an amended and restated stock option plan (the "Option Plan") which incorporates, inter alia, the following substantive amendments to the 2002 Plan:

- Increases the maximum number of Common Shares that may be reserved for issuance to 720,000. This number represents approximately 10% of the total issued and outstanding Common Shares of the Company as at October 31, 2017.
- Under the 2002 Plan, the exercise price could not be less than the market closing price of the Common Shares as of the grant date of the options. Under the Option Plan, the exercise price shall not be less than the minimum price prescribed by the TSX Venture Exchange as of the grant date of the subject options.
- Permits options to be granted to management company employees.
- Permits the expiry date of options to be extended, in circumstances where an option would otherwise expire while a blackout period is in effect, to the date which is 10 business days after the blackout period ends.
- Housekeeping amendments to reflect changes in regulatory requirements since the 2002 Plan was adopted.

Particulars of the Option Plan

Set out below is a summary of the principal terms and conditions of the Option Plan, a copy of which is attached as Appendix "B" to this Circular.

- The Option Plan is administered by the Board or a committee appointed by the Board. The Board shall, at its sole discretion, determine to whom the options may be granted, the number of Common Shares covered by each option, the exercise price, the vesting period and the expiry date under such terms and conditions as are permitted under the Option Plan.
- The Option Plan provides that options may be granted to directors, officers, employees, management company employees and consultants of the Company and its subsidiaries.
- The maximum number of Common Shares that may be reserved for issuance under the Option Plan shall be 720,000. Any Common Shares reserved for issuance under previously granted options which are forfeited or expire unexercised will again be available to be reserved for issuance under further grants of options under the Option Plan.
- The exercise price of any option shall not be less than the minimum price prescribed by the TSX Venture Exchange as of the grant date of the applicable option.
- The expiry date of any option shall not go beyond ten years from the grant date of the applicable option.
- The maximum number of Common Shares which may be reserved for issuance to insiders pursuant to options under the Option Plan shall be 10% of the number of Common Shares outstanding at the relevant time.
- The maximum number of options which may be granted to insiders under the Option Plan within any 12 month period shall be 10% of the number of Common Shares outstanding at the relevant time.
- The maximum number of options which may be granted to any one option holder under the Option Plan within any 12 month period shall be 5% of the number of Common Shares outstanding at the relevant time unless the Company obtains the requisite disinterested shareholder approval.
- The maximum number of options which may be granted to any one consultant within any 12 month period must not exceed 2% of the number of Common Shares outstanding at the relevant time.
- The maximum number of options which may be granted within any 12 month period to all persons whose role and duties primarily consist of investor relations activities must not exceed 2% of the number of Common Shares outstanding at the relevant time and such options must vest no earlier than as to 20% upon the grant date, as to a further 20% three months after the grant date, as to a further 20% six months after the grant date, as to a further 20% nine months after the grant date and as to a further 20% twelve months after the grant date.
- Subject to applicable regulatory requirements, the Board may, in its sole and absolute discretion, amend, suspend, discontinue or terminate the Option Plan without notice to or approval by the shareholders of the Company.
- An option holder may exercise an option at any time during the exercise period up to the expiry date. If an option holder holds an option as a director or officer and ceases to hold such position during the option exercise period, the expiry date shall be 90 days following the date the option holder ceases to hold office. If an option holder holds an option as an employee or management company employee and ceases to hold such position without cause during the option exercise period, the expiry date shall be 30 days following the date the option holder ceases to be employed.

Assuming the Option Plan is approved by the Shareholders and the applicable regulatory authorities, the 192,000 outstanding options governed by the 2002 Plan will thereafter be governed by the Option Plan. If the Option Plan is not approved by the Shareholders and the applicable regulatory authorities, the 2002 Plan will be reverted to.

The purpose of the Option Plan is to offer incentive to directors, officers, employees and others who provide services to the Company or its subsidiaries. The Option Plan is designed to encourage their long-term association with the Company by aligning their interests with the interests of the Company's shareholders. At the Meeting, Management intends to present the resolution below pursuant to which Shareholders will be asked to ratify and approve the Option Plan in substantially the form attached as Appendix "B" to this Circular. The Board believes that this Option Plan is in the Company's best interest and recommends that Shareholders approve the Option Plan. Unless a proxy contains instructions to vote against the resolution set forth below, **it is intended that all proxies received by management will be voted IN FAVOR OF the resolution approving the Option Plan.**

“BE IT RESOLVED THAT:

1. the Amended and Restated Stock Option Plan (the “Option Plan”), in substantially the form presented to this Meeting, is hereby ratified and approved, and is hereby directed to be attached to the minutes of this Meeting as a Schedule thereto;
2. the Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Company;
3. any committee created pursuant to the Option Plan is authorized to make such amendments to the Option Plan from time to time as the Board may, in its discretion, consider to be appropriate, provided that such amendments will be subject to the approval of all applicable regulatory authorities and in certain cases, in accordance with the terms of the Option Plan, the shareholders;
4. the approval of the Option Plan by the Board of Directors of the Company is hereby ratified and any one director or officer of the Company is hereby authorized to execute any other documents as such director or officer deems necessary to give effect to the transactions contemplated in the Option Plan; and
5. any director or officer of the Company is authorized and directed, for and on behalf and in the name of the Company, to execute and deliver all such documents and do or cause to be done all such other acts and things deemed necessary or desirable as in the opinion of such director or officer in order to give effect to this resolution.”

EXECUTIVE COMPENSATION

The following information is presented in accordance with Form 51-102F6V - *Statement of Executive Compensation – Venture Issuers* (“Form 51-102F6V”).

For the purpose of this Statement of Executive Compensation:

“**CEO**” means an individual who served as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year.

“**CFO**” means an individual who served as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year.

“**NEO**” or “**Named Executive Officer**” means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) the most highly compensated executive officer other than the CEO or CFO at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiary, nor acting in a similar capacity, at the end of that financial year.

Director and Name Executive Officer Compensation, excluding Compensation Securities

The following table of compensation, excluding stock options and compensation securities, provides a summary of compensation paid or payable to each NEO and director of the Company for the years ended June 30, 2017 and 2016.

Table of Compensation excluding Compensation Securities							
Name and Position	Year	Salary (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
Stephen McCoach ⁽¹⁾ CEO, Co-Chairman, Secretary and Director	2017	282,667	71,174	Nil	Nil	Nil	353,841
	2016	282,667	32,292	Nil	Nil	Nil	314,959

Table of Compensation excluding Compensation Securities							
Name and Position	Year	Salary (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
Amelia Yeo <i>CFO</i>	2017	74,000	36,587	Nil	Nil	Nil	110,587
	2016	74,000	17,888	Nil	Nil	Nil	91,888
Hugh Cartwright ⁽¹⁾ <i>President, Co-Chairman and Director</i>	2017	82,667	14,587	Nil	Nil	Nil	97,254
	2016	82,667	22,070	Nil	Nil	Nil	104,737
Maurice Levesque ⁽¹⁾ <i>Executive Vice President and Director</i>	2017	82,667	14,587	Nil	Nil	Nil	97,254
	2016	82,667	22,070	Nil	Nil	Nil	104,737
James Chang ⁽²⁾ <i>Director</i>	2017	6,000	35,587	Nil	Nil	Nil	41,587
	2016	6,000	19,515	Nil	Nil	Nil	25,515
Joseph Rogers ⁽²⁾ <i>Director</i>	2017	6,000	14,587	Nil	Nil	Nil	20,587
	2016	6,000	9,293	Nil	Nil	Nil	15,293
Cam Hui ⁽²⁾ <i>Director</i>	2017	6,000	14,587	Nil	Nil	Nil	20,587
	2016	2,500	4,647	Nil	Nil	Nil	7,147

(1) Executive director

(2) Non-Executive director

Stock Options and Other Compensation Securities

The following table of compensation securities sets out compensation securities granted to each NEO and director of the Company during the financial year ended June 30, 2017.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities and percentage of class ⁽¹⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Stephen McCoach ⁽²⁾ <i>CEO, Co-Chairman, Secretary, and Director</i>	Options	20,000	May 26, 2017	\$0.85	\$0.85	\$1.00	May 26, 2022
Amelia Yeo ⁽³⁾ <i>CFO</i>	Options	40,000	May 26, 2017	\$0.85	\$0.85	\$1.00	May 26, 2022
Hugh Cartwright ⁽⁴⁾ <i>President, Co-Chairman and Director</i>	Options	20,000	May 26, 2017	\$0.85	\$0.85	\$1.00	May 26, 2022
Maurice Levesque ⁽⁵⁾ <i>Executive Vice President and Director</i>	Options	20,000	May 26, 2017	\$0.85	\$0.85	\$1.00	May 26, 2022
James Chang ⁽⁶⁾ <i>Director</i>	Options	300,000	May 26, 2017	\$0.85	\$0.85	\$1.00	May 26, 2022
Joseph Rogers ⁽⁷⁾ <i>Director</i>	Options	20,000	May 26, 2017	\$0.85	\$0.85	\$1.00	May 26, 2022
Cam Hui ⁽⁸⁾ <i>Director</i>	Options	52,000	May 26, 2017	\$0.85	\$0.85	\$1.00	May 26, 2022

- (1) Options will be issued upon obtaining Shareholder approval of the Option Plan (refer to Approval of Amended and Restated Stock Option Plan under Business of the Meeting. Each option entitles the holder to acquire one Common Share upon exercise. All options vest on the date of grant.
- (2) Not including the options to be issued upon obtaining Shareholder approval at the Meeting, Mr. McCoach held a total of 32,000 options as at June 30, 2017.
- (3) Not including the options to be issued upon obtaining Shareholder approval at the Meeting, Ms. Yeo held a total of 32,000 options as at June 30, 2017.
- (4) Not including the options to be issued upon obtaining Shareholder approval at the Meeting, Mr. Cartwright held a total of 32,000 options as at June 30, 2017.
- (5) Not including the options to be issued upon obtaining Shareholder approval at the Meeting, Mr. Levesque held a total of 32,000 options as at June 30, 2017.
- (6) Not including the options to be issued upon obtaining Shareholder approval at the Meeting, Mr. Chang did not hold any options as at June 30, 2017.
- (7) Not including the options to be issued upon obtaining Shareholder approval at the Meeting, Mr. Rogers held a total of 32,000 options as at June 30, 2017.
- (8) Not including the options to be issued upon obtaining Shareholder approval at the Meeting, Mr. Hui did not hold any options as at June 30, 2017.

Exercise of Compensation Securities

No options were exercised during the financial year ended June 30, 2017.

External Management Companies

The Company does not engage an external management company to provide executive management services to the Company. Individuals acting as NEOs are employees of the Company.

Stock Option Plan and Other Incentive Plans

The Company has no other incentive plans other than its stock option plan. For a full description of the current stock option plan and proposed Amended and Restated Stock Option Plan, please see the section above titled "APPROVAL OF AMENDED AND RESTATED STOCK OPTION PLAN".

Employment, Consulting and Management Agreements

The Company has an employment agreement with each of Messrs. Stephen McCoach and Hugh Cartwright, as described below.

Stephen McCoach – The employment agreement between the Company and Mr. Stephen McCoach, CEO of the Company, provides that the Company shall pay to Mr. McCoach immediately a termination payment, being the equivalent of three years of his then annual salary and bonus, if Mr. McCoach is terminated without cause or in the event of a change of control. The same termination payment also applies if Mr. McCoach terminates his employment in circumstances which may reasonably be considered to be a constructive dismissal.

The Company estimates that Mr. McCoach would have been entitled to a termination payment of \$848,000 if Mr. McCoach were terminated in the financial year ended June 30, 2017 without cause, in the event of a change of control or in circumstances that may be considered a constructive dismissal.

Hugh Cartwright – The employment agreement between the Company and Mr. Hugh Cartwright, President the Company, provides that the Company shall pay to Mr. Cartwright immediately a termination payment, being the equivalent of three years of his then annual salary and bonus, if Mr. Cartwright is terminated without cause or in the event of a change of control. The same termination payment also applies if Mr. Cartwright terminates his employment in circumstances which may reasonably be considered to be a constructive dismissal.

The Company estimates that Mr. Cartwright would have been entitled to a termination payment of \$248,000 if Mr. Cartwright were terminated in the financial year ended June 30, 2017 without cause, in the event of a change of control or in circumstances that may be considered a constructive dismissal.

Oversight and Description of Director and Named Executive Officer Compensation

The Board is responsible for setting and evaluating the compensation of the directors and NEOs of the Company. The Board reviews the compensation package annually and determines if the package continues to be appropriate, given the performance of the executive, the achievements of the business and the status of the economic environment.

Compensation of Directors

For directors who are not members of management ("Non-Executive Directors"), each receives a director's fee of \$500 per month. Directors who are also members of management ("Executive Directors") do not receive a director's fee.

Both Executive Directors and Non-Executive Directors receive stock options and cash bonus for their role as directors and/or executive officers of the Company.

Compensation of Executive Officers

Compensation of executive officers consists of three main elements: base salary, performance-based incentive in the form of cash bonuses and long-term ownership through the Company's stock option plan.

(a) **Base Salary**

Base salary is the principal and fixed component of pay that compensates executives for fulfilling their duties and responsibilities. In determining the base salary, the Board considers the particular responsibilities related to the position and the level of skills and experience of an executive. The Board also considers each executive's individual performance and contribution towards meeting corporate objectives. Base salaries are also designed to be competitive to retain highly qualified executives.

(b) **Incentive Cash Bonuses**

Incentive cash bonuses are a variable component of compensation designed to reward executives for achieving goals set for annual operating targets which include yields and prices. An annual yield bonus is rewarded to executives only if pre-determined yields are achieved. Executive acre bonus is an overall performance bonus designed to retain executives as it is structured to be paid in later years.

(c) **Stock Options**

The stock option component is intended to encourage executives' long-term association with the Company by aligning the interests of executives with the interests of the Company's shareholders. The Company's stock option plan enables executives of the Company who receive the stock options to acquire Common Shares. The stock option plan is administered by the Board who, in its sole discretion, determines to whom and the number of options to be granted. In determining the number of options to be granted, the Board takes into consideration the level of responsibilities of the executive, his or her contribution to the long-term performance of the Company and the number of options, if any, previously granted to the executive.

Pension

The Company does not have a pension, retirement, deferred compensation or similar plan that provides for payments or benefits to director or NEO at, following, or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at June 30, 2017.

Plan Category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options (\$)	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	192,000	0.29	6,716
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	192,000	0.29	6,716

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than routine indebtedness, no current or former executive officer, director or employee of the Company or any of its subsidiaries, or any proposed nominee for election as a director of the Company, or any associate or affiliate of any such executive officer, director, employee or proposed nominee, is or has been indebted to the Company or any of its subsidiaries, or to any other entity that was provided a guarantee or similar arrangement or understanding by the Company or any of its subsidiaries in connection with the indebtedness, at any time since the beginning of the most recently completed financial year of the Company.

AUDIT COMMITTEE

The overall purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities with respect to the quality and integrity of all financial reporting of the Company. The Company's Audit Committee charter is attached as Appendix "A" to this Circular.

The members of the Audit Committee are Maurice Levesque (Chair), Joseph Rogers and Cam Hui. Mr. Levesque is not independent within the meaning of National Instrument 52-110 - *Audit Committees* ("NI 52-110") as he is the Executive Vice President of the Company. Mr. Rogers and Mr. Hui are independent within the meaning of NI 52-110. All members of the Audit Committee are financially literate. Set out below is a general description of the education and experience of each member of the Audit Committee.

Maurice Levesque – Mr. Levesque is a founder and the Chairman, Chief Executive Officer and Director of Qwest Investment Management Corp., a financial services company. Mr. Levesque is the Chairman, CEO and Chief Compliance Officer of Qwest Investment Fund Management Ltd., a company which provides investment fund manager, portfolio manager and exempt market dealer services. Heritage Bancorp Ltd. and Trilogy Bancorp Ltd., each of which is an asset and administrative management company, are affiliate companies and Mr. Levesque is a director for each company.

Mr. Levesque is Chairman of the Board for AlphaDelta Management Corp., Chairman of the Board and Audit Committee for ANB Canada Inc. and Chairman of the Board for Plant Properties Corp.

Mr. Levesque has over 30 years of experience in the Canadian financial industry and is recognized for his broad knowledge, skills and experience in the venture capital industry, financial services industry and for his leadership skills in new business formation and development. Mr. Levesque graduated from The Northern Alberta Institute of Technology with a diploma in Administration Management.

Joseph Rogers - Mr. Rogers has been a director of the Company since 1994. Mr. Rogers has over forty years of experience in operating and managing agricultural businesses. From 1991 to 1994, Mr. Rogers was the Executive Vice President of the Company. In 1996, Mr. Rogers left to be a co-founder and president of Opus Cranberries, a large scale start-up operation in British Columbia.

Mr. Rogers was the president and director of the B.C. Livestock Producers Cooperative Association from 1967 to 1978 and the managing director of Southern Interior Beef Corporation from 1967 to 1987. As well, he was the Commissioner of the Provincial Agricultural Land Commission and Project Officer for the Beef Industry Development Committee for British Columbia.

Cam Hui, CFA - Mr. Hui became a director of the Company on January 31, 2016 and was appointed to the Audit Committee in February 2016. Mr. Hui has been professionally involved in the financial markets since 1985 in a variety of roles, both as a quantitative equity portfolio manager and as a sell-side analyst. Over the course of his career, Mr. Hui has professionally covered US, Canadian, International and Emerging Markets and been a commentator on hedge funds and their returns patterns. Mr. Hui's extensive career and experience included working for Wood Gundy Inc. (now CIBC World Markets) as a quantitative and special situations analyst, Batterymarch Financial Management, as a quantitative global equity portfolio manager, Graham Capital Management, as a long/short equity hedge fund portfolio manager, and Merrill Lynch, as a technical research analyst on an Institutional Investor ranked team.

AUDIT COMMITTEE OVERSIGHT

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

RELIANCE ON CERTAIN EXEMPTIONS

At no time since the commencement of the Company's most recently completed fiscal year has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), Subsection 6.1.1(4) of NI 52-110 (Circumstance Affecting the Business or Operations of the Venture Issuer), Subsection 6.1.1(5) of NI 52-110 (Events Outside Control of Member), Subsection 6.1.1(6) of NI 52-110 (Death, Incapacity or Resignation), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

The Company is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110 given that it is a venture issuer as defined under NI 52-110.

PRE-APPROVAL POLICIES AND PROCEDURES

The Audit Committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Chair of the Audit Committee is authorized to approve any non-audit services or additional work which the Chair deems as necessary and is required to notify the other members of the Audit Committee of such non-audit or additional work.

EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)

The fees billed by the Company's external auditors for each of the last two fiscal years, by category, are as follows:

Fiscal Year ending June 30	Audit Fees ⁽¹⁾ (\$)	Audit-related Fees ⁽²⁾ (\$)	Tax Fees ⁽³⁾ (\$)	All Other Fees ⁽⁴⁾ (\$)
2017	43,000	-	6,803	840
2016	42,000	-	6,000	820

(1) "Audit Fees" include fees paid or accrued for the annual audit of the Company's financial statements.

(2) "Audit-Related Fees" include fees for assurance and related services that are performed by the auditor relating to the performance of an audit and are not included in "Audit Fees".

(3) "Tax Fees" include fees for tax compliance, tax planning and tax advice. These services include preparing tax returns and corresponding with government tax authorities.

(4) "All Other Fees" are fees billed by the auditors for services not included in the other three categories.

EXEMPTION

The Company is relying upon the exemption in Section 6.1 of NI 52-110.

MANAGEMENT CONTRACTS

No management functions of the Company or its subsidiary are, to any substantial degree, performed by a person other than the directors or executive officers of the Company or its subsidiary.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth in this Circular, no informed person of the Company, no proposed nominee for election as a director of the Company and no associate or affiliate of any such informed person or proposed nominee has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction that, in either case, has materially affected or will materially affect the Company or its subsidiary.

The transactions with informed persons set out below had been reviewed by the Audit Committee to ensure that the terms of such transactions were no less favorable than those which could have been received from an independent third party.

Trilogy Bancorp Ltd.

The Company has an administrative agreement with Trilogy Bancorp Ltd. ("Trilogy"), a company owned and controlled by certain directors of the Company. Under the administrative agreement, Trilogy provides accounting, office and administrative services to the Company for a monthly fee of \$10,500. For the year ended June 30, 2017, the Company was charged \$126,000 in administrative fee. No administrative fee was outstanding to Trilogy at June 30, 2017.

Ginseng Distributors

Under the distribution agreements with Golden Phoenix Ventures Inc. of Vancouver, British Columbia and Golden Sunshine International Ltd. of Hong Kong, China (together the "Distributors"), the Distributors have an exclusive right to distribute the Company's ginseng in Asia and Canada provided that the Distributors buy all the Company's ginseng harvested in a given year at agreed market prices. For the year ended June 30, 2017, the Company had sales transactions totaling \$11,990,000 with the Distributors. The Distributors are owned and controlled by James Chang, a director of the Company.

Ginseng Farming Agreement

The Company and Ponderosa Ginseng Farms Corp. (“Ponderosa”), a private company having some directors in common with the Company, have a ginseng farming agreement (the “Farming Agreement”) under which the Company plants and maintains certain number of acres of ginseng in Ontario for the benefit of Ponderosa each year. Pursuant to the Farming Agreement, Ponderosa will reimburse the Company the actual farming expenses (the “Actual Costs”), which are estimated and prepaid annually (the “Prepayment”) prior to the beginning of the Company’s fiscal year. In return, the Company earns a planting fee equal to 15% of the Actual Costs from Ponderosa. Subsequent to the completion of a farming year, the Company will calculate the Actual Costs and settle the account with Ponderosa accordingly.

In August 2016, Ponderosa notified the Company that it wished to terminate the Farming Agreement and the new planting scheduled for fiscal 2017, effective the date the notice was given. Both the Company and Ponderosa agreed to waive the eighteen-month notice period stipulated in the Farming Agreement. The Company was reimbursed for all the related expenses that had already been incurred and, in addition, as an incentive payment, the Company was granted the stratified seed Ponderosa had in inventory to undertake the scheduled new planting that was then cancelled. The Company will continue with the farming of the 60 acres that are currently under cultivation until they are gradually harvested out by the fall of 2019.

For the year ended June 30, 2017, the Company incurred Actual Costs of \$471,000. Total planting fee income realized in the year was \$101,000. At June 30, 2017, the balance of Prepayment was \$520,000.

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

Other than as set forth in this Circular, no director or executive officer of the Company at any time since the beginning of the Company’s most recently completed financial year, no proposed nominee for election as a director of the Company and no associate or affiliate of any of such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors, except for any interest arising from the ownership of shares of the Company where the Shareholder will receive no extra or special benefit or advantage not shared on a pro-rata basis by all holders of shares in the capital of the Company.

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, requires the Company to disclose information about its corporate governance practices on an annual basis. This disclosure must be made in accordance with the corporate governance guidelines contained in National Policy 58-201 *Corporate Governance Guidelines*. Corporate governance relates to activities of the Board. The Board has adopted certain corporate governance policies to reflect its commitment to good corporate governance. The Company’s general approach to corporate governance is summarized below.

BOARD OF DIRECTORS

Section 1.4 of NI 52-110 sets out the standard for director independence. Applying the definition set out in NI 52-110, Mr. Joseph Rogers and Mr. Cam Hui are independent. Mr. Stephen McCoach, CEO and Co-Chairman of the Company, Mr. Hugh Cartwright, President and Co-Chairman of the Company and Mr. Maurice Levesque, Executive Vice-President of the Company, are not independent and are related directors. Mr. James Chang is not independent and is a related director as he has material transactions with the Company through the companies controlled by him.

DIRECTORSHIPS

The members of the Board that currently serve on the board of any other issuer that is a reporting issuer (or equivalent) are set out below:

Director	Directorships
Maurice Levesque	Qwest Funds Corp.
Hugh Cartwright	NationWide Self Storage Management Corp and related entities. Maple Leaf Corporate Funds Ltd. Respective general partner of various Maple Leaf Oil & Gas Income Limited Partnerships; Maple Leaf Short Duration Flow-Through Limited Partnerships; Maple Leaf Energy Income Limited Partnerships.

ORIENTATION AND CONTINUING EDUCATION

The Company does not have an official orientation or training program for directors. New directors of the Company are provided with an opportunity to become familiar with the Company by meeting with all other directors and with management of the Company. As each director has a different skill set and professional background, orientation and training activities will be tailored to the particular needs and experience of each director.

ETHICAL BUSINESS CONDUCT

To encourage and promote a culture of ethical business conduct, the Board monitors the ethical conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that fiduciary duties placed on individual Directors by the Company's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the 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.

The Company adopted a whistleblower policy on June 30, 2005 which establishes procedures for dealing with submissions related to complaints and violations of ethical business conduct.

NOMINATION OF DIRECTORS

The Board does not have a nominating committee. Rather, the Executive Committee is responsible for identifying and recommending new candidates, having regard to the appropriate size of the Board and the necessary competencies and skills of the Board as a whole and of each director individually. New nominees should have a track record in general business management, special expertise in an area of strategic interest to the Company, and the ability to devote the time required.

COMPENSATION FOR THE DIRECTORS AND CEO

The Board does not have a compensation committee. The Board of Directors, as a whole, reviews and determines all forms of compensation for the CEO and directors. Further details about the Company's compensation practices are disclosed in this Circular under "Executive Compensation".

OTHER BOARD COMMITTEES

Other than the Audit Committee, the Board has an Executive Committee, members of which are Hugh Cartwright, James Chang and Stephen McCoach. The Executive Committee serves as a sounding board in situations where a full board meeting is not required. Specifically, the Executive Committee is responsible for overseeing the day-to-day operations of the Company. Further, the Executive Committee reviews the effectiveness of the Board and identifies, interviews and recommends the appointment of new directors. The Executive Committee's objective is to ensure that the Board is comprised of individuals with diverse backgrounds and experience, thereby providing the Board with a broad range of talent and experience.

ASSESSMENTS

The Board reviews its own performance annually to satisfy itself that the Board, its committees, and its individual directors are performing effectively.

GENERAL AND ADDITIONAL INFORMATION

NORMAL COURSE ISSUER BID

On September 14, 2017, the Company filed a notice with the TSX Venture Exchange to make a normal course issuer bid to repurchase outstanding Common Shares on the open market for cancellation. As approved by the TSX Venture Exchange, the Company may repurchase for cancellation up to 360,492 Common Shares, representing approximately 5% of the issued and outstanding Common Shares of the Company at the time of the bid. The purchases are to be made through the facilities of TSX Venture Exchange during the period October 2, 2017 to September 30, 2018, or until such time as the bid is completed or terminated at the Company's option.

Shareholders may obtain a copy of the notice filed with the TSX Venture Exchange in relation to the bid, free of charge, by contacting Imperial Ginseng, at Suite 3030, 650 West Georgia Street, Vancouver, British Columbia, Canada V6B 4N7; telephone: (604) 689-8863; email: info@imperialginseng.com.

ADDITIONAL INFORMATION RELATING TO IMPERIAL GINSENG

Additional information relating to Imperial Ginseng is available at www.sedar.com under Imperial Ginseng's profile. Financial information is provided in Imperial Ginseng's comparative audited financial statements and MD&A for its most recently completed financial year. Copies of the audited financial statements and related MD&A for the most recently completed financial year can be obtained from Imperial Ginseng by contacting Imperial Ginseng, at Suite 3030, 650 West Georgia Street, Vancouver, British Columbia, Canada V6B 4N7; telephone: (604) 689-8863; email: info@imperialginseng.com. Copies of such documents will be provided to Shareholders free of charge.

OTHER MATTERS

Management of the Company knows of no other matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters which are not known to the management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

BOARD OF DIRECTORS' APPROVAL

The contents of this Circular have been approved, and the delivery of it to each Shareholder of the Company entitled thereto and to the appropriate regulatory agencies, has been authorized by the Board of the Company.

By Order of the Board of Directors

(signed) "Stephen McCoach"
Stephen McCoach
Co-Chairman, Chief Executive Officer
and Secretary

Appendix "A"

AUDIT COMMITTEE CHARTER

IMPERIAL GINSENG PRODUCTS LTD.

AUDIT COMMITTEE CHARTER

The following is the text of the current Charter for the Audit Committee. Such Charter may be amended by the Board in the future in light of evolving corporate governance standards.

PURPOSE

The mandate of the Audit Committee is to assist the Board of Directors (the "Board") in fulfilling its oversight responsibilities. The primary duties and responsibilities of the Audit Committee include:

- reviewing the Company's financial reporting process with respect to the quality and integrity of the Company's financial statements
- ensuring the integrity of the Company's internal control system over financial reporting is maintained
- ensuring the Company is in compliance with legal and regulatory requirements with respect to the financial statements and financial reporting
- overseeing the process of selecting and appointing external auditors
- ensuring the qualifications and independence of external auditors
- oversee the conduct of the audit

The role of the Audit Committee is oversight. It is the responsibility of the Company's management to prepare the financial statements in accordance with the applicable accounting standards and applicable laws and regulations. The Audit Committee does not determine the accuracy or completeness of the Company's financial statements or financial disclosure. The Company's external auditors are responsible for the audit of the Company's financial statements in accordance with applicable auditing standards and laws and regulations.

AUTHORITY

The Audit Committee has the authority to seek any information it requires from any employee of the Company or external parties. The Audit Committee also has the authority to obtain legal or professional advice, at the Company's expense, to assist in performing its duties.

COMPOSITION AND ORGANIZATION

The Board will appoint from themselves the member of the Audit Committee. The Chair of the Audit Committee shall be appointed by the Board from time to time.

The Audit Committee shall be comprised of at least three directors, a majority of which are not officers or employees of the Company, at least one of whom shall have accounting or related financial management expertise.

At least one member of the Audit Committee must be independent. A member of the Audit Committee is independent if the member has no direct or indirect material relationship with an issuer. A material relationship means a relationship which could, in the view of the issuer's board of directors, reasonably interfere with the exercise of a member's independent judgment.

Every Audit Committee member must be financially literate. Financial literacy is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.

MEETINGS

The Audit Committee shall meet at least four times a year. Special meetings shall be convened as required. Quorum for a meeting of the Audit Committee shall be two members in attendance. Minutes of the Audit Committee meetings shall be recorded.

The Audit Committee may invite the Company's external auditors, the CFO and such other persons deemed appropriate by the Audit Committee to attend its meetings.

ROLES AND RESPONSIBILITIES

The Audit Committee will perform the following duties:

- Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.
- Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.
- Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review any legal matters which could significantly impact the financial statements as reported on by the Company's counsel and meet with outside independent counsel whenever deemed appropriate.
- Review the financial statements and all financial disclosures prior to their public dissemination, and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with the applicable accounting standards.
- Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.
- Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.
- Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.
- Meet with management and the external auditors to review the annual financial statements and the results of the audit.
- Evaluate the fairness of the interim financial statements and related disclosures including the associated Management's Discussion and Analysis, and obtain explanations from management on whether:
 - (i) actual financial results for the interim period varied significantly from budgeted or projected results;
 - (ii) generally accepted accounting principles have been consistently applied;
 - (iii) there are any actual or proposed changes in accounting or financial reporting practices; or
 - (iv) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure.
- Review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.
- Review the performance of the external auditors and approve in advance provision of services other than auditing. Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the company. The Board authorizes the Chairman of the Audit Committee to approve any non-audit or additional audit work which the Chairman deems as necessary and to notify the other members of the Audit Committee of such non-audit or additional work.
- Make recommendations to the Board regarding the reappointment of the external auditors and the compensation to be paid to the external auditor.
- Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- Review and approve the Company's hiring policies regarding partners, employers and former partners and employees of the present and former external auditors of the Company.
- Establish a procedure for:
 - (i) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
 - (ii) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters.

- Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately in the absence of management.
- Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.
- Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.
- Perform other functions as requested by the Board.
- If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist, and set the compensation to be paid to such special counsel or other experts.
- Review and recommend updates to the charter; receive approval of changes from the Board.
- With regard to the Company's internal control procedures, the Audit Committee is responsible to:
 - (i) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those related to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - (ii) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Audit Committee may deem appropriate;
 - (iii) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
 - (iv) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the external auditors have been implemented.

Appendix “B”

AMENDED AND RESTATED STOCK OPTION PLAN

IMPERIAL GINSENG PRODUCTS LTD.

AMENDED AND RESTATED STOCK OPTION PLAN

Effective Date: May 26, 2017

**SECTION 1
PURPOSE OF THE PLAN**

The purpose of the Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants, to incent such individuals to contribute toward the long term goals of the Company, and to encourage such individuals to acquire Shares of the Company as long-term investments.

**SECTION 2
DEFINITIONS AND INTERPRETATION**

2.1 Definitions

As used herein, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the meanings set forth below:

“Administrator” means such Executive or Employee of the Company as may be designated as Administrator by the Committee from time to time, if any.

“Associate” means, where used to indicate a relationship with any person:

- (a) that person’s spouse or child, or any relative of that person or of that person’s spouse who has the same residence as that person;
- (b) any partner of the person;
- (c) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and
- (d) any corporation of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the corporation.

“Blackout Period” means a restriction imposed by the Company on all or any of its directors, officers, employees, insiders or persons in a **“special relationship”** (as defined in the Securities Act) whereby they are to refrain from trading in the Company’s securities until the restriction has been lifted by the Company, which the Company will do, inter alia, as soon as any previously undisclosed material information has been generally disclosed.

“Board” means the board of directors of the Company.

“Change of Control” means an occurrence when either:

- (a) a Person or Entity, other than the current **“control person”** of the Company (as that term is defined in the Securities Act), becomes a **“control person”** of the Company; or
- (b) a majority of the directors elected at any annual or special meeting of shareholders of the Company are not individuals nominated by the Company’s then-incumbent Board.

“Committee” means a committee of the Board appointed in accordance with this Plan or if no such committee is appointed, the Board itself.

“Company” means Imperial Ginseng Products Ltd.

“Consultant” means an individual (other than an Employee or a director of the Company) or Corporation that:

- (a) is engaged to provide on an ongoing bona fide basis, consulting, technical, management, investor relations or other services to the Company or any Subsidiary, other than services provided in relation to a **“distribution”** (as that term is defined in the Securities Act);

- (b) provides the services under a written contract between the Company or any Subsidiary and the individual or the Consultant Corporation, as the case may be;
- (c) 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 any Subsidiary; and
- (d) has a relationship with the Company or any Subsidiary that enables the individual to be knowledgeable about the business and affairs of the Company.

“Consultant Corporation” means a Consultant that is a Corporation.

“Corporation” means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

“Disability” means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, and which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment that the Committee, acting reasonably, determines constitutes a disability.

“Employee” means:

- (a) an individual who is considered an employee of the Company or any Subsidiary under the *Income Tax Act* (Canada) (and for whom income tax, employment insurance and CPP deductions must be made at source);
- (b) an individual who works for the Company or any Subsidiary either full-time or 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 or any Subsidiary over the details and methods of work as an employee of the Company or any Subsidiary, but for whom income tax deductions are not made at source; or
- (c) such other individuals as may, from time to time, be permitted by applicable Regulatory Rules to be granted Options as employees or as an equivalent thereto,

and includes a corporation wholly-owned by such individual.

“Executive” means an individual who is a director, officer or Management Company Employee of the Company or a Subsidiary, and includes a corporation wholly-owned by such individual.

“Exercise Notice” means the written notice of the exercise of an Option, in the form set out as Schedule “B” hereto, duly executed by the Option Holder.

“Exercise Period” means the period during which a particular Option may be exercised and is the period from and including the Grant Date through to and including the Expiry Time on the Expiry Date provided, however, that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.

“Exercise Price” means the price at which an Option is exercisable as determined in accordance with Section 5.3.

“Expiry Date” means the date the Option expires as set out in the Option Certificate or as otherwise determined in accordance with Sections 5.4, 5.7, 6.2, 6.3, 6.4 or 11.2.

“Expiry Time” means the time the Option expires on the Expiry Date, which is 4:30 p.m. local time in Vancouver, British Columbia on the Expiry Date.

“Grant Date” means the date on which the Committee grants a particular Option, which is the date the Option comes into effect provided however that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.

“Insider” means an insider as that term is defined in the Securities Act.

“Management Company Employee” means an individual employed by a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a person engaged in investor relations activities.

“Market Price” means the market value of the Shares as determined in accordance with Section 5.3.

“Option” means an incentive share purchase option granted pursuant to this Plan entitling the Option Holder to purchase Shares.

“Option Certificate” means the certificate, in substantially the form set out as Schedule “A” hereto, evidencing the Option.

“Option Holder” means a Person or Entity who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person.

“Outstanding Issue” means the number of Shares that are outstanding (on a non-diluted basis) immediately prior to the Share issuance or grant of Option in question.

“Person or Entity” means an individual, natural person, corporation, government or political subdivision or agency of a government, and where two or more persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity.

“Personal Representative” means:

- (a) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
- (b) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder.

“Plan” means this stock option plan, as the same may be further amended and restated from time to time.

“Regulatory Approvals” means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of this Plan or for the Options granted from time to time hereunder.

“Regulatory Authorities” means all organized trading facilities on which the Shares are listed, and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company, this Plan or the Options granted from time to time hereunder.

“Regulatory Rules” means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the implementation, operation or amendment of this Plan or the Options granted from time to time hereunder, including, without limitation, those of the applicable Regulatory Authorities.

“Securities Act” means the *Securities Act* (British Columbia), R.S.B.C. 1996, c.418 as from time to time amended.

“Share” or **“Shares”** means, as the case may be, one or more common shares without par value in the capital stock of the Company.

“Share Compensation Arrangement” means any stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guarantee or otherwise.

“Subsidiary” means a wholly-owned or controlled subsidiary corporation of the Company.

"Triggering Event" means:

- (a) the proposed dissolution, liquidation or wind-up of the Company;
- (b) a proposed merger, amalgamation, arrangement or reorganization of the Company with one or more corporations as a result of which, immediately following such event, the shareholders of the Company as a group, as they were immediately prior to such event, are expected to hold less than a majority of the outstanding capital stock of the surviving corporation;
- (c) the proposed acquisition of all or substantially all of the issued and outstanding Shares by one or more Persons or Entities;
- (d) a proposed Change of Control of the Company;
- (e) the proposed sale or other disposition of all or substantially all of the assets of the Company; or
- (f) a proposed material alteration of the capital structure of the Company which, in the opinion of the Committee, is of such a nature that it is not practical or feasible to make adjustments to this Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect.

"TSX VN" means the TSX Venture Exchange.

2.2 Governing Law

The Plan is established under, and the provisions of the Plan shall be subject to and interpreted and construed in accordance with, the laws of the Province of British Columbia. The Company and each Option Holder hereby attorn to the jurisdiction of the Courts of British Columbia.

2.3 Headings and References

The headings used herein are for convenience only and are not to affect the interpretation of the Plan. References to numbered paragraphs are to such numbered paragraphs of the Plan. References to **"herein"**, **"hereunder"** and **"hereof"** and similar terms are references to the Plan as a whole.

SECTION 3 ELIGIBILITY AND PARTICIPATION

3.1 Grant of Options

The Committee shall, from time to time and in its sole discretion:

- (a) determine those Executives, Employees and Consultants, if any, to whom Options may be granted; and
- (b) grant Options to such Executives, Employees and Consultants and on such terms and conditions as are permitted under this Plan.

3.2 Limits on Option Grants

If the Company is listed on TSX VN, the following limitations shall apply to the Plan and all Options thereunder so long as such limitations are required by the TSX VN:

- (a) the maximum number of Shares which may be reserved for issuance to Insiders pursuant to Options under the Plan shall be 10% of the Outstanding Issue;
- (b) the maximum number of Options which may be granted to Insiders under the Plan within any 12 month period shall be 10% of the Outstanding Issue;

- (c) the maximum number of Options which may be granted to any one Option Holder under the Plan within any 12 month period shall be 5% of the Outstanding Issue unless the Company obtains the requisite disinterested shareholder approval;
- (d) the maximum number of Options which may be granted to any one Consultant within any 12 month period must not exceed 2% of the Outstanding Issue; and
- (e) the maximum number of Options which may be granted within any 12 month period to all Persons (as defined in Policy 1.1 of the TSX VN) whose role and duties primarily consist of investor relations activities must not exceed 2% of the Outstanding Issue and such Options must vest no earlier than as to 20% upon the Grant Date, as to a further 20% three months after the Grant Date, as to a further 20% six months after the Grant Date, as to a further 20% nine months after the Grant Date and as to a further 20% twelve months after the Grant Date,

and such limitation will not be an amendment to this Plan requiring the Option Holder's consent under section 9.2 of this Plan.

3.3 Notification of Grant

Following the granting of an Option, the Administrator shall, within a reasonable period of time, notify the Option Holder in writing of the grant and shall enclose with such notice the Option Certificate representing the Option so granted. In no case will the Company be required to deliver an Option Certificate to an Option Holder until such time as the Company has obtained all necessary Regulatory Approvals for the grant of the Option.

3.4 Copy of Plan

Each Option Holder, concurrently with the notice of the grant of the Option, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

3.5 Limitation on Service

The Plan does not give any Option Holder that is an Executive the right to serve or continue to serve as an Executive of the Company or any Subsidiary, nor does it give any Option Holder that is an Employee or Consultant the right to be or to continue to be employed or engaged by the Company or any Subsidiary.

3.6 No Obligation to Exercise

Option Holders shall be under no obligation to exercise Options granted under this Plan.

3.7 Notice

Any notice, delivery or other correspondence of any kind whatsoever to be provided by the Company to an Option Holder will be deemed to have been provided if provided to the last home address, fax number or email address of the Option Holder in the records of the Company and the Company shall be under no obligation to confirm receipt or delivery.

3.8 Effect of Plan

All Options granted pursuant to this Plan shall be subject to the terms and conditions of this Plan notwithstanding the fact that the Option Certificates issued in respect thereof do not expressly contain such terms and conditions but instead incorporate them by reference to this Plan.

3.9 Representation to the TSX VN

As a condition precedent to the issuance of an Option, the Company and the Option Holder must be able to represent to the TSX VN as of the Grant Date that the Option Holder is a bona fide Executive, Employee, Consultant or Management Company Employee of the Company or any Subsidiary.

**SECTION 4
SHARES SUBJECT TO THE PLAN**

4.1 Board to Approve Issuance of Shares

The Board shall approve by resolution the issuance of all Shares to be issued to Option Holders upon the exercise of Options, such authorization to be deemed effective as of the Grant Date of such Options regardless of when it is actually done. The Board shall be entitled to approve the issuance of Shares in advance of the Grant Date, retroactively after the Grant Date, or by a general approval of this Plan.

4.2 Total Number of Shares

Subject to adjustment as provided for herein, the maximum number of Shares which will be available for purchase pursuant to Options granted pursuant to this Plan will not exceed 720,000 Shares, including the existing 192,000 Shares currently subject to outstanding Options as of the date of this Plan which were granted prior to implementation of this Plan and, which by the implementation of this Plan are grandfathered under this Plan. If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Plan.

4.3 Fractional Shares

No fractional shares shall be issued upon the exercise of any Option and, if as a result of any adjustment, an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made for the fractional interest.

**SECTION 5
TERMS AND CONDITIONS**

5.1 Exercise Period

Subject to Sections 5.4, 5.7, 6.2, 6.3, 6.4 and 11.2, the Grant Date and the Expiry Date of an Option shall be the dates fixed by the Committee at the time the Option is granted and shall be set out in the Option Certificate issued in respect of such Option, provided that the Expiry Date shall be no later than the tenth anniversary of the Grant Date of such Option.

5.2 Number of Shares

The number of Shares which may be purchased pursuant to an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of such Option.

5.3 Exercise Price

The Exercise Price at which an Option Holder may purchase a Share upon the exercise of an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. In no case will the Exercise Price be less than the minimum price prescribed by the TSX VN as of the relevant Grant Date.

The Exercise Price shall be set with reference to the Market Price of the Shares as of the Grant Date. The Market Price of the Shares for a particular Grant Date shall be determined as follows:

- (a) if the Shares are listed on one organized trading facility, the Market Price will be the closing trading price of the Shares on the day immediately preceding the Grant Date;
- (b) if the Shares are listed on more than one organized trading facility, the Market Price shall be the Market Price as determined in accordance with subparagraph (a) above for the primary organized trading facility on which the Shares are listed, as determined by the Committee, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;

- (c) if the Shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the Grant Date, then the Market Price will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee; and
- (d) if the Shares are not listed for trading on a stock exchange or over the counter market, a price which is determined by the Committee to be the fair value of the Shares, taking into consideration all factors that the Committee deems appropriate, including, without limitation, recent sale and offer prices of the Shares in private transactions negotiated at arms' length.

5.4 Termination of Option

Subject to such other terms or conditions that may be attached to Options granted hereunder, an Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Committee at the time the Option is granted as set out in the Option Certificate and the date established, if applicable, in paragraphs (a) or (b) below or Sections 6.2, 6.3, 6.4 or 11.2 of this Plan:

(a) **Ceasing to Hold Office**

In the event that the Option Holder holds his or her Option as an Executive other than a Management Company Employee and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise expressly provided for in the Option Certificate, the 90th day following the date the Option Holder ceases to hold such position unless the Option Holder ceases to hold such position as a result of:

- (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company;
- (ii) a special resolution having been passed by the shareholders of the Company removing the Option Holder as a director of the Company or any Subsidiary; or
- (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position; OR

(b) **Ceasing to be Employed or Engaged**

In the event that the Option Holder holds his or her Option as an Employee or Consultant or Management Company Employee and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise expressly provided for in the Option Certificate, the 30th day following the date the Option Holder ceases to hold such position, unless the Option Holder ceases to hold such position as a result of:

- (i) termination for cause;
- (ii) resigning or terminating his or her position; or
- (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position.

In the event that the Option Holder ceases to hold the position of Executive, Employee or Consultant for which the Option was originally granted, but comes to hold a different position as an Executive, Employee or Consultant prior to the expiry of the Option, the Committee may, in its sole discretion, choose to permit the Option to stay in place for that Option Holder with such Option then to be treated as being held by that Option Holder in his or her new position and such will not be considered to be an amendment to the Option in question requiring the consent of the Option Holder under Section 9.2 of this Plan. Notwithstanding anything else contained herein, in no case will an Option be exercisable later than the Expiry Date of the Option.

5.5 Vesting of Option and Acceleration

The vesting schedule for an Option, if any, shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Committee may elect, at any time, to accelerate the vesting schedule of one or more Options including, without limitation, on a Triggering Event, and such acceleration will not be considered an amendment to the Option in question requiring the consent of the Option Holder under Section 9.2 of this Plan.

5.6 Additional Terms

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Committee may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in a schedule attached to the Option Certificate.

5.7 Blackout Extension

Notwithstanding any other provision of this Plan or any Option Certificate, and provided that neither the Company nor the subject Option Holder is subject to any cease trade order or similar order under applicable securities laws in respect of the Company's securities, if any Option would otherwise expire during a Blackout Period, then the Expiry Date of that Option shall be extended to the date which is ten business days after the end of that Blackout Period.

5.8 Hold Period

All Options granted to Insiders, and all Options having an Exercise Price that is less than the Market Price (as defined in Policy 1.1 of the TSX VN) on their Grant Date, and all Shares issued pursuant to an exercise of any such Options, are subject to a hold period of four months from the Grant Date of the subject Option.

SECTION 6 TRANSFERABILITY

6.1 Non-transferable

Except as provided otherwise in this Section 6, Options are non-assignable and non-transferable.

6.2 Death of Option Holder

In the event of the Option Holder's death, any Options held by such Option Holder shall pass to the Personal Representative of the Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of 12 months following the date of death and the applicable Expiry Date.

6.3 Disability of Option Holder

If the employment or engagement of an Option Holder as an Employee, Consultant or Management Company Employee or the position of an Option Holder as a director or officer of the Company or a Subsidiary is terminated by the Company by reason of such Option Holder's Disability, any Options held by such Option Holder shall be exercisable by such Option Holder or by the Personal Representative on or before the date which is the earlier of 12 months following the termination of employment, engagement or appointment as a director or officer and the applicable Expiry Date.

6.4 Disability and Death of Option Holder

If an Option Holder has ceased to be employed, engaged or appointed as a director or officer of the Company or a Subsidiary by reason of such Option Holder's Disability and such Option Holder dies within six months after the termination of such engagement, any Options held by such Option Holder that could have been exercised immediately prior to his or her death shall pass to the Personal Representative of such Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of 12 months following the death of such Option Holder and the applicable Expiry Date.

6.5 Vesting

Unless the Committee determines otherwise, Options held by or exercisable by a Personal Representative shall, during the period prior to their termination, continue to vest in accordance with any vesting schedule to which such Options are subject.

6.6 Deemed Non-Interruption of Engagement

Employment or engagement by the Company shall be deemed to continue intact during any military or sick leave or other bona fide leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the Option Holder's right to re-employment or re-engagement by the Company is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the Option Holder's re-employment or re-engagement is not so guaranteed, then his or her employment or engagement shall be deemed to have terminated on the ninety-first day of such leave.

SECTION 7 EXERCISE OF OPTIONS

7.1 Exercise of Options

An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder. An Option Holder or the Personal Representative of any Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period up to the Expiry Time on the Expiry Date by delivering to the Administrator the required Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option. Notwithstanding anything else contained herein, Options may not be exercised during a Blackout Period unless the Committee determines otherwise.

7.2 Issue of Share Certificates

As soon as reasonably practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall also provide a new Option Certificate for the balance of Shares available under the Option to the Option Holder concurrent with delivery of the Share Certificate.

7.3 No Rights as Shareholder

Until the date of the issuance of the certificate for the Shares purchased pursuant to the exercise of an Option, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to such Shares, notwithstanding the exercise of the Option, unless the Committee determines otherwise. In the event of any dispute over the date of the issuance of the certificates, the decision of the Committee shall be final, conclusive and binding.

SECTION 8 ADMINISTRATION

8.1 Board or Committee

The Plan shall be administered by the Board, by a Committee of the Board appointed in accordance with Section 8.2 below, or by an Administrator appointed in accordance with subsection 8.4(b).

8.2 Appointment of Committee

The Board may at any time appoint a Committee, consisting of not less than two of its members, to administer the Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Plan.

8.3 Quorum and Voting

A majority of the members of the Committee shall constitute a quorum and, subject to the limitations in this Section 8, all actions of the Committee shall require the affirmative vote of members who constitute a majority of such quorum. Members of the Committee may vote on any matters affecting the administration of the Plan or the grant of Options pursuant to the Plan, except that no such member shall act upon the granting of an Option to himself or herself (but any such member may be counted in determining the existence of a quorum at any meeting of the Committee during which action is taken with respect to the granting of Options to that member). The Committee may approve matters by written resolution signed by a majority of the quorum.

8.4 Powers of Committee

The Committee (or the Board if no Committee is in place) shall have the authority to do the following:

- (a) administer the Plan in accordance with its terms;
- (b) appoint or replace the Administrator from time to time;
- (c) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Price of the Shares;
- (d) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
- (e) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan;
- (f) determine the duration and purposes of leaves of absence from employment or engagement by the Company which may be granted to Option Holders without constituting a termination of employment or engagement for purposes of the Plan;
- (g) do the following with respect to the granting of Options:
 - (i) determine the Executives, Employees or Consultants to whom Options shall be granted, based on the eligibility criteria set out in this Plan;
 - (ii) determine the terms of the Option to be granted to an Option Holder including, without limitation, the Grant Date, Expiry Date, Exercise Price and vesting schedule (which need not be identical with the terms of any other Option);
 - (iii) subject to any necessary Regulatory Approvals and Section 9.2, amend the terms of any Options;
 - (iv) determine when Options shall be granted; and
 - (v) determine the number of Shares subject to each Option;
- (h) subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, accelerate the vesting schedule of any Option previously granted; and
- (i) make all other determinations necessary or advisable, in its sole discretion, for the administration of the Plan.

8.5 Administration by Committee

All determinations made by the Committee in good faith shall be final, conclusive and binding upon all persons. The Committee shall have all powers necessary or appropriate to accomplish its duties under this Plan.

8.6 Interpretation

The interpretation by the Committee of any of the provisions of the Plan and any determination by it pursuant thereto shall be final, conclusive and binding and shall not be subject to dispute by any Option Holder. No member of the Committee or any person acting pursuant to authority delegated by it hereunder shall be personally liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Committee and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

SECTION 9 APPROVALS AND AMENDMENT

9.1 Shareholder Approval of Plan

This Plan is subject to the approval of the shareholders of the Company by a majority of the votes cast by shareholders at a meeting of shareholders of the Company ("Shareholder Approval"). Any Options granted under this Plan prior to the date the Shareholder Approval is obtained will not be exercisable or binding on the Company unless and until such Shareholder Approval to this Plan and to any such Options is obtained.

9.2 Amendment of Option or Plan

Subject to any required Regulatory Approvals, the Committee may from time to time amend any existing Option or the Plan or the terms and conditions of any Option thereafter to be granted provided that where such amendment relates to an existing Option and it would:

- (a) materially decrease the rights or benefits accruing to an Option Holder; or
- (b) materially increase the obligations of an Option Holder;

then, unless otherwise excepted out by a provision of this Plan, the Committee must also obtain the written consent of the Option Holder in question to such amendment. If at the time the Exercise Price of an Option is reduced the Option Holder is an Insider of the Company, the Insider must not exercise the option at the reduced Exercise Price until the reduction in Exercise Price has been approved by the disinterested shareholders of the Company.

SECTION 10 CONDITIONS PRECEDENT TO ISSUANCE OF OPTIONS AND SHARES

10.1 Compliance with Laws

An Option shall not be granted or exercised, and Shares shall not be issued pursuant to the exercise of any Option, unless the grant and exercise of such Option and the issuance and delivery of such Shares comply with all applicable Regulatory Rules, and such Options and Shares will be subject to all applicable trading restrictions in effect pursuant to such Regulatory Rules and the Company shall be entitled to legend the Option Certificates and the certificates representing such Shares accordingly.

10.2 Obligation to Obtain Regulatory Approvals

In administering this Plan, the Committee will seek any Regulatory Approvals which may be required. The Committee will make all filings required with the Regulatory Authorities in respect of the Plan and each grant of Options hereunder. No Option granted will be exercisable or binding on the Company unless and until all necessary Regulatory Approvals have been obtained. The Committee shall be entitled to amend this Plan and the Options granted hereunder in order to secure any necessary Regulatory Approvals and such amendments will not require the consent of the Option Holders under Section 9.2 of this Plan.

10.3 Inability to Obtain Regulatory Approvals

The Company's inability to obtain Regulatory Approval from any applicable Regulatory Authority, which Regulatory Approval is deemed by the Committee to be necessary to complete the grant of Options hereunder,

the exercise of those Options or the lawful issuance and sale of any Shares pursuant to such Options, shall relieve the Company of any liability with respect to the failure to complete such transaction.

SECTION 11 ADJUSTMENTS

11.1 Alteration in Capital Structure

If there is a material alteration in the capital structure of the Company and the Shares are consolidated, subdivided, converted, exchanged, reclassified or in any way substituted for, the Committee shall make such adjustments to this Plan and to the Options then outstanding under this Plan as the Committee determines to be appropriate and equitable under the circumstances, so that the proportionate interest of each Option Holder shall, to the extent practicable, be maintained as before the occurrence of such event. Such adjustments may include, without limitation:

- (a) a change in the number or kind of shares of the Company covered by such Options; and
- (b) a change in the Exercise Price payable per Share provided, however, that the aggregate Exercise Price applicable to the unexercised portion of existing Options shall not be altered, it being intended that any adjustments made with respect to such Options shall apply only to the Exercise Price per Share and the number of Shares subject thereto.

For purposes of this Section 11.1, and without limitation, neither:

- (c) the issuance of additional securities of the Company in exchange for adequate consideration (including services); nor
- (d) the conversion of outstanding securities of the Company into Shares

shall be deemed to be material alterations of the capital structure of the Company.

Any adjustment made to any Options pursuant to this Section 11.1 shall not be considered an amendment requiring the Option Holder's consent for the purposes of Section 9.2 of this Plan.

11.2 Triggering Events

Subject to the Company complying with Section 11.3 and any necessary Regulatory Approvals, and notwithstanding any other provisions of this Plan or any Option Certificate, the Committee may cause all or a portion of all or any of the Options granted under the Plan to terminate upon the occurrence of a Triggering Event without the consent of the Option Holder or Holders in question. Such termination shall not be considered an amendment requiring the Option Holder's consent for the purpose of Section 9.2 of this Plan.

11.3 Notice of Termination by Triggering Event

In the event that the Committee wishes to cause all or a portion of any of the Options granted under this Plan to terminate on the occurrence of a Triggering Event, it must give written notice to the Option Holders in question not less than 10 days prior to the consummation of a Triggering Event. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options or portions thereof granted under the Plan which the Company proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options may have otherwise been subject.

11.4 Determinations to be Made By Committee

Adjustments and determinations under this Section 11 shall be made by the Committee, whose decisions as to what adjustments or determination shall be made, and the extent thereof, shall be final, binding, and conclusive.

SECTION 12 TERMINATION

12.1 Termination of Plan

Subject to any necessary Regulatory Approvals, the Committee may terminate or suspend the Plan.

12.2 No Grant During Suspension of Plan

No Option may be granted during any suspension, or after termination, of the Plan. Suspension or termination of the Plan shall not, without the consent of the Option Holder, alter or impair any rights or obligations under any Option previously granted.

SECTION 13 GENERAL

13.1 Agreement

The Company and every Option Holder granted an Option hereunder shall be bound by and subject to the terms and conditions of this Plan. By accepting an Option granted hereunder, the Option Holder has expressly agreed with the Company to be bound by the terms and conditions of this Plan. In the event that the Option Holder receives his, her or its Options pursuant to an oral or written agreement with the Company or a Subsidiary, whether such agreement is an employment agreement, consulting agreement or any other kind of agreement of any kind whatsoever, the Option Holder acknowledges that in the event of any inconsistency between the terms relating to the grant of such Options in that agreement and the terms attaching to the Options as provided for in this Plan, the terms provided for in this Plan shall prevail and the other agreement shall be deemed to have been amended accordingly.

13.2 Prior Plan

The Plan supersedes and replaces all predecessor stock option plans of the Company. All options previously granted by the Company that are outstanding as at the date of the Plan shall be grandfathered under the Plan and deemed to be Options which are subject to the terms and conditions hereof.

SCHEDULE "A"

[If applicable] Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until 12:01 a.m. on ● [date four months and one day after Grant Date].

IMPERIAL GINSENG PRODUCTS LTD. STOCK OPTION PLAN – OPTION CERTIFICATE

This Option Certificate is issued pursuant to the provisions of the Amended and Restated Stock Option Plan (the "Plan") of Imperial Ginseng Products Ltd. (the "Company") and evidences that ● [Name of Option Holder] is the holder (the "Option Holder") of an option (the "Option") to purchase up to ● common shares (the "Shares") in the capital stock of the Company at a purchase price of CAD\$● per Share (the "Exercise Price"). This Option may be exercised at any time and from time to time from and including the following Grant Date through to and including up to 4:30 p.m. local time in Vancouver, British Columbia (the "Expiry Time") on the following Expiry Date:

- (a) the Grant Date of this Option is ●; and
- (b) subject to sections 5.4, 5.7, 6.2, 6.3, 6.4 and 11.2 of the Plan, the Expiry Date of this Option is ●.

To exercise this Option, the Option Holder must deliver to the Administrator of the Plan, prior to the Expiry Time on the Expiry Date, an Exercise Notice, in the form provided in the Plan, together with the original of this Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised.

This Option Certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan which are incorporated by reference herein. This Option Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail. This Option is also subject to the terms and conditions contained in the schedules, if any, attached hereto.

[If applicable] Any share certificates issued pursuant to an exercise of the Option before 12:01 a.m. on ● [date four months and one day after Grant Date] will contain the following legend:

"Without prior written approval of TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until 12:01 a.m. on ● [four months and one day after the distribution date of the common shares]."

If the Option Holder is a resident or citizen of the United States of America at the time of the exercise of the Option, the certificate(s) representing the Shares will be endorsed with the following or a similar legend:

"The securities represented by this certificate have not been registered under the Securities Act of 1933, as amended, of the United States of America (the "Act") or the securities laws of any state ("State") of the United States of America and may not be sold, transferred, pledged, hypothecated or distributed, directly or indirectly, to a U.S. person (as defined in Regulation S adopted by the U.S. Securities and Exchange Commission under the Act) or within the United States unless such securities are (i) registered under the Act and any applicable State securities act (a "State Act"), or (ii) exempt from registration under the Act and any applicable State Act and the Company has received an opinion of counsel to such effect reasonably satisfactory to it, or (iii) sold in accordance with Regulation S and the Company has received an opinion of counsel to such effect reasonably satisfactory to it."

This Option was granted to the Option Holder in his or her capacity as a ● [pick one: Director, Officer, Advisor, Employee, Consultant, Management Company Employee] of the Company ●, and shall continue in effect should his or her status change and he or she continue in a new capacity as a Director, Officer, Employee, Consultant or Management Company Employee of the Company].

IMPERIAL GINSENG PRODUCTS LTD.

Per:

●, Administrator
Stock Option Plan

The Option Holder acknowledges receipt of a copy of the Plan and represents to the Company that the Option Holder is familiar with the terms and conditions of the Plan, and hereby accepts this Option subject to all of the terms and condition of the Plan. The Option Holder agrees to execute, deliver, file and otherwise assist the Company in filing any report, undertaking or document with respect to the awarding of the Option and exercise of the Option, as may be required by the Regulatory Authorities. The Option Holder further acknowledges that if the Plan has not been approved by the shareholders of the Company on the Grant Date, this Option is not exercisable until such approval has been obtained.

Signature of Option Holder

Name of Option Holder

Address of Option Holder

Date signed

OPTION CERTIFICATE – SCHEDULE

The additional terms and conditions attached to the Option represented by this Option Certificate are as follows:

1. vest as to:
 - (a) ● Shares on ● [date];
 - (b) ● Shares on ● [date];
 - (c) ● Shares on ● [date]; and
 - (d) ● Shares on ● [date];
- 2.
- 3.
- 4.
- 5.

SCHEDULE "B"
IMPERIAL GINSENG PRODUCTS LTD.
STOCK OPTION PLAN
NOTICE OF EXERCISE OF OPTION

**TO: Administrator, Stock Option Plan
IMPERIAL GINSENG PRODUCTS LTD.**

The undersigned hereby irrevocably gives notice, pursuant to the Amended and Restated Stock Option Plan (the "**Plan**") of Imperial Ginseng Products Ltd. (the "**Company**"), of the exercise of the Option to acquire and hereby subscribes for (cross out inapplicable item):

- (a) all of the Shares; or
- (b) _____ of the Shares;

which are the subject of the Option Certificate attached hereto (attach your original Option Certificate).

The undersigned tenders herewith a certified cheque or bank draft payable to "**Imperial Ginseng Products Ltd.**" in an amount equal to the aggregate Exercise Price of the aforesaid Shares and directs the Company to issue the certificate evidencing said Shares in the name of the undersigned to be mailed to the undersigned at the following address (provide full complete address):

Street Address	City	Province	Postal Code
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The undersigned acknowledges the Option is not validly exercised unless this Notice is completed in strict compliance with this form and delivered to the required address with the required payment prior to 4:30 p.m. local time in Vancouver, B.C. on the Expiry Date of the Option.

DATED the _____ day of _____, 20__.

Signature of Option Holder

Name of Option Holder