



MEDX HEALTH CORP.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD ON NOVEMBER 22, 2019

AND

MANAGEMENT INFORMATION CIRCULAR

This information is provided in connection with the solicitation by the management of MedX Health Corp. (the "Corporation") of proxies to be voted at the Annual Meeting of the Shareholders of the Corporation to be held Friday November 22, 2019 at 20 Toronto Street, Second Floor, Toronto, Ontario M5C 2B8, at 4:00 PM (Toronto time).



MEDX HEALTH CORP.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual meeting (the "Meeting") of the shareholders of MedX Health Corp. (the "Corporation") will be held at 20 Toronto Street, Second Floor, Toronto, Ontario at 4:00 p.m. (Toronto time) on Friday, November 22, 2019 for the following purposes:

1. to receive the audited financial statements of the Corporation for the financial year ended December 31, 2018 together with the report of the auditor thereon;
2. to elect directors of the Corporation for the ensuing year;
3. to appoint the auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix the remuneration of the auditor; and
4. to transact such other business as may properly be brought before the Meeting or any adjournment thereof.

Particulars of the foregoing matters are set forth in the accompanying Management Information Circular (the "Circular"). The Corporation has elected to use the notice-and-access provisions under National Instrument 54-101 and National Instrument 51-102 ("Notice-and-Access Provisions") for this Meeting.

Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to shareholders of the Corporation by allowing the Corporation to post the Circular and any additional materials online. Shareholders will still receive this Notice of Meeting and a form of proxy and may choose to receive a hard copy of the Circular.

The Corporation will not use procedures known as 'stratification' in relation to the use of Notice-and-Access Provisions.

Please review the Circular carefully and in full prior to voting in relation to the matters set out above as the Circular has been prepared to help you make an informed decision on such matters. The Circular is available on the website of the Corporation at www.medxhealth.com and under the Corporation's profile on SEDAR at www.sedar.com. Any Shareholder who wishes to receive a paper copy of the Circular, should contact the Corporation's transfer agent, TSX Trust at Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Fax: (416) 595-9593, toll-free: 1-866-393-4891. A Shareholder may also use the toll-free number noted above to obtain additional information about the Notice-and-Access Provisions.

DATED at Mississauga, Ontario this 4th day of October, 2019.

BY ORDER OF THE BOARD

(Signed) Scott Spearn
President and Chief Executive Officer

Shareholders who are unable to attend the Meeting in person are requested to complete, date, sign and return the provided form of proxy. All instruments appointing proxies to be used at the Meeting or at any adjournment thereof must be deposited with TSX Trust, Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, not later than 48 hours (excluding Saturdays, Sundays and holidays) preceding the time fixed for the Meeting or any adjournment thereof.

Only registered shareholders of the Corporation, or the persons they appoint as their proxies, are entitled to attend and vote at the Meeting. For information with respect to shareholders who own their shares beneficially through an intermediary, see "Non-Registered Shareholders" in the accompanying Management Information Circular.



MEDX HEALTH CORP. (the "Corporation")

MANAGEMENT INFORMATION CIRCULAR

This information is given as of October 4, 2019 unless otherwise stated

SOLICITATION OF PROXIES

This Management Information Circular is being furnished in connection with the solicitation of proxies by the management of the Corporation for use at the Annual Meeting of Shareholders (the "Meeting") of the Corporation to be held at the time and place and for the purposes set forth in the attached Notice of Annual and Special Meeting of Shareholders (the "Meeting") or at any adjournment thereof. The solicitation of proxies will be accomplished primarily by mail but proxies may be solicited by other means of delivery by directors, officers or employees of the Corporation. The cost of the solicitation will be borne by the Corporation.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed Form of Proxy are directors and/or officers of the Corporation. A shareholder has the right to appoint as his or her proxy a person, who need not be a shareholder, other than those whose names are printed on the attached Form of Proxy or on-line as indicated on the proxy *or* date and sign the enclosed Form of Proxy and return it to TSX Trust, 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1 or fax the dated and signed proxy to (416) 595-9593. no later than 4:00 pm (Toronto time) on Wednesday, November 20, 2019 or if the Meeting is adjourned or postponed, no later than the business day preceding the adjourned meeting, or any adjournment or postponement thereof. To be valid, a proxy must be executed legally by a registered shareholder, as registered. A proxy executed by a registered shareholder which is a corporation must be properly executed and evidence of authority to sign of the representative of such corporation, satisfactory to the Corporation, may be filed with such proxy or may be requested by the Corporation prior to accepting such proxy for use at the Meeting. It is the responsibility of the shareholder appointing some other person to represent him or her to inform such person that he or she has been so appointed.

A shareholder who has given a proxy may revoke it under section 110(4) of the *Business Corporations Act (Ontario)*, by depositing an instrument in writing executed by the shareholder or by the shareholder's attorney authorized in writing at the registered office of the Corporation at 1495 Bonhill Road, Unit 1, Mississauga, Ontario L5T 1M2, at any time up to and including the business day before the Meeting, or any adjournment thereof, or with the Chair of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law. A non-registered shareholder (see below under "Non-Registered Holders"), may revoke a voting instruction form or a waiver of the right to receive documents and to vote given to an Intermediary at any time by written notice to the Intermediary (as defined below under "Non-Registered Holders"), except that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive documents and to vote that is not received by the Intermediary at least seven days prior to the Meeting.

NON-REGISTERED HOLDERS

Only registered holders of common shares of the Corporation ("Common Shares"), or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in some cases, Common Shares beneficially owned by a holder (a "Non-Registered Holder") are registered in the name of an Intermediary (an "Intermediary") that the Non-Registered Holder deals with in respect of the shares, such as, among others, banks, trust companies, securities dealers or brokers and trustees or

administrators of self-administered registered retirement savings plans, registered retirement income funds and registered educational savings plans and similar plans.

In accordance with the requirements of National Instrument No. 54-101 of the Canadian Securities Administrators, the Corporation has distributed copies of this Notice of Annual and Special Meeting of Shareholders/Management Information Circular, and the Form of Proxy (collectively, the "Meeting Materials") to the Intermediaries for distribution to the Shareholders.

Intermediaries are required to forward Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a proxy which has already been signed by the Intermediary (typically by facsimile, stamped signature) which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise blank. This Form of Proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the Form of Proxy and deposit it with the Corporation as described above; or
- (b) More typically, is given a voting instruction form which must be completed and signed by the Non-Registered Holder in accordance with the directions on the voting instruction form (which may in some cases permit the completion of the voting form by telephone).

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the shares they beneficially own. Should a Non-Registered Holder who receives either a Form of Proxy, a proxy or a voting instruction form wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the proxy and insert the Non-Registered Holder's name (or such other corresponding directions on the Form of Proxy). In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries, including those regarding when and where the proxy or the proxy authorization form is to be delivered, and their service companies.

These shareholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the issuer (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

EXERCISE OF DISCRETION BY PROXY

Shares represented by properly executed proxies in favour of the persons designated in the enclosed Form of Proxy will be voted in accordance with the instructions given by the shareholder thereon. In the absence of any direction to the contrary, such shares will be voted **IN FAVOUR** of matters identified in the Notice of Annual and Special Meeting of Shareholders. Instructions with respect to voting will be respected by the persons designated in the enclosed Form of Proxy. With respect to amendments or variations to matters identified in the Notice of Annual and Special Meeting of Shareholders and with respect to other matters which may properly come before the Meeting, such shares will be voted by the persons so designated in their discretion. As at the date of this Management Information Circular, management of the Corporation knows of no such amendments, variations or other matters.

VOTING SHARES/RECORD DATE

The Corporation has fixed October 4, 2019 as the record date (the "Record Date") for the purpose of determining the shareholders entitled to receive the Notice of Annual and Special Meeting of Shareholders. As at October 4, 2019, there were 141,918,762 Common Shares of the Corporation issued and outstanding, each carrying the right to one vote per share. Any Common Share that is registered at the close of business on the Record Date will entitle its holder or any proxy named by its holder to receive notice of and to vote at the Meeting and at any adjournment thereof.

Voting at the Meeting shall be by show of hands, except when a ballot is required by the Chair of the Meeting or demanded by a shareholder or proxy holder entitled to vote at the Meeting. A quorum for the transaction of business at the Meeting shall be two shareholders, present in person or by proxy, holding not less than 20% of the outstanding shares of the Corporation carrying voting rights at the Meeting. If a quorum is present at the opening of the Meeting, the shareholders present or represented by proxy may proceed with the business of the Meeting notwithstanding that a quorum is not present throughout the Meeting. If within one half hour of the time appointed for the holding of the Meeting, as set forth in the accompanying Notice of Annual and Special Meeting of Shareholders, a quorum is not present, the shareholders personally present or represented at the Meeting may adjourn the Meeting to a fixed time (which time shall not be less than seven days or more than one month from the time of the adjourned Meeting) at the same place as the adjourned Meeting but may not transact any other business.

PRINCIPAL HOLDERS OF VOTING SHARES

To the knowledge of the directors and officers of the Corporation, as of October 4, 2019, no persons beneficially own, directly or indirectly, or exercise control or direction over more than ten percent (10%) of the issued and outstanding Common Shares.

PARTICULARS OF MATTERS TO BE ACTED ON

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

The first item of business for the Meeting is to receive the financial statements of the Corporation for the year ended December 31, 2018, together with the report of the auditors thereon. Copies of those financial statements have been filed with the Corporation's documents and may be viewed on SEDAR at www.sedar.com.

ELECTION OF DIRECTORS

The Board of Directors presently comprises six (6) members. For the coming year the Board has resolved to set the number of directors at six (6) members. The persons named in the enclosed form of proxy intend to vote the shares represented thereby for the election of the nominees whose names are set forth in the Table below. MANAGEMENT DOES NOT ANTICIPATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR BUT, IF THAT SHOULD OCCUR FOR ANY REASON PRIOR TO THE MEETING, THE PERSONS NAMED IN THE ACCOMPANYING PROXY FORM RESERVE THE RIGHT TO VOTE FOR ANOTHER NOMINEE AT THEIR DISCRETION. Each director elected will hold office until the next annual meeting of the shareholders or until his successor is duly elected, unless prior thereto he resigns or his office becomes vacant by death or other cause.

The following Table and the notes thereto states the names of all persons proposed to be nominated for election as directors, their municipalities of residence, their current position with the Corporation, if any, their principal occupations or employments, the approximate number of common shares of the Corporation beneficially owned or controlled by each of them as of the date hereof.

| Name of Municipality of Residence | Positions with the Corporation | Director or Officer since | Principal Occupation | Number of Common Shares Beneficially Owned |
|--|-----------------------------------|---------------------------|----------------------------------|--|
| N. Gary Van Nest Toronto, Ontario ⁽¹⁾⁽²⁾ | Director | November 19, 2001 | President, Sinalta Investments | 2,505,084 |
| David J. Hennigar Bedford, Nova Scotia ⁽¹⁾⁽²⁾ | Director | November 19, 2001 | Corporate Director | 1,749,011 |
| Kenneth McKay Toronto, Ontario ⁽¹⁾⁽²⁾ | Director | November 19, 2001 | Barrister & Solicitor | 867,985 |
| Robert von der Porten Toronto, Ontario ⁽¹⁾⁽²⁾ | Chairman of the Board Director | November 29, 2013 | Corporate Executive | 500,000 |
| David Breukelman Burlington, Ontario ⁽²⁾ | Director | November 23 2015 | President, Business Arts Inc. | Nil |
| Scott Spearn Toronto, Ontario | President/CEO Director | September 18, 2018 | President/CEO of the Corporation | Nil |

(1) Member of the Audit Committee.

(2) Member of the Compensation Committee.

BACKGROUND INFORMATION ON THE BOARD OF DIRECTORS

N. Gary Van Nest, B.Com., - Director - Mr. Van Nest is President of Sinalta Investments Ltd., Chairman of Woodland Biofuels Inc. and is Vice-Chairman, C.E.O. and a director of Aquarius Surgical Technologies Inc. Mr. Van Nest has over 50 years of extensive experience in the brokerage, merchant banking, and investment management businesses. Until September 18, 2018, Mr. Van Nest was Chairman of the Board of the Corporation.

David J. Hennigar, B.Com., M.B.A – Director - Mr. Hennigar is Chairman of Thornridge Holdings Limited, a director of High Liner Foods Inc., Chairman and a director of Landmark Global Financial Corporation, Aquarius Surgical Technologies Inc., Metalo Manufacturing Inc. and Grand River Ironsands Incorporated, and is a director of SolutionInc Technologies Limited.

Kenneth McKay, B.A., LL.B. – Director - Mr. McKay is a Senior Partner in the intellectual property law firm Marks & Clerk Law LLP. Mr. McKay is counsel in the intellectual property area in Canada and is the co-author of several books and papers relating to intellectual property and the marketing and licensing of technology.

Robert von der Porten - Chairman and Director. Mr. von der Porten joined the Corporation on November 29, 2013, as Chief Executive Officer and as a Director. He has an MBA from the Richard Ivey School of Business, and has nearly 40 years' experience as an executive holding senior positions in a number of North American industrial, retail, manufacturing, marketing and technology companies. Effective September 18, 2018, Mr. von der Porten retired as C.E.O. and was appointed as Chairman of the Board of the Corporation. In 1997 he founded Stoney Bridge Partners which provides advisory and consulting services to companies in a broad range of industries.

David Breukelman - Director - Mr. Breukelman is the President of Business Arts Inc. David is a serial entrepreneur whose career has encompassed a wide range of operational and governance roles in Canada and abroad. David has deep experience in imaging technologies, finance and international growth and has been a guest lecturer at universities both in Canada and abroad.

Scott Spearn - Director and C.E.O. - Mr. Spearn joined the Corporation on April 3, 2018, in the capacity as President, and effective September 18, 2018, he also assumed the role of C.E.O. Mr. Spearn is a senior executive with over 28 years of experience in building sales and distribution channels for medical devices across Canada, the USA and Latin America. Prior to joining the Corporation, Mr. Spearn was Vice President and General Manager of Laerdal Medical Canada Ltd.

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

Other than as described below, to the best of management's knowledge, no proposed director is, as at the date hereof, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that, while that person was acting in that capacity,

- (a) was subject to a cease trade 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;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the 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; or
- (c) 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 his assets;
- (d) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Shareholder in deciding whether to vote for a proposed director.

Messrs. Van Nest and Hennigar were directors of Landmark Global Financial Corporation whose shares were suspended from trading by the Toronto Stock Exchange for a period greater than 30 days for failure to meet listing requirements. Trading of the shares later resumed on the TSX Venture Exchange ("TSX-V"), but the shares were subsequently subjected to a Cease-trade Order for failure to file financial statements. Messrs. Van Nest and Hennigar were directors of Aquarius Coatings Inc. whose shares were suspended from trading on the TSX-V for a period greater than 30 days because certain financial information was not filed on time. Those shares were suspended from trading on the TSX-V in October, 2014, and subsequently re-admitted to trading on the NEX Board of the TSX Venture Exchange in December, 2015. Messrs. Van Nest, Hennigar and McKay were directors of MedX Health Corp. between January 21, 2010 and February 26, 2010, and between May 6, 2010 and June 30, 2010, during which periods they were subject to Management Cease Trade Orders for failure to comply with applicable filing requirements, both of which Management Cease Trade Orders were cancelled following applicable compliance. Mr. Hennigar is a director of SolutionInc Technologies Limited which is subject to Cease Trade Orders issued in 2011, for failure to file financial statements.

PERSONAL BANKRUPTCIES

To the best of management's knowledge, no proposed director has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets.

Unless a proxy specifies that the shares it represents should be withheld from voting in the election of directors, the proxy holders named in the accompanying proxy intend to use it to vote FOR election of the above nominees as directors of the Corporation.

APPOINTMENT OF AUDITORS

The auditors of the Corporation for the year ended December 31, 2018 were BDO Canada LLP, Chartered Professional Accountants, of Markham, Ontario, who were first appointed as auditors by the Board of Directors in October 2016 for the year ended December 31, 2016.

Proxies received in favour of Management will be voted FOR approval of appointing BDO Canada LLP, Chartered Professional Accountants, as auditors of the Corporation for 2019 and authorizing the Board to fix their remuneration, unless the shareholder has specified in the proxy that his shares are to be withheld from voting such resolution.

Fees paid to BDO Canada LLP in respect of their audit for 2018 and 2017 respectively are as follows:

| Fees | 2018 | 2017 |
|-------------|-------------|-------------|
| Audit fees | \$50,880 | \$42,400 |
| Tax fees | Nil | Nil |
| Total | \$50,880 | \$42,400 |

The audit fees disclosed above were for professional services for the audits of the Corporation's annual consolidated financial statements.

The Corporation relies on the exemption described in Part 6.1 ("Venture Issuers") of Multilateral Instrument 52-110.

STATEMENT OF EXECUTIVE COMPENSATION

SUMMARY COMPENSATION TABLE

The following table sets forth, for the years ended December 31, 2018, 2017, and 2016, the aggregate remuneration paid or payable by the Corporation to the Chief Executive Officer of the Corporation, the Chief Financial Officer of the Corporation and to any other person who was an executive officer during those periods.

| Name & Principal Position | Financial Year | Salary & Consulting Fee | Bonus | Other Annual Compensation | Securities Under Options & SARs Granted | Restricted Shares or Restricted Share Units | LTIP Payouts |
|---|-----------------------|------------------------------------|--------------|----------------------------------|--|--|---------------------|
| Scott Spearn President & CEO ⁽¹⁾ | 2018 | \$138,000 | Nil | Nil | \$339,448 ‡ | Nil | Nil |
| | 2017 | \$147,500 | Nil | Nil | \$63,347 ‡ | Nil | Nil |
| Louie Canitano, Chief Operating Officer ⁽²⁾ | 2017 | \$120,000 | Nil | Nil | Nil | Nil | Nil |
| | 2016 | \$137,500 | Nil | Nil | Nil | Nil | Nil |
| James Cooke, CFO ⁽³⁾ | 2018 | \$158,500 | Nil | Nil | \$47,392 ‡ | Nil | Nil |
| | 2017 | \$114,000 | Nil | Nil | Nil | Nil | Nil |
| | 2016 | \$120,000 | Nil | Nil | Nil | Nil | Nil |
| Robert von der Porten, President and C.E.O. ⁽⁴⁾ | 2018 | \$112,500 | Nil | Nil | Nil | Nil | Nil |
| | 2017 | \$85,000 | Nil | Nil | Nil | Nil | Nil |
| | 2016 | \$155,000 | Nil | Nil | Nil | Nil | Nil |

‡ The Value shown in the column **Securities Under Options & SARs Granted** is calculated by application of the Black-Scholes Formula as described at Note 9(e) to the Corporation's audited Financial Statements for the year ended December 31, 2018, which is not indicative of any actual value in monetary terms. As at December 31, 2018, the actual "in-the-money" value of all of the options referred to in this column was \$Nil.

- (1) Mr. Spearn, who provides his services through his sole proprietorship Spearn & Associates (“S&A”), joined the company as President effective April 2, 2018, and effective September 18, 2018 he also assumed the office of C.E.O. Under the terms of engagement between the Company and S&A was paid fees at the rate of \$14,000 per month from April 3, 2018, increasing to \$16,000 per month effective September 18, 2018, and it was further provided that if the engagement of S&A was terminated within the first twelve months, then compensation equal to three months’ retainer fee would be payable. Additionally, on joining the company, a total of 2,000,000 incentive stock options were granted to Mr. Spearn, exercisable at \$0.25 per share, vesting 25% every three months commencing July 27, 2018, expiring on April 27, 2023, and a further 1,000,000 incentive stock options were granted to him on September 21, 2018, exercisable at \$0.16 per share, vesting 25% every three months commencing December 21, 2018, expiring September 21, 2023, in all cases subject to the company’s Incentive Stock Option Plan.
- (2) Mr. Canitano joined the company as Executive Vice President of Operations in February, 2010. In the event the Company terminates Mr. Canitano’s employment without “cause”, or in the event of a change in control, the Company will provide an amount equal to 3 (three) months of his then current salary for each full year that he has worked for the Corporation up to an aggregate maximum of 12 months. During 2013, Mr. Canitano was named Chief Operating Officer, and his base salary was increased to \$150,000, and in August 2016 Mr. Canitano agreed to reduce his salary to \$120,000. During 2018 Mr. Canitano’s base salary was increased back to \$150,000.
- (3) Mr. Cooke joined the company as CFO in November 2013, as an independent contractor on a part time basis. He was paid amounts ranging between \$2,500 and \$10,000 to March 2014, and at a per diem rate, based on time spent, to a maximum of \$15,000 per month thereafter. The monthly maximum was reduced to \$7,500 during the period September to December 2014, and for 2015 and 2018, the amounts accrued for services ranged between \$7,500 and \$12,500 per month. Mr. Cooke is also eligible to participate in the company’s stock option plan. As at December 31, 2018, \$22,600 was due to Mr. Cooke in respect of accrued but unpaid fees.
- (4) Mr. von der Porten was retained by the Company as President and C.E.O. effective November 29, 2013. His terms of his compensation at that time that he joined the company provided for a monthly retainer of \$20,000. The terms also provided for a grant of stock options in such a number as to not exceed 50% of all options then outstanding, with vesting provisions as to 25% immediately, with and 25% vesting thereafter at six month intervals. Mr. von der Porten agreed to reduce his monthly retainer to \$12,500 for the three month period beginning July 1, 2014, to \$15,000 until July 2016 and at rates ranging between \$5,000 and \$10,000 per month for the remainder of 2016 and 2017. Effective April 3, 2018, Mr. von der Porten relinquished the office of President, and effective September 18, 2018, he relinquished the office of C.E.O., at which time he was appointed as Chairman of the Board of Directors As at December 31, 2018, \$22,080 was due to Mr. von der Porten in respect of accrued but unpaid fees.

SHARE-BASED AWARDS

The Company does not have any share-based incentive plans. The following table sets out all options-based awards outstanding for each Executive Officer as at December 31, 2018:

| Option-based Awards | | | | |
|-----------------------------|---|-----------------------|---------------------------|---|
| Executive Officer | Number of securities underlying unexercised options (#) | Option exercise price | Option expiration date(s) | Value of unexercised in-the-money options |
| Scott Spearn ⁽¹⁾ | 2,000,000 | \$0.25 | April 27, 2023 | Nil |
| Louie Canitano | 625,000 | \$0.10 | November 25, 2019 | \$25,000 |
| | 500,000 | \$0.18 | February 27, 2022 | Nil |
| | 375,000 | \$0.25 | April 27, 2023 | Nil |
| James Cooke | 2,500,000 | \$0.10 | November 25, 2019 | \$100,000 |
| | 250,000 | \$0.25 | April 27, 2023 | Nil |

NOTE (1) On September 21, 2018, the Company agreed to grant 1,000,000 options to Mr. Spearn, exercisable at \$0.16, vesting at the rate of 25% quarterly from December 21, 2018, valid to September 21, 2023. The Agreement for that grant was not ratified by the Board of Directors until September 30, 2019, so that those options are treated now as granted, fully vested, and exercisable until September 21, 2023.

There were no options exercised by executive officers and therefore no value actually received upon exercise of options under incentive plans during the year ending December 31, 2018. As at December 31, 2018, the value of unexercised in-the-money options was \$37,500.

COMPENSATION OF NON-EXECUTIVE DIRECTORS

Non-executive Directors are currently not paid any cash compensation. Up to the end of 2016, the compensation for Non-executive Directors included an annual retainer of \$5,000 (\$15,000 for the Chairman), and \$500 for each meeting attended. During fiscal 2018, no amounts were accrued or paid to Non-executive Directors. From fiscal 2019 onwards and until otherwise approved by the Board of Directors, an annual fee of \$5,000 is accrued payable to each Non-executive Director (\$15,000 for the Chairman), together with \$500 for each meeting of the Board attended; such accrued fees are expressly not payable unless and until declared by the Board of Directors to be payable, at which time they may be paid in cash or shares, subject to all relevant regulatory and other consents and approvals.

The Company does not have any share-based incentive plans but has a Stock Option Plan.

Non-executive Directors also participate in the Company's Stock Option Plan. During the year ended December 31, 2018 a total of 1,600,000 stock options were granted to Non-executive Directors, exercisable at \$0.25, expiring April 27, 2023; 300,000 of those options expired prior to December 31, 2018.

During the year ending December 31, 2018, there were no options exercised by Non-executive Directors and therefore no value actually received upon exercise of options under incentive plans. As at December 31, 2018, there were 1,300,000 options outstanding that had previously been granted to Non-executive Directors, and the value of those unexercised in-the-money options held by Non-executive Directors was \$Nil.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out those securities of the Company which have been authorized for issuance under the Company's Stock Option Plan as at December 31, 2018:

STOCK OPTION PLAN

| Plan Category | Number of Securities to be issued upon exercise of outstanding options, warrants & 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 security-holders ⁽¹⁾ | 18,100,000 | \$0.17 | 7,900,000 |
| Equity compensation plans not approved by security-holders | Nil | \$ Nil | Nil |
| TOTAL AS AT DECEMBER 31, 2018 ⁽²⁾ | 18,100,000 | \$0.17 | 7,900,000 |

(1) Reference is made to the disclosure regarding the Company's Stock Option Plan in Note 9(e) to the Consolidated Financial Statements for the Year Ended December 31, 2018 available on the SEDAR website at www.sedar.com

(2) Since December 31, 2018, a total of 175,000 options have expired unexercised and are accordingly currently added to the number of securities available for issuance under the Corporation's Stock Option Plan.

(3) See also Note 1 under "Share-Based Awards" above.

At the Corporation's June 24, 2014 Annual and Special General Meeting the shareholders approved the 2014 Stock Option Plan, which effectively absorbed all prior Incentive Stock Option Plans of the Corporation, whereby a maximum of 12,000,000 shares were reserved for issuance under the Plan. At the Annual and Special Meeting of shareholders held on August 25, 2016, shareholders approved a resolution to increase the maximum number of shares reserved for issuance under the Plan to 16,400,000; at the Annual and Special Meeting held on January 17, 2018, shareholders approved a resolution to increase the maximum number of shares reserved for issuance under the Plan to 21,200,000, and at the Annual and Special Meeting held on November 5, 2018, shareholders approved a resolution to increase the maximum number of shares reserved for issuance under the Plan to 26,000,000.

The Company's Stock Option Plan is currently the only equity-based compensation arrangement pursuant to which securities may be issued from the treasury of the Company. The major features of the Stock Option Plan can be summarized as follows:

- The maximum number of Common Shares that may be reserved for issuance for all purposes under the Stock Option Plan shall not exceed 26,000,000 common shares.
- Any Common Shares subject to a share option which for any reason is cancelled or terminated without having been exercised will again be available for grant under the Stock Option Plan. The Board has the authority under the Stock Option Plan to establish the option price at the time each share option is granted.
- The option issue price may not be lower than the closing market price on the day preceding the date of grant.
- Options granted under the Stock Option Plan must be exercised no later than 10 years after the date of grant or as otherwise determined by the Board.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at December 31, 2018 no individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Company, and no proposed nominee for election as a director for the Company, and no associate of any such director, executive officer or proposed nominee is, or at any time in the most recently completed financial year, has been indebted to the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as indicated in this Management Information Circular, no Director, senior officer or principal shareholder of the Corporation or any associate or affiliate of the foregoing has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's last completed financial year or in any proposed transaction which has materially affected or will materially affect the Corporation except as follows:

- (a) Forest Lane Holdings Ltd., a company controlled by David Hennigar, advanced Loans of \$100,000 in fiscal 2018 which were outstanding as at December 31, 2018. These loan advance advances bear interest at 10% per annum, are unsecured and are payable on demand. A Commitment Fee of \$4,000 was also paid in respect of these loans. Loans totaling \$200,000 advanced during prior years were repaid during fiscal 2018.
- (b) A total of \$220,000 of unsecured advances, bearing interest at 10% per annum, were made by Kenneth McKay, a Director, to date in fiscal 2019, of which \$170,000 has been subsequently repaid; fees of \$11,000 were paid in respect of these loans.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Company maintains an Insurance policy providing coverage for Directors' and Officers' Liability; the annual premium on such policy is \$29,415.

OTHER MATTERS

As at October 4, 2019, Management of the Corporation knows of no matters to come before the Meeting other than the matters referred to in the Notice of Annual Meeting of Shareholders. If any other matters which are not known to the management of the Corporation should properly come before the Meeting, the persons named on the enclosed Form of Proxy are authorized to vote in accordance with their discretion on such matters.

AVAILABILITY OF DOCUMENTS

Additional information relating to the company is available on SEDAR at www.sedar.com. Copies of the financial statements and Management Discussion and Analysis (MD&A) can be obtained by contacting the head office of the Corporation, 1495 Bonhill Road, Unit 1, Mississauga, Ontario, L5T 1M2 Canada, (905) 670-4428. Financial information is provided in the financial statements for December 31, 2017 and is also available with the company's documents filed on SEDAR at www.sedar.com.

DIRECTORS' APPROVAL

The contents and the sending of the Notice of Annual and Special Meeting of Shareholders and Management Information Circular has been approved by the Directors of the Corporation.

Dated: October 4, 2019.

Scott Spear
President & CEO

Appendices

Appendix "A" Corporate Governance Disclosure
Appendix "B" Audit Committee Charter

Appendix "A"

CORPORATE GOVERNANCE DISCLOSURE

Board of Directors

The independent members of the Board of Directors of the Corporation during the year ended December 31, 2018 and up to the date of this Information Circular are David J. Hennigar, N. Gary Van Nest, Kenneth McKay and David Breukelman. Robert von der Porten was an executive director until September 18, 2018, at which time he ceased to be an Executive Officer and became Chairman of the Board and, as such, an independent director. Steve Guillen was an independent member of the Board up until November 5, 2018.

During fiscal 2018, Scott Spearn was an Executive Officer, and thus a non-independent director of the Corporation during the year ended December 31, 2018 from his initial appointment to the Board effective April 30, 2018.

A majority of the Board of Directors is independent, and one director is also an officer of the Corporation.

Board Mandate

The Board supervises the management of the business and affairs of the Company. The frequency of the meetings of the Board, as well as the nature of agenda items, change depending upon the state of the Company's affairs and in light of opportunities which arise or risks which the Company faces. A minimum of four meetings of the Board are held in each financial year. The Board has responsibility for overseeing a strategic planning process, reviewing and approving the Company's strategic plan developed and proposed by management and monitoring performance against the plan. The Board is responsible for evaluating the principal business risks of the Company and oversees the implementation of appropriate systems to manage these risks. The Board, through its Audit Committee, is also responsible for developing, adopting and reviewing the adequacy of policies and procedures to ensure the integrity of the internal controls and management information systems of the Company. Matters that require Board approval include, among other things: (i) the approval of the quarterly and annual financial statements and management's discussion and analysis; (ii) the issuance of securities; (iii) the approval of acquisitions and divestitures; (iv) the approval of all other material contracts and business transactions; (v) the approval of the Company's strategic plan and annual financial budget; (vi) the approval of all borrowing and other financing; and (vii) the approval of any other matters as appropriate.

Orientation and Continuing Education

The Corporation has not historically provided an orientation or education program for new directors as there is little turnover of members of the Board of Directors and all the current directors have a history of directorship in other public corporations and experience in the industry. Instead the Corporation provides necessary education through management and outside professional advisers on specific issues as they arise.

Ethical Business Conduct

The Board of Directors has found that the fiduciary duties placed on individual directors by the Corporations governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Corporation.

Nomination of Directors

The Board of Directors considers its size, conduct and composition each year when it considers the number of directors to recommend to the shareholders for election at the Annual General Meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board of Directors does not have a nominating committee, and these functions are currently performed by the Board of Directors as a whole. However, if there is a change in the number of directors required by the Corporation, this policy will be reviewed.

Compensation

The Compensation Committee determines the compensation for directors and the CEO.

Other Board Committees

In addition to the Audit Committee and the Compensation Committee, the Board of Directors as a whole acts as the Corporate Governance Committee.

Assessments

Based upon the Company's size, its current state of development and the number of individuals on the Board, the Board considers a formal process for assessing regularly the effectiveness and contribution of the Board, as a whole, its committee or individual directors to be unnecessary at this time. In light of the fact that the Board and its committees meet on numerous occasions and engage in informal discussions amongst themselves during each year, each director has significant opportunity to assess other directors to ensure that the Board as a whole, and its individual directors, are performing effectively.

The Board of Directors monitors the adequacy of information given to directors, communication between the Board of Directors and management and the strategic direction and processes of the Board of Directors and committees.

The following table gives the attendance of directors at meetings in 2018, with the number of meetings attended in numerator and total number of meetings during 2018 in denominator:

| | Board Meetings | Audit Committee Meetings |
|----------------------------|--------------------|--------------------------|
| N. Gary Van Nest, Chairman | 5/5 | 4/4 |
| David J. Hennigar | 5/5 | 4/4 |
| Steven T. Guillen | 3/3 ⁽¹⁾ | N/A |
| Kenneth McKay | 5/5 | 4/4 |
| David Breukelman | 5/5 | N/A |
| Robert von der Porten | 5/5 | N/A |

(1) Mr. Guillen ceased to be a director on November 5, 2018.

Audit Committee

The members of the Audit Committee are currently Kenneth McKay(Chair), David Hennigar, Gary Van Nest, Robert von der Porten and the President/CEO (*ex officio*). The Audit Committee reviews the annual and quarterly financial statements of the Company and recommends these to the Board for approval, oversees the annual audit process and the Company's internal accounting controls and the resolution of issues identified by the Company's auditors. The President does not participate in those parts of Audit Committee Meetings that are held *in camera* and during which performance or other issues are dealt with. In addition, the Audit Committee meets at least once annually and usually quarterly with the external auditors of the Company. Reference is made to the background of each of the individual members of the Audit Committee provided elsewhere in this Information Circular; each of the members of the Audit Committee has many years of business experience including financial experience in relation to public companies and has the necessary understanding and ability to perform their duties as a member of an audit committee. A copy of the Audit committee Charter is to be found at **Appendix "B"** to this Information Circular

Appendix "B"

AUDIT COMMITTEE CHARTER

This Charter has been adopted by the Board in order to comply with Multilateral Instrument 52-110, and to more fully define the role of the Audit Committee in the oversight of the financial reporting process of the Corporation. Nothing in this Charter is intended to restrict the ability of the Board or Committee to alter or vary procedures in order to comply more fully with the Instrument, as amended from time to time.

Audit Committee Mandate

- (a) The Board shall elect annually from among its members at the first meeting of the Board following the annual meeting of the shareholders, a committee to be known as the Audit Committee to be composed of three directors or such other number not less than three as the Board may from time to time determine. The composition of the Audit Committee shall at all times comply with Multilateral Instrument 52-110 and any other regulatory requirements that may affect the Corporation from time to time. A majority of the Audit Committee shall constitute a quorum.
- (b) Any member of the committee may be removed or replaced at any time by the Board. Any member of the committee ceasing to be a director shall cease to be a member of the Audit Committee. Subject to the foregoing, each member of the Audit Committee shall hold office as such until the next annual appointment of members after his election. Any vacancy occurring in the committee shall be filled at the next meeting of the Board or by Resolution of the Board passed without a formal meeting.
- (c) The responsibilities of the Audit Committee shall be to:

With respect to Financial Accounting Matters,

1. Review with management and the external auditors the annual financial statements, the annual report including the management discussion and analysis ("MD&A") and the press release before making recommendations to the Board relating to approval of the statements and MD&A. *Timing: year-end.*
2. Review with management, and if deemed necessary, with the external auditors interim financial statements and related MD&A, the quarterly report and the press release before making recommendations to the Board relating to approval of the statements and the MD&A. *Timing: first three quarters.*
3. Review with management all financial statements included in a prospectus or annual information form or any other public disclosure document containing financial information before making recommendations to the Board relating to the approval of the same. *Timing: as required.*
4. Review annually the accounting principles and practices followed by the Corporation and any changes in the same as they occur. *Timing: annually near year-end.*
5. Review with management and with the external auditor any changes or proposed changes in major accounting policies, and the presentation and impact of significant risks and uncertainties and key estimates and judgments of management that may be material to financial reporting.
6. Review new accounting principles of the Canadian Institute of Chartered Accountants which would have a significant impact on the Corporation's financial reporting as reported to the Audit Committee by management. *Timing: annually near year-end.*
7. Review estimates and judgments and choices of accounting alternatives which are

material to reported financial information as reported to the Audit Committee by management. *Timing: each quarter and year-end.*

8. Review the status of material contingent liabilities as reported to the Audit Committee by management. *Timing: each quarter and year-end.*
9. Review the status of income tax returns and potentially significant tax problems as reported to the Audit Committee by management. *Timing: immediately as known.*
10. Review any errors or omissions in the current or prior year's financial statements. *Timing: immediately as known.*

With respect to the External Auditors.

1. Review with management the performance and independence of the external auditors and report thereon to the Board at least annually, including, where appropriate, a recommendation to replace the external auditor. *Timing: year-end.*
2. Review with management the engagement letter of the external auditors and the scope and timing of the audit work to be performed as outlined in the Audit Plan. *Timing: annually.*
3. Review with the external auditors the performance of management involved in the preparation of financial statements and any problems encountered by the external auditors, any restrictions on the auditors' work, the cooperation received in the performance of the audit and the audit findings. *Timing: year-end.*
4. Review the management letter with the external auditors noting any significant recommendations on internal control made by them to management and management's response to the recommendations. *Timing: annual audit.*
5. Review with management and the external auditors estimated and actual audit fees. *Timing: annual audit.*
6. Receive and review with the external auditors a formal written statement prepared by the external auditors that discloses all relationships, including the nature of and fees for any non-audit services performed for the Corporation, between the external auditor and the Corporation and consider whether the nature and extent of such services could impact on the objectivity and independence of the external auditor and, if necessary, recommending that the full Board take appropriate action to oversee the independence of the external auditor. *Timing: as required.*

With respect to General Audit Matters.

1. Inquire of management, and the external auditors as to any activities that may be or may appear to be illegal or unethical. *Timing: each quarter and year-end.*
2. Review with management, and if deemed necessary, with the external auditors any material frauds reported to the Audit Committee. *Timing: immediately as known.*
3. Review with the external auditors the adequacy of staffing for accounting and financial responsibilities. *Timing: year-end.*
4. Report and make recommendations to the Board as the committee considers appropriate. *Timing: as required.*

(d) In addition, the Board may refer to the Audit Committee such matters and questions relating to the

Corporation and its affiliates as the Board may from time to time see fit.

- (e) Any member of the Audit Committee may require the auditors to attend any or every meeting of the Audit Committee.
- (f) The Audit Committee shall elect annually a Chairman from among its members.
- (g) The Audit Committee shall review and reassess the adequacy of the formal mandate on an annual basis.
- (h) The times of and the places where meetings of the Audit Committee shall be held and the calling of and procedure at such meetings shall be determined from time to time by the Audit Committee; provided that notice of every such meeting and the circulation of the financial statements to committee members is at least 48 hours prior to the meeting. The auditors of the Corporation also shall be given such notice of meetings and shall be entitled to attend and be heard thereat, and that meetings shall be convened whenever requested by the auditors, or any member of the Audit Committee in accordance with the *Business Corporations Act R.S.O. 1990 c. B-16 (as amended)*.
- (i) The Audit Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal controls or auditing matters, and for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters. In such matters the Chairman of the Audit Committee is designated to be the person to whom any such complaint shall be made. In the event of any such complaint being made, the Chairman of the Audit Committee shall ensure that the identity of the complainant is kept confidential throughout the investigatory process, and shall establish, in conjunction with the Audit Committee, an appropriate process for investigation of the complaint. A log of complaints shall be maintained by the Chairman of the Audit Committee, tracking their receipt, investigation, findings and resolution, a summary of which shall be circulated to the members of the Audit Committee on at least an annual basis.
- (j) The Audit Committee shall support the senior management team and the Board in keeping abreast of changes occurring or proposed to regulatory requirements and/or general accounting guidelines, such that the Corporation adopts "best in class" accounting and internal control policies and practices.
- (k) Minutes shall be kept of all meetings of the Audit Committee.
- (l) All prior resolutions of the Board relating to the constitution and responsibilities of the Audit Committee are hereby repealed

Adopted: August, 2012