

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS AND
MANAGEMENT INFORMATION CIRCULAR
MAGEN VENTURES I INC.**

April 26, 2022

April 26, 2022

Dear Shareholder,

The directors of Magen Ventures I Inc. (the “**Company**” or “**Magen**”) cordially invite you to attend the annual and special meeting (the “**Meeting**”) of the shareholders of Magen (the “**Shareholders**”) to be held at the offices of Dentons Canada LLP, 77 King Street West, Suite 400, Toronto, Ontario M5K 0A1 on May 25, 2022 at 10:00 a.m. (Toronto time) for the following purposes:

- (i) to receive the audited financial statements of the Company for the period from the date of incorporation (February 9, 2021) to December 31, 2021 and the auditors’ report thereon;
- (ii) to re-elect the directors of the Company to serve until the next annual meeting of the shareholders or until their successors are duly elected or appointed;
- (iii) to re-appoint MNP LLP as auditors of Magen for the ensuing year and to authorize the board of directors of the Company (the “**Board**”) to fix their remuneration;
- (iv) to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution ratifying and approving the Company’s 10% rolling stock option plan;
- (v) to consider and, if deemed appropriate, to pass, with or without variation, a special resolution to increase the size of the Board from four to five and to empower the Board, by resolution of the directors, to determine the number of directors within the minimum and maximum number set out in the articles of incorporation of Magen;
- (vi) to elect each of the nominees of Grey Wolf Animal Health Inc. (“**Grey Wolf**”) to the Board to take effect immediately following the closing of the Company’s proposed qualifying transaction with Grey Wolf (the “**Qualifying Transaction**”) as more particularly described in the accompanying management information circular (the “**Circular**”);
- (vii) to appoint PricewaterhouseCoopers LLP as auditors of Magen immediately following the closing of the Qualifying Transaction for the ensuing year and to authorize the Board to fix their remuneration;
- (viii) to consider and, if deemed appropriate, to pass, with or without variation, a special resolution authorizing and approving a consolidation of Magen’s issued and outstanding common shares on the basis of up to 19.1667 pre-consolidation common shares of Magen for every one post-consolidation common share of Magen, as more particularly described in the Circular; and
- (ix) to consider and, if deemed appropriate, to pass, with or without variation, a special resolution approving an amendment to the articles of Magen to change its name from “Magen Ventures I Inc.” to “Grey Wolf Animal Health Corp.” or such other similar name as may be determined by the Board, as directed by Grey Wolf in compliance with applicable laws and as may be acceptable to the TSX Venture Exchange; and
- (x) to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

THE BOARD UNANIMOUSLY RECOMMENDS THAT MAGEN SHAREHOLDERS VOTE IN FAVOUR OF THE ABOVE REFERENCED RESOLUTIONS AT THE MEETING.

We hope you will be able to attend the Meeting. Whether or not you are able to attend, it is important that you be represented at the Meeting. We encourage you to complete the enclosed form of proxy and return it, by the time specified in the notice of the Meeting and the Circular, to TSX Trust Company at the address specified on the form of proxy. Voting by proxy will not prevent you from voting in person if you attend the Meeting, but will ensure that your vote will be counted if you are unable to attend.

If you are a non-registered holder of Magen common shares and have received this letter and the Circular from your broker or another intermediary, please complete and return the form of proxy or other authorization form provided to you by your broker or other intermediary in accordance with the instructions provided with it. Failure to do so may result in your Magen common shares not being eligible to be voted at the Meeting.

Sincerely,

(signed) “*Jesse Kaplan*”

Jesse Kaplan
Chief Executive Officer

COVID-19 GUIDANCE

In order to comply with venue requirements and to mitigate potential risks to public health and safety, in-person access to the Meeting may only be granted to those Shareholders and duly appointed proxyholders who are Fully Vaccinated (as defined below) and who provide satisfactory proof of vaccination. All attendees may be required to wear masks in all public spaces, including lobbies, elevators, reception area, meeting rooms and washrooms.

Shareholders and duly appointed proxyholders who are deemed fully vaccinated (“**Fully Vaccinated**”) with a vaccine that is approved for use in Canada, include those who have received:

- two (2) doses of any of the following COVID-19 vaccines: Pfizer, Moderna or AstraZeneca, and who have waited 14 days after receiving their second dose; or
- one (1) dose of the Johnson & Johnson COVID-19 vaccine, and who have waited 14 days after receiving their first dose.

All attendees will be required to complete a Visitor Health Screening Form available at reception, and provide proof of full vaccination before they are allowed to enter the Meeting.

In order to ensure that all Shareholders are able to cast their votes, the Company strongly encourages Shareholders to vote in advance of the Meeting using the form of proxy or voting instruction form accompanying the Circular or ensure that they have appointed a Fully Vaccinated proxyholder.

For additional information on COVID-19 protocols for the Meeting, please contact info@plazacapital.ca.

MAGEN VENTURES I INC.
Suite 400 – 77 King Street West
Toronto, Ontario
M5K 0A1

MANAGEMENT INFORMATION CIRCULAR
(Containing information as at April 26, 2022 unless indicated otherwise)

SOLICITATION OF PROXIES

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Magen Ventures I Inc. (the “**Company**” or “**Magen**”) for use at the Annual and Special Meeting of shareholders of the Company (and any adjournment thereof) to be held on May 25, 2022 (the “**Meeting**”) at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors, officers and regular employees of the Company at nominal cost. All costs of solicitation by management will be borne by the Company.

The contents and the sending of this Circular have been approved by the directors of the Company.

APPOINTMENT OF PROXYHOLDER

The individuals named in the accompanying form of proxy are directors and/or officers of the Company. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM, HER OR IT AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAMES OF THOSE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY AND INSERTING THE DESIRED PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY.**

A proxy will not be valid unless the completed form of proxy is received by TSX Trust Company (the “Transfer Agent”), Proxy Department, 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting, or any adjournment thereof. Proxies delivered after that time will not be accepted, subject to the discretion of the Chair.

REVOCAION OF PROXIES

A registered holder (each an “**Magen Shareholder**” and collectively, the “**Magen Shareholders**”) of common shares of Magen (the “**Magen Shares**”) who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his, her or its attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered either to the Transfer Agent at TSX Trust Company, Proxy Department, 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1 at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chair of the Meeting on the day of the Meeting or, if adjourned, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

NON-REGISTERED SHAREHOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the shares they own are not registered in their names but are instead registered in the names of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their shares in their own name (referred to herein as “Beneficial Shareholders”) should note that only registered shareholders may vote at the Meeting. If Magen Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those common shares will not be registered in such shareholder’s name on the records of the Company. Such Magen Shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which company acts as nominee for many Canadian brokerage firms). Magen Shares held by

brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers' clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Magen Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Company to the registered shareholders. However, its purpose is limited to instructing the registered shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Magen Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Magen Shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of Magen Shares must be communicated to Broadridge) well in advance of the Meeting in order to have the Magen Shares voted.**

This Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own ("**Objecting Beneficial Owners**", or "**OBOs**") and those who do not object to their identity being made known to the issuers of the securities they own ("**Non-Objecting Beneficial Owners**", or "**NOBOs**"). Subject to the provision of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents. Pursuant to NI 54-101, issuers may obtain and use the NOBO list for distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Magen Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Magen Shares on your behalf.

The Company has decided to take advantage of the provisions of NI 54-101 that permit it to deliver proxy related materials directly to its NOBOs. By choosing to send these materials to you directly, the Company (and not the intermediary holding shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. As a result, if you are a NOBO of the Company, you can expect to receive a scannable Voting Instruction Form ("**VIF**") from the Transfer Agent. Please complete and return the VIF to the Transfer Agent in the envelope provided or by facsimile. The Transfer Agent will tabulate the results of the VIF's received from the Company's NOBOs and will provide appropriate instructions at the Meeting with respect to the Magen Shares represented by the VIF's they receive.

The Company is not sending its proxy-related materials to the registered shareholders or Beneficial Shareholders using "notice and access", as defined in NI 54-101.

Management of the Company does not intend to pay for intermediaries to forward to OBOs (who have not otherwise waived their right to receive proxy-related materials) under NI 54-101 the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*. Accordingly, an OBO will not receive the materials unless the OBO's intermediary assumes the costs of delivery.

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

All references to Magen Shareholders in this Circular and the accompanying form of proxy and Notice of Meeting are to shareholders of record unless specifically stated otherwise.

VOTING OF PROXIES

The Magen Shares represented by a properly executed proxy in favour of persons proposed by management as proxyholders in the accompanying form of proxy will:

- (a) be voted or withheld from voting in accordance with the instructions of the person appointing the proxyholder on any ballot that may be taken; and
- (b) where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made in such proxy.

ON A POLL SUCH MAGEN SHARES WILL BE VOTED **IN FAVOUR** OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED BY THE SHAREHOLDER WHO HAS SUBMITTED AN EXECUTED FORM OF PROXY.

The enclosed form of proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. If any amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matters or business. At the time of the printing of this Circular, the management of the Company knows of no such amendment, variation or other matter that may be presented to the Meeting.

COVID-19 GUIDANCE

In order to comply with venue requirements and to mitigate potential risks to public health and safety, in-person access to the Meeting may only be granted to those Magen Shareholders and duly appointed proxyholders who are Fully Vaccinated (as defined below) and who provide satisfactory proof of vaccination. All attendees may be required to wear masks in all public spaces, including lobbies, elevators, reception area, meeting rooms and washrooms.

Shareholders and duly appointed proxyholders who are deemed fully vaccinated (“**Fully Vaccinated**”) with a vaccine that is approved for use in Canada, include those who have received:

- two (2) doses of any of the following COVID-19 vaccines: Pfizer, Moderna or AstraZeneca, and who have waited 14 days after receiving their second dose; or
- one (1) dose of the Johnson & Johnson COVID-19 vaccine, and who have waited 14 days after receiving their first dose.

All attendees will be required to complete a Visitor Health Screening Form available at reception, and provide proof of full vaccination before they are allowed to enter the Meeting.

In order to ensure that all Magen Shareholders are able to cast their votes, the Company strongly encourages Magen Shareholders to vote in advance of the Meeting using the form of proxy or voting instruction form accompanying the Circular or ensure that they have appointed a Fully Vaccinated proxyholder.

For additional information on COVID-19 protocols for the Meeting, please contact info@plazacapital.ca.

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

Other than with respect to the spouse of Jesse Kaplan, an officer and director of Magen, being the holder of certain convertible debt securities of Grey Wolf Animal Health Inc. (“**Grey Wolf**”), no person who has been a director or executive officer of the Company at any time since the beginning of the last financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors or the appointment of auditor.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Authorized Capital: an unlimited number of Magen Shares

Issued and Outstanding: 60,000,000 Magen Shares (as at April 18, 2022)

The Magen Shares are the only voting securities of the Company. Only shareholders of record at the close of business on April 18, 2022 (the “**Record Date**”) who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their Magen Shares voted at the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders will have one vote, and on a poll every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each Magen Share registered in that shareholder’s name on the list of shareholders as at the Record Date, which is available for inspection during normal business hours at TSX Trust Company and will be available at the Meeting. **Shareholders represented by proxy holders are not entitled to vote on a show of hands.**

Other than as set out herein, to the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly or exercises control or direction over Magen Shares carrying 10% or more of the voting rights attached to all outstanding Magen Shares.

CURRENCY

All currency amounts referred to in this Circular are in Canadian dollars, unless otherwise indicated.

PROPOSED QUALIFYING TRANSACTION

Qualifying Transaction

On March 16, 2022, Magen entered into a business combination agreement (the “**Business Combination Agreement**”) with Grey Wolf which outlines the terms and conditions pursuant to which Magen and Grey Wolf will complete a three cornered amalgamation (the “**Amalgamation**”) that will result in a reverse take-over of Magen by Grey Wolf. The proposed transaction (the “**Qualifying Transaction**”) will constitute a qualifying transaction for Magen (as such term is defined under Policy 2.4 (“**Policy 2.4**”) of the TSXV Corporate Finance Manual (the “**TSXV Manual**”)) and upon the closing of the Qualifying Transaction, Magen will be the resulting issuer (the “**Resulting Issuer**”).

Under the terms of the Business Combination Agreement, as consideration for the Amalgamation, each shareholder of Grey Wolf (each, a “**Grey Wolf Shareholder**” and collectively, the “**Grey Wolf Shareholders**”) will be entitled to receive one post-Consolidation (as defined below) share of the Resulting Issuer (a “**Resulting Issuer Share**”) for each common share of Grey Wolf (a “**Grey Wolf Share**”) held by such Grey Wolf Shareholder immediately prior to the completion of the Qualifying Transaction. Further, each outstanding warrant of Grey Wolf (a “**Grey Wolf Warrant**”) to purchase a Grey Wolf Share will be exchanged for one Resulting Issuer warrant (a “**Resulting Issuer Warrant**”) immediately prior to the completion of the Qualifying Transaction with the Resulting Issuer Warrants being issued on substantially the same terms and conditions as the applicable Grey Wolf Warrants, all on a post-Consolidation basis. Each outstanding option (a “**Grey Wolf Option**”) to purchase a Grey Wolf Share will be exchanged for one Resulting Issuer option (a “**Resulting Issuer Option**”) immediately prior to the completion of the Qualifying Transaction, with the Resulting Issuer Options being issued on substantially the same terms and conditions as the applicable Grey Wolf Option, all on a post-Consolidated basis.

The closing of the Qualifying Transaction is subject to the receipt of all requisite regulatory approvals (including the approval of the TSX Venture Exchange (the “**TSXV**”)) and other customary conditions.

AUDIT COMMITTEE DISCLOSURE

Under National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), venture issuers must include in its management information circular the disclosure required by Form 52-110F2 – *Disclosure by Venture Issuers* with respect to their audit committee, including the text of the audit committee’s charter, the composition of the audit committee and the fees paid to the external auditor. This information is set out in the attached Schedule “A” to this Circular.

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this Circular, a Named Executive Officer (“**NEO**”) of the Company means each of the following individuals:

- (a) the chief executive officer (“**CEO**”) of the Company;
- (b) the chief financial officer (“**CFO**”) of the Company;
- (c) the most highly compensated executive officer of the Company, including any of its subsidiaries, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for the period from the date of incorporation (February 9, 2021) to the date hereof; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, for the period from the date of incorporation (February 9, 2021) to the date hereof.

Since its incorporation, the Company had one NEO: Jesse Kaplan, who served as CEO, CFO and Corporate Secretary of the Company.

Compensation Discussion and Analysis

The Company’s board of directors (the “**Board**”) is responsible for ensuring that the Company has in place an appropriate plan for executive compensation and for making recommendations with respect to the compensation of the Company’s executive officers. The Board ensures that total compensation paid to its NEOs is fair and reasonable and is consistent with the Company’s compensation philosophy.

Prior to completion of a Qualifying Transaction (as such term is defined in the TSXV Manual), no payment of any kind has been made, or will be made, directly or indirectly, by the Company to a non-arm’s length party to the Company or a Non-Arm’s Length Party to the Qualifying Transaction (as defined in the TSXV Manual), or to any person engaged in investor relations activities in respect of the securities of the Company or any resulting issuer by any means, including: (a) remuneration, which includes but is not limited to: (i) salaries; (ii) consulting fees; (iii) management contract fees or directors’ fees; (iv) finders fees; (v) loans; (vi) advances; and (vii) bonuses; and (b) deposits and similar payments.

However, the Company may reimburse non-arm’s length parties for the Company’s reasonable expenses as further set out in the TSXV Manual (“**Permitted Reimbursement**”). Since its incorporation (February 9, 2021), the Company incurred no such Permitted Reimbursements. No reimbursement may be made for any payment made to lease or buy a vehicle.

Option Plan

The Company has adopted a 10% rolling stock option plan (the “**Option Plan**”) that enables the directors, officers, employees and consultants of the Company and its affiliates to participate in the growth and development of the Company by providing such persons with the opportunity, through options to purchase Magen Shares, to acquire an increased proprietary interest in the Company that is aligned with the interests of the Magen Shareholders.

The Option Plan provides that the directors of the Company may from time to time, in their discretion, and in accordance with the TSXV requirements, grant to directors, officers, employees and technical consultants to the

Company, non-transferable options to purchase Magen Shares, provided that, following the listing of the Magen Shares on the TSXV, the number of Magen Shares reserved for issue will not exceed 10% of the number of then outstanding Magen Shares as at the date of the grant. Such options will be exercisable for a period of up to ten years after the date of grant thereof. The number of Magen Shares reserved for issue to: (a) any individual director or officer will not exceed 5% of the number of outstanding Magen Shares as of the date of the completion of the Company's initial public offering; and (b) all technical consultants will not exceed 2% of the number of outstanding Magen Shares as of the date of the completion of the Company's initial public offering. Options may be exercised within the greater of 12 months after completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Any options to purchase Magen Shares or Magen Shares acquired pursuant to the exercise of options prior to completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the bulletin is issued by the TSXV following closing of the Qualifying Transaction that evidences the final acceptance by the TSXV of the Qualifying Transaction. Furthermore, options to purchase Magen Shares at an issuance price less than the price of the Magen Shares issued in the Company's initial public offering (and the Magen Shares issuable upon exercise of such options) may be subject to additional escrow period following the Qualifying Transaction.

The Option Plan is administered by the Board which may grant options to directors, officers, employees and technical consultants of the Company and its affiliates. The Board has the discretion to determine to whom options will be granted, the number and exercise price of such options and the terms and time frames in which the options will vest and be exercisable. Options, however, may only be exercisable for a maximum of ten calendar years from the date of grant and the exercise price of the options must be not less than the exercise price permitted by the TSXV.

As at the date hereof, the Company has reserved 6,000,000 Magen Shares pursuant to the exercise of the directors' and officers' options. The directors' and officers' options were granted on February 22, 2021 and June 17, 2021.

As of the date of this Circular, the only stock option plan or other incentive plan the Company currently has in place is the Option Plan.

Following completion of a Qualifying Transaction, it is anticipated that the Company shall pay compensation to its directors and officers. However, no payment other than the Permitted Reimbursements will be made by the Company or by any party on behalf of the Company, after completion of a Qualifying Transaction, if the payment relates to services rendered or obligations incurred or in connection with the Qualifying Transaction.

Summary Compensation Disclosure

Since the Company's incorporation (February 9, 2021), no NEOs or directors received compensation for their services as NEOs or directors, for committee participation, for involvement in special assignments or for services as consultant or expert, other than the directors being awarded an aggregate of 6,000,000 options under the Option Plan.

The Company has no arrangements, standard or otherwise, pursuant to which NEOs or directors are compensated by the Company for their services in their capacity as NEOs or directors, or for committee participation, for involvement in special assignments or for services as consultants or experts during the period from the date of incorporation of the Company to the date hereof.

As disclosed elsewhere in this Circular, the Company has the Option Plan for the granting of incentive stock options to the officers, employees and directors. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the NEOs and directors of the Company and to closely align the personal interests of such persons to that of the Magen Shareholders.

In accordance with the Policy 2.4 no compensation in the form of a salary, consulting fee, management contract fee, directors' fee or bonus has been paid to or earned by any NEO or director for the period from incorporation to the date hereof.

Following the proposed Qualifying Transaction, if completed, it is anticipated that the Resulting Issuer will pay compensation to its directors and officers in accordance with industry standards, depending on the nature and size of the particular business in which the Resulting Issuer operates.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

There are an aggregate of 6,000,000 incentive stock options for the NEOs and directors outstanding pursuant to the Option Plan. No other share-based awards have been granted to the NEOs or directors.

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	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 as at the date hereof (\$)	Expiry date
Jesse Kaplan, CEO, CFO and Director	Options	1,250,000	February 22, 2021	0.05	N/A	\$0.095	February 26, 2026
	Options	250,000	June 17, 2021	0.10	N/A	\$0.095	June 17, 2026
Aaron Unger, Director	Options	1,250,000	February 22, 2021	0.05	N/A	\$0.095	February 26, 2026
	Options	250,000	June 17, 2021	0.10	N/A	\$0.095	June 17, 2026
Alan Friedman, Director	Options	1,250,000	February 22, 2021	0.05	N/A	\$0.095	February 26, 2026
	Options	250,000	June 17, 2021	0.10	N/A	\$0.095	June 17, 2026
Yisroel Weinreb, Director	Options	1,250,000	February 22, 2021	0.05	N/A	\$0.095	February 26, 2026
	Options	250,000	June 17, 2021	0.10	N/A	\$0.095	June 17, 2026

Incentive Plan Awards – Value Vested or Earned During The Year

All of the 6,000,000 options awarded under the Option Plan to the NEOs and directors were granted and vested during the period from the date of incorporation of the Company (February 9, 2021) to the date hereof.

Incentive Plan Awards - Outstanding Option-Based Awards

There were an aggregate of 6,000,000 option-based awards granted under the Option Plan to NEOs and directors outstanding as at April 26, 2022.

A description of the significant terms of the Option Plan is found under the heading “*Statement of Executive Compensation – Option Plans*”.

Pension Benefits

The Company does not have any form of pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement. The Company does not have any form of deferred compensation plan.

Termination and Change of Control Benefits

The Company has no plans or arrangements in respect of remuneration received or that may be received by the NEOs in the Company's most recently completed financial year or current financial year in respect of compensating such officer in the event of termination of employment (as a result of resignation, retirement, change of control, etc.) or a change in responsibilities following a change of control.

There are no employment contracts between the Company and the NEOs.

There are no compensatory plans, contracts or arrangements between the Company and any NEO, where the NEO is entitled to receive more than \$50,000 from the Company, including periodic payments or installments, in the event of:

- (a) the resignation, retirement or any other termination of employment of the NEO's employment with the Company;
- (b) a change of control of the Company; or
- (c) a change of the NEO's responsibilities following a change in control.

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICE

National Instrument 58-101, *Disclosure of Corporate Governance Practices* ("NI 58-101") requires reporting issuers to disclose the corporate governance practices, on an annual basis, that they have adopted. The Company's approach to corporate governance is detailed in Schedule "B" to this Circular.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At no time during the Company's last financial year ended December 31, 2021 was any director, executive officer, employee, proposed management nominee for election as a director of the Company nor any associate of any such director, executive officer, or proposed management nominee of the Company or any former director, executive officer or employee of the Company or any of its subsidiaries is or has been indebted to the Company or any of its subsidiaries or is or has been indebted to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, other than routine indebtedness.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table provides information regarding compensation plans under which securities of the Company are authorized for issuance to directors, officers, employees and consultants in effect as of December 31, 2021:

Equity Compensation Plan Information

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Approved By Securityholders ⁽¹⁾	Nil	N/A	N/A
Equity Compensation Plans Not Approved by Securityholders	6,000,000	N/A	Nil
Total	6,000,000	\$0.0583	Nil

Note:

- ⁽¹⁾ In February 2021, the Company adopted the Option Plan, being a “rolling” incentive stock option plan which provides that, following the Company’s initial public offering, the Board may grant up to 10% of the total number of Magen Shares issued and outstanding at the date of the stock option grant. For terms of the equity compensation plan see “*Statement of Executive Compensation – Option Plan*”.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set out herein, none of the directors or executive officers of the Company, a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company, nor any shareholder beneficially owning, directly or indirectly, Magen Shares of the Company, or exercising control or direction over Magen Shares of the Company, or a combination of both, carrying more than 10% of the voting rights attached to the outstanding Magen Shares of the Company nor an associate or affiliate of any of the foregoing persons has since the date of incorporation (February 9, 2021) any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Company or any of its subsidiaries.

The spouse of Jesse Kaplan, an officer and director of Magen, is the holder of certain convertible debt securities of Grey Wolf.

MANAGEMENT CONTRACTS

The management functions of the Company are substantially performed by the directors and officers of the Company, and not to any substantial degree by any other person with whom the Company has contracted. The Company does not presently have any management agreements in place with any of its directors or officers.

PARTICULARS OF MATTERS TO BE ACTED UPON

A. Audited Financial Statements

The audited financial statements for the period from the date of incorporation (February 9, 2021) to December 31, 2021 and the report of the auditors thereon which accompany this Circular will be placed before the Magen Shareholders at the Meeting. The presentation at the Meeting of the auditors’ report and the Company’s financial statements for this financial period will not constitute a request for approval or disapproval of any matters referred to therein. Copies of the Company’s financial statements are also available on SEDAR at www.sedar.com.

B. Election of Directors

The following information relates to the election of directors of the Company and to the persons proposed to be nominated for election as directors. At the Meeting, a board of four directors will be proposed for election. Management will nominate the persons named below for election as directors to hold office for the ensuing year or until their successors are duly elected or appointed. At the date hereof, management is not aware that any nominee will be unable or unwilling to serve as a director but in the event that any nominee is unwilling or unable to serve, it is intended that the discretionary authority given in the proxies hereby solicited will be exercised to vote such proxies for the election of another person as a director.

The following table sets out the names of the persons nominated by management for election as directors as of the date hereof. The table includes information furnished by the nominees individually concerning their principal occupations, employment, Magen Shares beneficially owned by them or over which they exercise control or direction and certain other information.

Proposed Director ⁽¹⁾	Present Principal Occupation ⁽¹⁾	Date appointed as a Director	Number of Magen Shares beneficially owned or controlled or directed, directly or indirectly ⁽²⁾
Jesse Kaplan Ontario, Canada	Partner with Plaza Capital & Investment; Banker at First Republic Capital; Managing Director of Seek Capital	February 22, 2021	1,500,000 ⁽⁴⁾
Aaron Unger ⁽³⁾ Ontario, Canada	Managing Partner at Bayline Capital Partners	February 22, 2021	1,500,000 ⁽⁴⁾
Yisroel Weinreb ⁽³⁾ Ontario, Canada	President, Plaza Capital Limited; CEO of Lake Central Air Services; CEO of Findev Inc	February 22, 2021	1,500,000 ⁽⁴⁾
Alan Friedman ⁽³⁾ Ontario, Canada	Managing Partner at Bayline Capital Partners	February 22, 2021	1,500,000 ⁽⁴⁾

Notes:

- (1) The information as to the province, or state and country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (2) The information as to Magen Shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (3) Member of the Company's audit committee.
- (4) Messrs. Kaplan, Friedman, Unger and Weinreb also each hold 1,500,000 Magen Options.

The term of office of each of the present directors expires at the Meeting. The persons named above will be presented for election at the Meeting as management's nominees and the persons proposed by management as proxyholders in the accompanying form of proxy intend to vote for the election of these nominees. Upon all of the conditions precedent to effect the Qualifying Transaction being satisfied, it is intended that each director elected will resign and the nominees of Grey Wolf will be appointed to the Resulting Issuer's board of directors, all in accordance with the articles of the Resulting Issuer and the provisions of the *Business Corporations Act* (Ontario) (the "OBCA").

Voting for the election of the above named directors will be conducted on an individual, not slate basis. If named as proxy, the management designees intend to vote the Magen Shares represented by such proxy at the Meeting for the approval of the above listed nominees, unless otherwise directed in the instrument of proxy.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Company, none of the proposed directors (or any of their personal holding companies) of the Company:

- (a) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company, including the Company, that:
 - i. was subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days (collectively, an “**order**”) while that person was acting in the capacity as director, executive officer or chief financial officer; or
 - ii. was the subject of an order, that was issued after the person ceased to be a director, chief executive officer or chief financial officer in the company and which resulted from an event that occurred while that person was acting in the capacity as director, executive officer or chief financial officer; or
- (b) is as at the date of this Circular or has been within the 10 years before the date of this Circular, a director or executive officer of any company, including the Company, that while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Circular, become bankrupt, 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 as trustee appointed to hold the assets of that individual.

To the knowledge of the Company, none of the proposed directors (or any of their personal holding companies) has been subject to:

- (a) 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
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

C. Re-Appointment Of Auditors

Management proposes the re-appointment of MNP LLP as auditors of the Company to hold office until the next annual meeting of the Magen Shareholders or until a successor is appointed and that the Board be authorized to fix their remuneration. MNP LLP has been retained as auditors of the Company since February 22, 2021.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE RE-APPOINTMENT OF MNP LLP AS AUDITORS OF THE COMPANY FOR THE ENSUING YEAR AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THE REMUNERATION OF THE AUDITORS, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.

D. Ratification of Stock Option Plan

At the Meeting, Magen Shareholders will be asked to consider and, if deemed advisable, approve an ordinary resolution set forth below in this Circular ratifying the Option Plan, which is considered a “rolling” stock option plan and reserves a maximum of 10% of the total outstanding Magen Shares at the time of grant for issuance pursuant to the Option Plan. Any previous granted options are governed by Option Plan, and if options granted expire or terminate for any reason without having been exercised, the unpurchased Magen Shares will again be available under the Option Plan. The policies of the TSXV provide that, where a company has a rolling stock option plan in place, it must seek shareholder approval for such plan annually.

A full copy of the Option Plan is attached hereto as Schedule “C” will be available for inspection at the Meeting. A summary of the Option Plan can also be found herein under “*Statement of Executive Compensation – Option Plan*”.

Approval by Shareholders

At the Meeting, Magen Shareholders will be asked to consider and, if deemed advisable, to approve the following ordinary resolution to ratify the Option Plan:

“BE IT RESOLVED THAT:

1. the Option Plan of the Company, approved by the directors of the Company on February 22, 2022, a copy of which is attached to the management information of the Company dated April 26, 2022 as Schedule “C”, is hereby ratified and shall continue and remain in effect until further ratification is required pursuant to the rules of the TSX Venture Exchange or other applicable regulatory requirements; and
2. any one director or officer of the Company is authorized and directed, on behalf of the Company to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to this ordinary resolution.”

The Board recommends that Magen Shareholders vote FOR the resolution ratifying the Option Plan.

In the absence of a contrary instruction, the person(s) designated by management of the Company in the enclosed form of proxy intend to vote FOR the foregoing ordinary resolution ratifying the Option Plan.

PARTICULAR CONDITIONAL MATTERS TO BE ACTED UPON

In connection with the proposed Qualifying Transaction, Magen would be required to elect the Grey Wolf board nominees, appoint new auditors, complete a share consolidation and name change. Accordingly, the Magen Shareholders are asked to consider and approve, conditional on the Qualifying Transaction being completed, the matters listed below. If the Qualifying Transaction will not proceed, Magen does not intend to implement such matters notwithstanding the approval of such matters at the Meeting.

A. Increase in Board Size

In connection with the Qualifying Transaction, the Company is required to increase the size of its Board from four to five. The increase of the Board size shall only become effective immediately upon closing of the Qualifying Transaction. If the Qualifying Transaction is not completed, the number of directors of the Company is intended to remain at four.

The OBCA provides that where a minimum and maximum number of directors of a corporation is provided for in its articles of incorporation, the number of directors of the corporation and the number of directors to be elected at the annual meeting of shareholders shall be such number as shall be determined from time to time by special resolution of the shareholders. Alternatively, if the shareholders empower the directors by special resolution to determine the number of directors, the number of directors shall be such number within the minimum and maximum number of directors set out in the articles of incorporation of a corporation as determined by resolution of the directors. If no such resolutions are passed, the number of directors shall be the number of directors named in the articles of incorporation of the corporation.

The articles of the Company provide that the minimum number of directors of Magen be one (1) and the maximum number of directors of Magen be ten (10). At the Meeting, Magen Shareholders are being asked to consider and, if deemed advisable, pass, with or without variation, a special resolution, the text of which is set out below, to determine the number of directors of Magen and to empower the directors of Magen, by resolution of the directors, to determine the number of directors within the minimum and maximum number of directors set out in the articles.

Empowering the directors to determine the number of directors within the minimum and maximum range will permit management of Magen and the Board to offer seats on the Board to qualified and interested individuals without the delay and expense of seeking shareholder approval to an increase in the size of the Board or alternatively without requesting an incumbent director to resign in order to create a vacancy.

To effect the Board increase, the Company is required, pursuant to section 168 of the *OBCA*, to obtain approval by not less than two-thirds of the votes cast by Magen Shareholders present in person or represented by proxy and entitled to vote at the Meeting. Accordingly, the Magen Shareholders will be asked to approve the following special resolution:

“BE IT RESOLVED THAT:

1. conditional on the closing of the Qualifying Transaction, the board of directors of the Company, within the minimum and maximum number of directors provided for in the articles of the Company, shall be set at five directors;
2. the directors of the Company be and they are hereby empowered, by resolution of the directors, to determine, from time to time, the number of directors of the Company and the number of directors to be elected at meetings of the shareholders of the Company, within the minimum and maximum number of directors of the Company provided for in the articles of the Company; and
3. any one director or officer of the Company is authorized and directed, on behalf of the Company to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to this ordinary resolution.”

The Board recommends that Magen Shareholders vote FOR the resolution increasing the size of the Board from four to five conditional on the closing of the Qualifying Transaction.

In the absence of a contrary instruction, the person(s) designated by management of the Company in the enclosed form of proxy intend to vote FOR the foregoing ordinary resolution approving the increase in the size of the Board from four to five conditional on the closing of the Qualifying Transaction.

B. Election of Grey Wolf Board Nominees

In connection with the Qualifying Transaction, the Company is required to nominate at the Meeting for election to the Board five nominees of Grey Wolf, being Dr. Ian Sandler, Shawn Aspden, Rob Harris, Jill Angevine and Diane Bourassa (the “**Grey Wolf Nominees**”) to replace the current directors of the Company who are intended to resign upon closing of the Qualifying Transaction.

The election of the Grey Wolf Nominees as directors of the Company shall only become effective immediately upon closing of the Qualifying Transaction. If the Qualifying Transaction is not completed, the directors will be the current directors of the Company, being Jesse Kaplan, Aaron Unger, Yisroel Weinreb and Alan Friedman, assuming the election of such directors is approved by the shareholders at the Meeting.

If elected, each of the Grey Wolf Nominees will hold office as directors of the Company from the closing date of the Qualifying Transaction until the next annual shareholders meeting of the Company or until his/her successor is elected or appointed, unless his/her office is earlier vacated in accordance with the applicable corporate laws and the by-laws of the Company.

Management does not contemplate that any of the proposed Grey Wolf Nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the Magen Shares represented by properly executed proxies given in favour of such nominee(s) may be voted by the person(s) designated by management of the Company in the enclosed form of proxy, in their discretion, in favour of another nominee.

In the absence of a contrary instruction, the person(s) designated by the management of the Company in the enclosed form of proxy intend to vote FOR (i) a special resolution approving, subject to completion of the Qualifying Transaction, the fixing of the number of directors to take office upon closing of the Qualifying Transaction at five, and (ii) election of the proposed Grey Wolf Nominees as directors of the Company upon closing of the Qualifying Transaction.

The following table sets forth information with respect to each Grey Wolf Nominee proposed to be nominated for election as a director of the Company who will hold office upon closing of the Qualifying Transaction, including the

number of Magen Shares beneficially owned, directly or indirectly, or over which control or direction was exercised, by such person or the person's associates or affiliates as at the Record Date.

Proposed Director⁽¹⁾	Present Principal Occupation⁽¹⁾	Date appointed as a Director	Number of Magen Shares beneficially owned or controlled or directed, directly or indirectly⁽²⁾
Dr. Ian Sandler Ontario, Canada	Chief Veterinary Medical Officer & Founder, Grey Wolf Previously, CEO and Founder, Grey Wolf	N/A	Nil
Shawn Aspden Ontario, Canada	Principal, Bloom Burton & Co.	N/A	Nil
Rob Harris Ontario, Canada	Chair, Miravo Healthcare Inc.	N/A	Nil
Jill Angevine Alberta, Canada	President, Brownstone Asset Management	N/A	Nil
Diane Bourassa, Quebec, Canada	Founder, DB55 Consulting Previously, CEO, Vetoquinol Canada	N/A	Nil

Notes:

- ⁽¹⁾ The information as to the province, or state and country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- ⁽²⁾ The information as to Magen Shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- ⁽³⁾ Proposed member of the Company's audit committee.

The following are summaries of the relevant work experience and educational background of the Grey Wolf Nominees:

Dr. Ian Sandler

Dr. Ian Sandler is the Chief Veterinary Medical Officer and Founder of Grey Wolf. Dr. Sandler graduated from University of Guelph with a Doctor of Veterinary Medicine (DVM) in 1994 and began practicing small animal medicine in the United States. He returned to Canada and in 1999, along with three colleagues, founded the Ontario Veterinary Group, which grew to be one of the largest privately-owned veterinary hospital groups in Canada. In 2014, Associate Veterinary Clinics Ltd. acquired the Ontario Veterinary Group. Dr. Sandler is a well-respected animal health expert and is frequently quoted and interviewed. He served on the Animal Health Technologist / Veterinary Technician Accreditation Committee of the Canadian Veterinary Medical Association (“CVMA”) from 2009 to 2016 and now sits on the National Issues Committee of the CVMA. Dr. Sandler has practiced small animal medicine and surgery at the Rosedale Animal Hospital for over 25 years.

Shawn Aspden

Shawn Aspden serves as the Chair of the Board of Directors of Grey Wolf. Mr. Aspden is a Principal at Bloom Burton & Co., a Toronto-based investment firm focused on companies operating in the healthcare sector. Mr. Aspden has worked alongside healthcare companies for over 25 years in an institutional sales capacity and has extensive experience in raising capital for both growth and established companies. Prior to joining Bloom Burton in 2016, Mr. Aspden served as Vice Chair, Head of North American Institutional Equity Sales at GMP Securities LP, where he was a member of the firm's Executive Committee and managed a top-ranked institutional sales team. Mr. Aspden began his career at a strategy consulting firm and moved into the investment business as an equity research associate. Mr. Aspden holds the Chartered Financial Analyst designation and is an HBA graduate from the Ivey Business School.

Rob Harris

Rob Harris has been a director of Grey Wolf since 2016 and is also the Chair of the board at Miravo Healthcare Inc. (TSX: MRV; OTCQX: MRVFF), a Canadian focused healthcare company with global reach and a diversified portfolio of commercial products. Mr. Harris was previously the co-founder, director and Chief Executive Officer of Tribute Pharmaceuticals Inc., a TSX-listed Canadian specialty pharmaceutical company acquired by Pozen in 2016. Prior to co-founding Tribute Pharmaceuticals, Mr. Harris was the President & Chief Executive Officer of Legacy Pharmaceuticals Inc. Mr. Harris also has previous experience at Biovail Corporation where as Vice President of Business Development, he was involved, led and successfully concluded numerous business development transactions, including the licensing of new chemical entities, the acquisition of mature products, the completion of co-promotion deals, distribution agreements, product development and reformulation transactions. Prior to Biovail, Mr. Harris worked in various senior commercial management positions during his 20-year tenure at Wyeth (Ayerst), including its animal health group, and has been involved in numerous product launches during his career.

Jill Angevine

Jill Angevine is a Corporate Director and the President of Brownstone Asset Management. Ms. Angevine has over 25 years of professional experience in the investment management industry including portfolio management, capital markets and equity research. Ms. Angevine serves on the boards of Tourmaline Oil Corp. where she chairs the audit committee and is a member of the corporate governance committee and Advantage Energy Ltd. where she chairs the compensation committee and is a member of the audit and governance committees. Prior to her work as a Corporate Director, Ms. Angevine was a Portfolio Manager at two asset management companies and prior thereto was Vice President and Director, Institutional Research at FirstEnergy Capital Corp. Ms. Angevine holds a Bachelor of Commerce degree from the University of Calgary and has earned the Chartered Public Accountant (CA, CPA), the Chartered Financial Analyst (CFA), and the Institute of Corporate Directors (ICD.D) designations.

Diane Bourassa

Diane Bourassa is a visionary business leader with strategic thinking and extensive operational and financial expertise. Throughout her 30-year career, Ms. Bourassa succeeded in developing highly competitive and performing teams. Determined to share her skills and boundless energy with other companies, she has been focused since January 2022 on strategic consulting, individual coaching, and business development services. Ms. Bourassa worked for 14 years in the Canadian subsidiary of Vetoquinol S.A. (an animal pharmaceutical company, listed on the Paris Stock Exchange and headquartered in France). Her leadership as CEO of Vetoquinol Canada from 2011 to 2021 propelled Vetoquinol into the top 5 animal health pharmaceutical companies in Canada. Ms. Bourassa was a member of the Board of Directors of the Canadian Animal Health Institute for a period of 10 years, where she held various positions, including Chair of the Board of Directors from 2015 to 2016. Ms. Bourassa's professional career has been marked by increasing responsibilities in the retail and food sectors at Costco, Provigo (Loblaws) and Metro Canada Logistics. Ms. Bourassa started her career at Ernst & Young and holds a CPA, CA designation, is a resident of Quebec, and is fluent in both French and English.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as set forth below, to the knowledge of the Company, none of the proposed directors (or any of their personal holding companies) of the Company:

- (a) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company, including the Company, that:
 - i. was subject of an order while that person was acting in the capacity as director, executive officer or chief financial officer; or
 - ii. was the subject of an order, that was issued after the person ceased to be a director, chief executive officer or chief financial officer in the company and which resulted from an event that occurred while that person was acting in the capacity as director, executive officer or chief financial officer;or
- (b) is as at the date of this Circular or has been within the 10 years before the date of this Circular, a director or executive officer of any company, including the Company, that while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any

- legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Circular, become bankrupt, 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 as trustee appointed to hold the assets of that individual.

Mr. Harris was a director of Aralez Pharmaceuticals Inc. until his resignation in August 2018. Aralez Pharmaceuticals Inc. commenced voluntary proceedings under the *Companies' Creditors Arrangement Act* (Canada) in Canada and Chapter 11 of the *United States Bankruptcy Code* in the U.S. in August 2018.

To the knowledge of the Company, none of the proposed directors (or any of their personal holding companies) has been subject to:

- (a) 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
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

C. Appointment of New Auditors upon Closing of Qualifying Transaction

In connection with the Qualifying Transaction, the shareholders of the Company will be requested to appoint PricewaterhouseCoopers LLP as the new auditors (the “**New Auditors**”) of the Company, subject to the completion of the Qualifying Transaction, to hold office from the date of closing of the Qualifying Transaction until the next annual meeting of shareholders or until a successor is appointed, and to authorize the Board to fix the New Auditors’ remuneration.

In the absence of a contrary instruction, the person(s) designated by management of the Company in the enclosed form of proxy intend to vote FOR the appointment of the New Auditors as auditors of the Company subject to the completion of the Qualifying Transaction to hold office from the date of closing of the Qualifying Transaction until the next annual meeting of shareholders or until a successor is appointed and the authorization of the Board of Directors to fix the remuneration of the New Auditors.

D. Approval of Consolidation of Shares

In connection with the Qualifying Transaction, the Board has proposed to submit to Magen Shareholders, a special resolution approving an amendment to the Company’s articles effecting a consolidation of the Company’s issued and outstanding Magen Shares (the “**Consolidation Resolution**”). For further details on the Qualifying Transaction, see “*Proposed Qualifying Transaction*”.

Consolidation

In connection with the Qualifying Transaction, Magen intends to consolidate its issued and outstanding Magen Shares (the “**Consolidation**”) in order to better align the value of each post-Consolidation Magen Share to the value of each Grey Wolf Share. The Company proposes that, subject to obtaining all required regulatory and shareholder approvals, the Company’s issued and outstanding share capital be consolidated on the basis of up to 19.1667 pre-Consolidation Magen Shares for every one post-Consolidation Magen Share (the “**Maximum Consolidation Ratio**”).

If the Consolidation Resolution receives the requisite Magen Shareholder approval, the Board intends to implement the Consolidation prior to the closing of the Qualifying Transaction.

Effects of the Share Consolidation

If approved and implemented, the Consolidation will occur simultaneously for all of the Magen Shares and the Consolidation ratio will apply equally for all such Magen Shares. The Consolidation will affect all holders of the Magen Shares uniformly. In addition, there may be a minimal effect on a Magen Shareholder’s percentage ownership

interest in the Company resulting from the proposed treatment of fractional Magen Shares (see “*Effect on Fractional Shares*”). Each Magen Share outstanding post-Consolidation will be entitled to one vote.

The principal effects of the Consolidation will be that:

- a. assuming the Maximum Consolidation Ratio, the number of Magen Shares issued and outstanding will be reduced from 60,000,000 Magen Shares as of the date hereof to approximately 3,130,429 Magen Shares; and
- b. the exercise or conversion price and/or the number of Magen Shares issuable under any of the Company’s outstanding convertible securities, stock options and warrants will be proportionally adjusted upon the Consolidation based on the applicable consolidation ratio.

In addition, the Consolidation may result in some shareholders owning “odd lots” of less than 100 post-Consolidation Magen Shares. Odd lots may be more difficult to sell, or require greater transaction costs per share to sell, than shares in “board lots” of even multiples of 100 Magen Shares.

Effect on Fractional Shares

No fractional Magen Shares will be issued. If, as a result of the Consolidation, a Magen Shareholder would otherwise be entitled to a fractional Magen Share, such fractional Magen Share that is less than 1/2 of one post-Consolidation Magen Share will be cancelled and each fractional Magen Share that is at least 1/2 of one post-Consolidation Magen Share will be rounded up to one whole post-Consolidation Magen Share.

Effect on Registered Holders

The implementation of the Consolidation, following the obtaining of Magen Shareholder approval and all necessary regulatory approvals, including the acceptance of TSXV and the filing of the requisite amendment to the articles of the Company to effect the Consolidation, will require registered Magen Shareholders (“**Registered Holders**”) to exchange their share certificates for new certificates. When applicable, registered Magen Shareholders will be sent a letter of transmittal which will detail the instructions for the exchange of share certificates. The Transfer Agent will send to each registered shareholder who has sent the required documents a new share certificate representing the number of post-Consolidation Magen Shares to which the shareholder is entitled. Until surrendered, each share certificate representing pre-Consolidation Magen Shares will be deemed for all purposes to represent the number of whole post-Consolidation Magen Shares to which the holder is entitled as a result of the Consolidation. If a registered shareholder would otherwise be entitled to receive a fractional share, such fractional share shall be treated in the manner described above. Share certificates deposited into brokerage accounts after the implementation of the Consolidation will also be adjusted by the Consolidation ratio.

Effect on Non-Registered Holders

Non-registered Magen Shareholders (“**Non-Registered Holders**”) holding their Magen Shares through an intermediary should note that such intermediary may have different procedures for processing the Consolidation than those that will be put in place by the Company for registered shareholders. If you are a Non-Registered Holder and you have questions or concerns in this regard, you are encouraged to contact your intermediary.

Effect on Magen Shares Held in Book-Entry Form

Certain Non-Registered Holders may own Magen Shares in book-entry form. Non-Registered Holders will not have share certificates evidencing their ownership of such Magen Shares and therefore do not need to take any additional actions to exchange their pre-Consolidation book-entry Magen Shares, if any, for post-Consolidation Magen Shares. Upon the effective date of the Consolidation, each then existing book-entry account will be adjusted to reflect the

number of post-Consolidation Magen Shares to which the Non-Registered Holder is entitled in accordance with the Consolidation ratio.

Effect on Convertible Securities and Stock Options

The exercise or conversion price and/or the number of Magen Shares issuable under any outstanding convertible securities and outstanding stock options will be proportionally adjusted upon the implementation of the Consolidation, in accordance with the terms of such securities, based on the Consolidation ratio.

Dissent Rights

Under the OBCA, Magen Shareholders do not have dissent or appraisal rights with respect to the Consolidation.

To effect the Consolidation, the Company is required, pursuant to section 168 of the *OBCA*, to obtain approval by not less than two-thirds of the votes cast by Magen Shareholders present in person or represented by proxy and entitled to vote at the Meeting. Accordingly, the Magen Shareholders will be asked to approve the following special resolution:

“BE IT RESOLVED THAT:

1. the articles of the Company shall be amended to provide that:
 - (a) the authorized share capital of the Company be altered by consolidating all of the issued and outstanding common shares of the Company (the “**Consolidation**”) on the basis of up to 19.1667 pre-Consolidation Magen Shares for one post-Consolidation Magen Share, or such other ratio as may be mutually agreed between the Company and Grey Wolf; and
 - (b) each post-Consolidation fractional Magen Share that is less than 1/2 of one post-Consolidation Magen Share will be cancelled and each fractional Magen Share that is at least 1/2 of one post-Consolidation Magen Share will be rounded up to one whole post-Consolidation Magen Share;
2. the Company shall deliver the articles of amendment reflecting the Consolidation in the prescribed form to the Director appointed under the *Business Corporations Act* (Ontario);
3. notwithstanding that this resolution has been duly passed by the holders of common shares of the Company, the directors of the Company are hereby authorized and empowered, if they decide not to proceed with the aforementioned resolution, to revoke this resolution at any time without further notice to or approval of the shareholders of the Company; and
4. any one or more director or officer of the Company is hereby authorized, for and on behalf and in the name of the Company, to execute and deliver, whether under corporate seal of the Company or otherwise, the articles of amendment reflecting such consolidation and all such agreements, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do or cause to be done all such other acts and things, as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.”

The Board recommends that Magen Shareholders vote FOR the Consolidation Resolution.

In the absence of a contrary instruction, the person(s) designated by management of the Company in the enclosed form of proxy intend to vote FOR the Consolidation Resolution.

E. Approval of Name Change

In connection with the Qualifying Transaction, the Company wishes to effect a name change through an amendment of its articles from “Magen Ventures I Inc.” to “Grey Wolf Animal Health Corp.” or such other similar name as may

be determined by the Board, as directed by Grey Wolf in compliance with applicable laws and as may be acceptable to the TSXV.

To effect the name change, the Company is required, pursuant to section 168 of the *OBCA*, to obtain approval by not less than two-thirds of the votes cast by shareholders of the Company present in person or represented by proxy and entitled to vote at the Meeting. Accordingly, the shareholders of the Company will be asked to approve the following special resolution:

“BE IT RESOLVED THAT:

1. the articles of the Company shall be amended to change the name of the Company to “Grey Wolf Animal Health Corp.” or such other similar name as may be determined by the Board, as directed by Grey Wolf in compliance with applicable laws and as may be acceptable to the TSX Venture Exchange;
2. the Company shall deliver the articles of amendment reflecting such name change in the prescribed form to the Director appointed under the *Business Corporations Act* (Ontario);
3. notwithstanding that this resolution has been duly passed by the holders of common shares of the Company, the directors of the Company are hereby authorized and empowered, if they decide not to proceed with the aforementioned resolution, to revoke this resolution at any time prior to the implementation of the name change, without further notice to, or approval of, the shareholders of the Company; and
4. any one or more director or officer of the Company is hereby authorized, for and on behalf and in the name of the Company, to execute and deliver, whether under corporate seal of the Company or otherwise, the articles of amendment reflecting such name change and all such agreements, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do or cause to be done all such other acts and things, as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.”

The Board recommends that Magen Shareholders vote FOR the approval of the name change.

In the absence of a contrary instruction, the person(s) designated by management of the Company in the enclosed form of proxy intend to vote FOR the approval of the name change.

ANY OTHER MATTERS

Management of the Company knows of no matters to come before the Meeting other than those referred to in the Notice of Meeting accompanying this Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Circular to vote the same in accordance with their best judgment on such matters.

ADDITIONAL INFORMATION

Additional information regarding the Company and its business activities is available on the SEDAR website located at www.sedar.com “Company Profiles – Magen Venture I Inc.” The Company’s financial information is provided in the Company’s audited comparative financial statements and related management discussion and analysis for its most recently completed financial year and may be viewed on the SEDAR website at the location noted above. Magen Shareholders may request copies of the Company’s financial statements and related management discussion and analysis by contacting Jesse Kaplan at the Company at Suite 400, 77 King Street West, Toronto, Ontario, M5K 0A1, Email: jkaplan@plazacapital.ca.

Schedule “A”

AUDIT COMMITTEE

Composition of the Audit Committee

As of the date of this Circular, the following are the members of the Company’s audit committee (the “**Audit Committee**” or the “**Committee**”):

<u>Member</u>	<u>Independent</u> ⁽¹⁾	<u>Financially literate</u> ⁽²⁾
Yisroel Weinreb	Yes	Yes
Aaron Unger	Yes	Yes
Alan Friedman	Yes	Yes

Notes:

- ⁽¹⁾ A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member’s independent judgment.
- ⁽²⁾ An individual is financially literate if the member has 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 Company’s financial statements.

Relevant Education and Experience

The following is a summary of the audit committee members education and experience which is relevant to the performance of their responsibilities as an audit committee member:

Yisroel Weinreb. Mr. Yisroel (Sruli) Weinreb, is a founder and managing partner at Plaza Capital Limited, a boutique investment and advisory firm focused on early-stage growth companies. Mr. Weinreb has co-founded, advised, financed, and continues to serve at many innovative companies across a spectrum of industries. He is currently a co-founder and Director at Novamind (CSE: NM), a psychedelic mental health company, CEO at Findev Inc. (TSXV: FDI), a real estate investment platform and CEO at Lake Central Air Services, the world’s leading integration partner for the airborne geophysical survey industry.

Aaron Unger. Mr. Unger is a principal of Bayline Capital Partners, a financial advisory firm that is engaged in providing clients with advisory services relating to fund raising, corporate strategic alternatives and go-public transactions. Mr. Unger is a seasoned corporate finance professional with extensive experience in structuring and executing financings (equity and debt) and mergers and acquisitions. Between June 2006 and October 2015, Aaron served on the Executive Management team and was the Head of Equity Capital Markets at Dundee Capital Markets. Prior to that, Aaron served in the Equity Capital Markets group and Investment Banking group at TD Securities. His career began in the corporate finance group of KPMG, where Aaron specialized in mid-market M&A. Aaron has an LL.B. from Osgoode Hall Law School in Toronto and an MBA from The European University in Montreux, Switzerland. He is a member of the Law Society of Ontario.

Alan Friedman. Mr. Friedman has been associated with the North American public markets for more than two decades and has a depth of experience in representing, advising and assisting Canadian and global companies in acquiring assets, accessing capital, advising on mergers & acquisitions and navigating going public processes onto Canadian, US and UK stock exchanges with accompanying equity capital raisings. During his Bay Street career, he has been involved with or facilitated significant financings. Mr. Friedman is a former seed investor and director of Cronos Group; is or was a co-founder, director and/or senior executive of the following public companies: Adira Energy Ltd., Auryx Gold Corp. sold for \$180mm, Eco (Atlantic) Oil & Gas Ltd., Enthusiast Gaming, Osino Resources and GR Silver Mining. Alan obtained a Bachelor of Commerce and post grad in Law at UNISA and is an admitted attorney of the High Court of South Africa. He also worked for Investec Bank a global banking group. He is currently a principal of Bayline Capital Partners, a financial advisory firm that is engaged in providing clients with advisory services relating to fund raising, corporate strategic alternatives and go-public transactions.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Company’s most recently completed financial year has the Company relied on the exemption in Section 2.4 (*De Minimis Non-audit Services*) of National Instrument – *Audit Committees* 52-110 (“**NI 52-110**”), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

The Audit Committee has adopted policies and procedures for the engagement of non-audit services as described below under the heading “*Requirement for Pre-Approval of Non-Audit Services*”.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company’s external auditors in each of the last two financial years for audit fees are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
2021	\$10,000	\$3,000	nil	nil

Notes:

- (1) The aggregate audit fees billed.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements and which are not included under the heading “Audit Fees”.
- (3) Fees billed for preparation tax compliance, tax advice and tax planning.
- (4) The aggregate fees billed for products and services other than as set out under the headings “Audit Fees”, “Audit Related Fees” and “Tax Fees”.

Exemption

The Company is relying upon the exemption in section 6.1 of the NI 52-110, which exempts venture issuers (as defined therein) from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of that instrument.

The Audit Committee Charter

The text of the Audit Committee’s Charter (the “**Mandate**”) is substantially as follows:

1. Introduction

The Audit Committee (the “**Committee**” or the “**Audit Committee**”) of Magen Ventures I Inc. (the “**Company**”) is a committee of the Board of Directors (the “**Board**”). The Committee shall oversee the accounting and financial reporting practices of the Company and the audits of the Company’s financial statements and exercise the responsibilities and duties set out in this Mandate.

2. Membership

Number of Members

The Committee shall be composed of three or more members of the Board.

Independence of Members

A majority of the member of the Committee must be independent. "Independent" shall have the meaning, as the context requires, given to it in National Instrument 52-110 *Audit Committees*, as may be amended from time to time.

Chair

At the time of the annual appointment of the members of the Audit Committee, the Board may appoint a Chair of the Audit Committee. If so appointed, the Chair shall be a member of the Audit Committee, preside over all Audit Committee meetings, coordinate the Audit Committee's compliance with this Mandate, work with management to develop the Audit Committee's annual work-plan and provide reports of the Audit Committee to the Board.

Financial Literacy of Members

At the time of his or her appointment to the Committee, each member of the Committee shall have, or shall acquire within a reasonable time following appointment to the Committee, 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 Company's financial statements.

Term of Members

The members of the Committee shall be appointed annually by the Board. Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a member of the Board. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

3. Meetings

Number of Meetings

The Committee may meet as many times per year as necessary to carry out its responsibilities.

Quorum

No business may be transacted by the Committee at a meeting unless a quorum of the Committee is present. A majority of members of the Committee shall constitute a quorum.

Calling of Meetings

The Chair, any member of the Audit Committee, the external auditors, the Chairman of the Board, the Chief Executive Officer or the Chief Financial Officer may call a meeting of the Audit Committee by notifying the Company's Corporate Secretary who will notify the members of the Audit Committee. The Chair shall chair all Audit Committee meetings that he or she attends, and in the absence of the Chair, the members of the Audit Committee present may appoint a chair from their number for a meeting.

Minutes; Reporting to the Board

The Committee shall maintain minutes or other records of meetings and activities of the Committee in sufficient detail to convey the substance of all discussions held. Upon approval of the minutes by the Committee, the minutes shall be circulated to the members of the Board. However, the Chair (or if no Chair is appointed, any member of the Committee) may report orally to the Board on any matter in his or her view requiring the immediate attention of the Board.

Attendance of Non-Members

The external auditors are entitled to attend and be heard at each Audit Committee meeting. In addition, the Committee may invite to a meeting any officers or employees of the Company, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities. At least once per year, the Committee shall meet with the internal auditor and management in separate sessions to discuss any matters that the Committee or such individuals consider appropriate.

Meetings without Management

The Committee may hold unscheduled or regularly scheduled meetings, or portions of meetings, at which management is not present.

Procedure

The procedures for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those applicable to meetings of the Board.

Access to Management

The Committee shall have unrestricted access to the Company's management and employees and the books and records of the Company.

4. Duties and Responsibilities

The Committee shall have the functions and responsibilities set out below as well as any other functions that are specifically delegated to the Committee by the Board and that the Board is authorized to delegate by applicable laws and regulations. In addition to these functions and responsibilities, the Committee shall perform the duties required of an audit committee by any exchange upon which securities of the Company are traded, or any governmental or regulatory body exercising authority over the Company, as are in effect from time to time (collectively, the "**Applicable Requirements**").

Financial Reports

(a) General

The Audit Committee is responsible for overseeing the Company's financial statements and financial disclosures. Management is responsible for the preparation, presentation and integrity of the Company's financial statements and financial disclosures and for the appropriateness of the accounting principles and the reporting policies used by the Company. The auditors are responsible for auditing the Company's annual consolidated financial statements and for reviewing the Company's unaudited interim financial statements.

(b) Review of Annual Financial Reports

The Audit Committee shall review the annual consolidated audited financial statements of the Company, the auditors' report thereon and the related management's discussion and analysis of the Company's financial condition

and results of operation (“**MD&A**”). After completing its review, if advisable, the Audit Committee shall approve and recommend for Board approval the annual financial statements and the related MD&A.

(c) Review of Interim Financial Reports

The Audit Committee shall review the interim consolidated financial statements of the Company, the auditors’ review report thereon and the related MD&A. After completing its review, if advisable, the Audit Committee shall approve and recommend for Board approval the interim financial statements and the related MD&A.

(d) Review Considerations

In conducting its review of the annual financial statements or the interim financial statements, the Audit Committee shall:

- (i) meet with management and the auditors to discuss the financial statements and MD&A;
- (ii) review the disclosures in the financial statements;
- (iii) review the audit report or review report prepared by the auditors;
- (iv) discuss with management, the auditors and legal counsel, as requested, any litigation claim or other contingency that could have a material effect on the financial statements;
- (v) review the accounting policies followed and critical accounting and other significant estimates and judgements underlying the financial statements as presented by management;
- (vi) review any material effects of regulatory accounting initiatives or off-balance sheet structures on the financial statements as presented by management, including requirements relating to complex or unusual transactions, significant changes to accounting principles and alternative treatments under IFRS;
- (vii) review any material changes in accounting policies and any significant changes in accounting practices and their impact on the financial statements as presented by management;
- (viii) review management’s report on the effectiveness of internal controls over financial reporting;
- (ix) review the factors identified by management as factors that may affect future financial results;
- (x) review results of the Company’s audit committee whistleblower program; and
- (xi) review any other matters, related to the financial statements, that are brought forward by the auditors, management or which are required to be communicated to the Audit Committee under accounting policies, auditing standards or Applicable Requirements.

(e) Approval of Other Financial Disclosures

The Audit Committee shall review and, if advisable, approve and recommend for Board approval financial disclosure in a prospectus or other securities offering document of the Company, press releases disclosing, or based upon, financial results of the Company and any other material financial disclosure, including financial guidance provided to analysts, rating agencies or otherwise publicly disseminated.

(f) Periodical Review of Procedures

The Audit Committee shall assess the adequacy of the procedures set out in (d) and (e) above on an annual basis and shall make recommendation to the Board with respect to any necessary amendments to this Audit Committee Charter.

Auditors

(a) General

The Audit Committee shall be responsible for oversight of the work of the auditors, including the auditors' work in preparing or issuing an audit report, performing other audit, review or attest services or any other related work.

(b) Nomination and Compensation

The Audit Committee shall review and, if advisable, select and recommend for Board approval the external auditors to be nominated and the compensation of such external auditor. The Audit Committee shall have ultimate authority to approve all audit engagement terms and fees, including the auditors' audit plan.

(c) Resolution of Disagreements

The Audit Committee shall resolve any disagreements between management and the auditors as to financial reporting matters brought to its attention.

(d) Discussions with Auditors

At least annually, the Audit Committee shall discuss with the auditors such matters as are required by applicable auditing standards to be discussed by the auditors with the Audit Committee.

(e) Audit Plan

At least annually, the Audit Committee shall review a summary of the auditors' annual audit plan. The Audit Committee shall consider and review with the auditors any material changes to the scope of the plan.

(f) Quarterly Review Report

The Audit Committee shall review a report prepared by the auditors in respect of each of the interim financial statements of the Company.

(g) Independence of Auditors

At least annually, and before the auditors issue their report on the annual financial statements, the Audit Committee shall obtain from the auditors a formal written statement describing all relationships between the auditors and the Company; discuss with the auditors any disclosed relationships or services that may affect the objectivity and independence of the auditors; and obtain written confirmation from the auditors that they are objective and independent within the meaning of the applicable Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of chartered accountants to which the auditors belong and other Applicable Requirements. The Audit Committee shall take appropriate action to oversee the independence of the auditors.

(h) Evaluation and Rotation of Lead Partner

At least annually, the Audit Committee shall review the qualifications and performance of the lead partner(s) of the auditors and determine whether it is appropriate to adopt or continue a policy of rotating lead partners of the external auditors.

(c) Requirement for Pre-Approval of Non-Audit Services

The Audit Committee shall approve in advance any retainer of the auditors to perform any non-audit service to the Company that it deems advisable in accordance with Applicable Requirements and Board approved policies and procedures. The Audit Committee may delegate pre-approval authority to a member of the Audit Committee. The decisions of any member of the Audit Committee to whom this authority has been delegated must be presented to the full Audit Committee at its next scheduled Audit Committee meeting.

(j) Approval of Hiring Policies

The Audit Committee shall review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

(k) Communication with Internal Auditor

The internal auditor, when appointed, shall report regularly to the Committee. The Committee shall review with the internal auditor any problem or difficulty the internal auditor may have encountered including, without limitation, any restrictions on the scope of activities or access to required information, and any significant reports to management prepared by the internal auditing department and management's responses thereto.

The Committee shall periodically review and approve the mandate, plan, budget and staffing of the internal audit department. The Committee shall direct management to make changes it deems advisable in respect of the internal audit function.

The Committee shall review the appointment, performance and replacement of the senior internal auditing executive and the activities, organization structure and qualifications of the persons responsible for the internal audit function.

Financial Executives

The Committee shall review and discuss with management the appointment of key financial executives and recommend qualified candidates to the Board, as appropriate.

Internal Controls

(a) General

The Audit Committee shall review the Company's system of internal controls.

(b) Establishment, Review and Approval

The Audit Committee shall require management to implement and maintain appropriate systems of internal controls in accordance with Applicable Requirements, including internal controls over financial reporting and disclosure and to review, evaluate and approve these procedures. At least annually, the Audit Committee shall consider and review with management and the auditors:

- (i) the effectiveness of, or weaknesses or deficiencies in: the design or operation of the Company's internal controls (including computerized information system controls and security); the overall control environment for managing business risks; and accounting, financial and disclosure controls (including, without limitation, controls over financial reporting), non-financial controls, and legal and regulatory controls and the impact of any identified weaknesses in internal controls on management's conclusions;

- (ii) any significant changes in internal controls over financial reporting that are disclosed, or considered for disclosure, including those in the Company's periodic regulatory filings;
- (iii) any material issues raised by any inquiry or investigation by the Company's regulators;
- (iv) the Company's fraud prevention and detection program, including deficiencies in internal controls that may impact the integrity of financial information, or may expose the Company to other significant internal or external fraud losses and the extent of those losses and any disciplinary action in respect of fraud taken against management or other employees who have a significant role in financial reporting; and
- (v) any related significant issues and recommendations of the auditors together with management's responses thereto, including the timetable for implementation of recommendations to correct weaknesses in internal controls over financial reporting and disclosure controls.

Compliance with Legal and Regulatory Requirements

The Audit Committee shall review reports from the Company's Corporate Secretary and other management members on: legal or compliance matters that may have a material impact on the Company; the effectiveness of the Company's compliance policies; and any material communications received from regulators. The Audit Committee shall review management's evaluation of and representations relating to compliance with specific applicable law and guidance, and management's plans to remediate any deficiencies identified.

Audit Committee Whistleblower Procedures

The Audit Committee shall establish for (a) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. Any such complaints or concerns that are received shall be reviewed by the Audit Committee and, if the Audit Committee determines that the matter requires further investigation, it will direct the Chair of the Audit Committee to engage outside advisors, as necessary or appropriate, to investigate the matter and will work with management and legal counsel to reach a satisfactory conclusion.

Audit Committee Disclosure

The Audit Committee shall prepare, review and approve any audit committee disclosures required by Applicable Requirements in the Company's disclosure documents.

Delegation

The Audit Committee may, to the extent permissible by Applicable Requirements, designate a sub-committee to review any matter within this mandate as the Audit Committee deems appropriate.

5. Authority

The Audit Committee shall have the authority:

- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) to set and pay the compensation for any advisors employed by the Audit Committee; and

(c) to communicate directly with the internal and external auditors.

6. No Rights Created

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Audit Committee, functions. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Articles and By-laws, it is not intended to establish any legally binding obligations.

7. Mandate Review

The Audit Committee shall review and update this Mandate annually and present it to the Board for approval where the Audit Committee recommends amendments to this Mandate.

Schedule “B”

Statement of Corporate Governance Practices

National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company’s practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices for Venture Issuers in Form 58-101F2, which disclosure is set out below.

Board of Directors

Structure and Compensation

The Board is currently composed of four directors and all of the current Board are the proposed nominees for election as director at the Meeting, other than the proposed director to become director upon closing of the Qualifying Transaction.

National Policy 58-201 suggests that the board of directors of every listed corporation should be constituted with a majority of individuals who qualify as “independent” directors under National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”), which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. A “material relationship” is defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgement. The directors are considered by the Board to be “independent”, within the meaning of NI 52-110.

The Board currently does not have a Chair and does not consider that, at this stage of the Company’s development, it is necessary to have one.

The quantity and quality of the Board compensation is reviewed on an annual basis. At present, in light of the Company’s status as a capital pool company, the Board is satisfied that the current Board compensation arrangement adequately reflect the responsibilities and risks involved in being an effective director of the Company. At the present time, no director or officer of the Company has received any cash compensation for acting as such. At this time, the Company does not believe its size and limited scope of operations requires a formal compensation committee.

Directorships

The following directors of the Company and proposed nominees are directors of other reporting issuers:

Name	Name of Reporting Issuer	Exchange
Aaron Unger	AIM1 Ventures Inc.	TSXV
	AIM2 Ventures Inc.	TSXV
	AIM3 Ventures Inc.	TSXV
	AIM4 Ventures Inc.	TSXV
	Tova Ventures II Inc.	TSXV
	AIM5 Ventures Inc.	TSXV
	AIM6 Ventures Inc.	TSXV
Alan Friedman	AIM5 Ventures Inc.	TSXV

	AIM6 Ventures Inc.	TSXV
	Eco (Atlantic) Oil & Gas Ltd.	TSXV
	Enthusiast Gaming Holdings Corp.	TSXV/NASDAQ
	Osino Resources Corp.	TSXV
	Psyence Group Inc.	CSE
Yisroel Weinreb	Novamind Inc.	CSE
	Findev Inc.	TSXV
	PC 1 Corp.	TSXV
Jesse Kaplan	PC 1 Corp.	TSXV
	Novamind Inc.	CSE

Nomination, Assessment, Orientation and Continuing Education

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the Chief Executive Officer. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions.

As a capital pool company, the Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness on an ad hoc basis. The current size of the Board is such that the entire Board will take responsibility for selecting new directors and assessing current directors. Proposed directors' credentials will be reviewed in advance of a Board meeting with one or more members of the Board prior to the proposed director's nomination.

New directors will be briefed on strategic plans, short, medium and long-term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies. However, there is no formal orientation for new members of the Board, and this is considered to be appropriate, given the Company's size and current limited operations.

The skills and knowledge of the Board as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience with capital pool companies. Board members have full access to the Company's records. Reference is made to the table under the heading "*Election of Directors*" in the Circular for a description of the current principal occupations of the Company's Board.

Ethical Business Conduct

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives. To date, the Board has not adopted a formal written Code of Business Conduct and Ethics. However, the current limited size of the Company's operations and the small number of officers and employees allow the independent members of the Board to monitor on an ongoing basis the activities of

management and to ensure that the highest standard of ethical conduct is maintained. As the Company grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

Schedule “C”
STOCK OPTION PLAN
OF
MAGEN VENTURES I INC.

1. Purpose

The purpose of the Stock Option Plan (the “**Plan**”) of **MAGEN VENTURES I INC.**, a corporation incorporated under the *Business Corporations Act* (Ontario) (the “**Corporation**”) is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Corporation, thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

2. Administration

The Plan shall be administered by the Board of Directors of the Corporation or by a special committee of the directors appointed from time to time by the Board of Directors of the Corporation pursuant to rules of procedure fixed by the Board of Directors (such committee or, if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the “**Board**”). A majority of the Board shall constitute a quorum, and the acts of a majority of the directors present at any meeting at which a quorum is present, or acts unanimously approved in writing, shall be the acts of the directors.

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into thereunder, to define the terms used in the Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all participants in the Plan and on their legal personal representatives and beneficiaries.

Each option granted hereunder may be evidenced by an agreement in writing, signed on behalf of the Corporation and by the optionee, in such form as the Board shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

3. Stock Exchange Rules

All options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or exchanges on which the common shares of the Corporation are then listed and any other regulatory body having jurisdiction hereinafter (hereinafter collectively referred to as, the “**Exchange**”). It is the intention of the Corporation that this Plan will at all times be in compliance with the policies of the TSX Venture Exchange (the “**Policies**”) and any inconsistencies between this Plan and the Policies will be resolved in favour of the latter.

4. Shares Subject to Plan

Subject to adjustment as provided in Section 15 hereof, the shares to be offered under the Plan (the “**Shares**”) shall consist of authorized but unissued common shares of the Corporation. Prior to the common shares of the Corporation being listed on a recognized Canadian stock exchange, an unlimited number of Shares may be issuable upon exercise of all options granted under the Plan. Upon the listing of the common shares of the Corporation on a recognized Canadian stock exchange, the aggregate number of Shares issuable upon the exercise of all options granted under the

Plan shall not exceed 10% of the issued and outstanding common shares of the Corporation from time to time. If any option granted hereunder shall expire or terminate for any reason in accordance with the terms of the Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Plan.

5. Maintenance of Sufficient Capital

The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

6. Eligibility and Participation

- (a) Prior to the closing of the Qualifying Transaction, directors and officers of the Corporation and where permitted by Securities Laws (as such term is defined in the policies of the TSX Venture Exchange (the “**Policies**”)), a technical consultant whose particular industry expertise in relation to the business of the Vendors or the Target Company (as such terms are defined in the Policies), as the case may be, is required to evaluate the proposed Qualifying Transaction shall be eligible for selection to participate in the Plan
- (b) Following the closing of the Qualifying Transaction, directors, officers, consultants, employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries (“**Management Company Employees**”) shall be eligible for selection to participate in the Plan.

(collectively, such persons hereinafter collectively referred to as “**Participants**”).

Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Plan in the same manner as if the options were held by the Participant.

Subject to the terms hereof, the Board shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted and vested, and the number of Shares to be subject to each option. In the case of employees or consultants of the Corporation or Management Company Employees, the option agreements to which they are party must contain a representation of the Corporation that such employee, consultant or Management Company Employee, as the case may be, is a bona fide employee, consultant or Management Company Employee of the Corporation or its subsidiaries.

A Participant who has been granted an option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange, be granted an additional option or options if the Board shall so determine.

No options will be granted under the Plan to an optionee unless such optionee has agreed to deposit such options, and any Shares acquired pursuant to the exercise of such options, in escrow with the Corporation’s escrow agent pursuant to the terms of an escrow agreement as set out in the Policies.

7. Exercise Price

- (a) The exercise price of the Shares subject to each option shall be determined by the Board, subject to applicable Exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Exchange.

- (b) The Corporation will be required to obtain approval by a majority of the votes cast by all of the Corporation's shareholders at a duly constituted meeting, excluding votes attached to the common shares of the Corporation beneficially owned by Insiders (as such term is defined in the Policies) or as defined in securities legislation applicable to the Corporation) who are Participants ("**Disinterested Shareholder Approval**") prior to any reduction in the exercise price or extension of the term of any option to purchase Shares previously granted to an Insider.

8. Number of Optioned Shares

- (a) The number of Shares subject to an option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an option which exceeds the maximum number permitted by the Exchange.
- (b) (i) Prior to the completion of the Qualifying transaction, (A) no single Participant may be granted options to purchase a number of Shares equalling more than 5%; and (B) no Participant who is a technical consultants may be granted options to purchase a number of Shares equalling more than 2%, of the common shares of the Corporation issued and outstanding at the time of such grant; and

(ii) following the completion of the Qualifying Transaction, no single Participant may be granted options to purchase a number of Shares equalling more than 5% of the issued common shares of the Corporation in any twelve-month period unless the Corporation has obtained disinterested shareholder approval in respect of such grant and meets applicable Exchange requirements.
- (c) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve-month period to any one consultant of the Corporation (or any of its subsidiaries).
- (d) Prior to the completion of the Qualifying Transaction, no Options may be granted to any persons providing investors relations activities, promotional or market-making services. Following completion of the Qualifying Transaction, Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve month period to persons employed to provide investor relation activities. Options granted to consultants performing investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than ¼ of the options vesting in any 3 month period.

9. Duration of Option

Each option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and shall be subject to earlier termination as provided in Sections 11 and 12, provided that in no circumstances shall the duration of an option exceed the maximum term permitted by the Exchange, being 10 years for the TSX Venture Exchange.

10. Option Period, Consideration and Payment

- (a) The option period shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the option period shall be reduced with respect to any option as provided in Sections 11 and 12 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Corporation or its subsidiaries, or death of the Participant.

- (b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist.
- (c) Subject to any vesting restrictions imposed by the Board, options may be exercised in whole or in part at any time and from time to time during the option period.
- (d) Except as set forth in Sections 11 and 12, no option may be exercised unless the Participant is at the time of such exercise a director, officer, consultant, or employee of the Corporation or any of its subsidiaries, or a Management Company Employee of the Corporation or any of its subsidiaries.
- (e) The exercise of any option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Shares with respect to which the option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the option is exercised. No Participant or his, her or its legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common shares of the Corporation unless and until the certificates for Shares issuable pursuant to options under the Plan are issued to him, her or it under the terms of the Plan.

11. Ceasing To Be a Director, Officer, Consultant or Employee

- (a) Subject to subsection (b), if a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee, for any reason (other than death), such Participant may exercise his, her or its option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the Participant ceases to be a director, officer, consultant, employee or a Management Company Employee, unless such Participant was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of the Participant's services to the Corporation.
- (b) If the Participant does not continue to be a director, officer, consultant, employee of the Resulting Issuer (as such term is defined in the Policy) upon completion of the Corporation's Qualifying Transaction (as such terms are defined in the policies of the Exchange), the options granted hereunder must be exercised by the Participant within the later of (i) 12 months after completion of the Qualifying Transaction; and (ii) 90 days after the Participant ceases to be a director, officer, consultant or employee of the Resulting Issuer.
- (c) Nothing contained in the Plan, nor in any option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director, officer, consultant, employee or Management Company Employee of the Corporation or of any of its subsidiaries or affiliates.

12. Death of Participant

Notwithstanding section 11, in the event of the death of a Participant, the option previously granted to him or her shall be exercisable only within the one (1) year after such death and then only:

- (a) by the person or persons to whom the Participant's rights under the option shall pass by the Participant's will or the laws of descent and distribution; and

- (b) if and to the extent that such Participant was entitled to exercise the option at the date of his or her death.

13. Rights of Optionee

No person entitled to exercise any option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such option until such exercised Shares are recorded on the Corporation's register as being issued and outstanding.

14. Extension of Options Expiring During Blackout Period

Should the expiry date for an Option fall within a blackout period, or within nine (9) business days following the expiration of a blackout period, such expiry date shall be automatically extended without any further act or formality to that day which is the tenth (10th) business day after the end of the blackout period, such tenth business day to be considered the expiry date for such Option for all purposes under the Plan. Notwithstanding Section 2, the tenth business day period may not be extended by the Board.

15. Adjustments

If the outstanding common shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation or another corporation or entity through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, any adjustments relating to the Shares optioned or issued on exercise of options and the exercise price per Share as set forth in the respective stock option agreements shall be made in accordance to the terms of such agreements.

Adjustments under this Section shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Share shall be required to be issued under the Plan on any such adjustment.

16. Transferability

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein or the extent, if any, permitted by the Exchange. During the lifetime of a Participant any benefits, rights and options may only be exercised by the Participant.

17. Amendment and Termination of Plan

Subject to the policies, rules and regulations of any lawful authority having jurisdiction (including any exchange on which the Common Shares are listed for trading), the Board may at any time, without further action by the shareholders, amend the Plan or any option granted hereunder in such respects as it may consider advisable and, without limiting the generality of the foregoing, it may do so to ensure that options granted hereunder will comply with any provisions respecting stock options in the income tax or other laws in force in any country or jurisdiction of which a person to whom an option has been granted may from time to time be resident or citizen or the Board may at any time, without action by shareholders, terminate the Plan. The Board may not, however, without the consent of the option holder, alter or impair any of the rights or obligations under any option theretofore granted.

18. Necessary Approvals

The ability of a Participant to exercise options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any option exercise price paid to the Corporation will be returned to the Participant.

19. Withholding Taxes

The Corporation's obligation to deliver Shares issuable on the exercise of an option shall be subject to a Participant's satisfaction of all applicable income, employment and non-resident withholding tax obligations. Without limiting the generality of the foregoing, if the Corporation determines in its sole discretion that under the requirements of applicable taxation laws or regulations of any governmental authority whatsoever it is obliged to withhold for remittance to a taxing authority any amount upon exercise of an option, the Corporation may take any steps it considers necessary or appropriate in the circumstances to withhold in connection with any option or other benefit under the Plan including, without limiting the generality of the foregoing:

- (a) requiring the Participant exercising the option to pay the Corporation, in the same manner as the exercise price for the Shares issuable on exercise of an option, such amount as the Corporation is obliged to remit to such taxing authority in respect of the exercise of the option, with any such additional payment, in any event, being due no later than the date as of which any amount with respect to the option exercised first becomes included in the gross income of the Participant for tax purposes;
- (b) issuing the Shares issuable on the exercise of an option to an agent on behalf of the Participant and directing the agent to sell a sufficient number of such Shares on behalf of the Participant to satisfy the amount of any such withholding obligation, with the agent paying the proceeds of any such sale to the Corporation for this purpose; and
- (c) to the extent permitted by law, deducting the amount of any such withholding obligation from any payment of any kind otherwise due to the Participant.

20. Effective Date of Plan

The Plan has been adopted by the Board of the Corporation subject to any requisite approval of the Exchange and, if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approvals being obtained.

21. Interpretation

The Plan will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.