



## MEDX HEALTH CORP.

### NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON AUGUST 16, 2021

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 on Monday, August 16, 2021, at 1495 Bonhill Road, Unit #1, Mississauga, Ontario M5H 4H1, at 4:00 PM (Toronto time).



## MEDX HEALTH CORP.

### NOTICE OF ANNUAL GENERAL & 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 1495 Bonhill Road, Unit # 1, Mississauga, Ontario L5T 1M2, at 4:00 p.m. (Toronto time) on Monday, August 16, 2021 for the following purposes:

1. to receive the audited financial statements of the Corporation for the financial years ended December 31, 2019 and 2020 together with the reports 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;
4. to consider and, if deemed advisable, to pass, with or without variation, a resolution approving amendment to the Corporation's 2014 Incentive Stock Option Plan of the Corporation, as more particularly described in the accompanying Management Information Circular; and
5. 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](http://www.medxhealth.com) and under the Corporation's profile on SEDAR at [www.sedar.com](http://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 29<sup>th</sup> day of June, 2021.

#### BY ORDER OF THE BOARD

(Signed) Rob von der Porten  
Chairman 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 June 28, 2021 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 and Special Meeting of Shareholders (the "Meeting") of the Corporation to be held at the time 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, August 11, 2021 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 June 28, 2021, 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 June 28, 2021, there were 181,913,745 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 June 28, 2021, 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 YEARS ENDED DECEMBER 31, 2019 AND 2020**

The first item of business for the Meeting is to receive the financial statements of the Corporation for the years ended December 31, 2019 and December 31, 2020, together with the reports 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](http://www.sedar.com).

### **ELECTION OF DIRECTORS**

The Board of Directors presently comprises five (5) members. For the coming year the Board has resolved to set the number of directors at five (5) 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 |
|---|--------------------------------------|---------------------------|-----------------------|--|
| Robert von der Porten<br>Toronto, Ontario <sup>(1)(2)</sup> | Chairman of the Board, CEO, Director | November 29, 2013         | Corporate Executive   | 500,000                                    |
| David J. Hennigar<br>Bedford, Nova Scotia <sup>(1)(2)</sup> | Director                             | November 19, 2001         | Corporate Director    | 2,259,011                                  |
| Kenneth McKay<br>Toronto, Ontario <sup>(1)(2)</sup>         | Director                             | November 19, 2001         | Barrister & Solicitor | 867,985                                    |
| Wayne Cockburn<br>Mississauga, Ontario                      | Director                             | October 13, 2020          | Corporate Executive   | 50,000                                     |
| Anthony Milonas<br>Mississauga, Ontario                     | Director                             | October 13, 2020          | Corporate Executive   | nil  |

(1) Member of the Audit Committee.

(2) Member of the Compensation Committee.

## BACKGROUND INFORMATION ON THE BOARD OF DIRECTORS

**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. Effective June 15, 2020, Mr. von der Porten was appointed to act as Chief Executive Officer following the retirement of Scott Spearn.

**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 Counsel at the intellectual property law firm Marks & Clerk Law LLP. He is the co-author of several books and papers relating to intellectual property and the marketing and licensing of technology.

**Wayne Cockburn** - Mr. Cockburn is currently the President of Pathway Health Corp., a chronic pain management company listed on the TSX Venture Exchange. Mr. Cockburn has over 25 years of healthcare experience, including 20 years as a C-suite executive, specializing in strategic planning, corporate finance and capital market strategies, corporate partnering, corporate governance and mergers and acquisitions. Mr. Cockburn has also served on the board of directors of U.S. and Canadian private and public companies for more than 20 years.

**Anthony Milonas** - Mr. Milonas is currently President and CEO of Canadian Orthodontic Partners (COP), and has over 20 years of extensive Board and Management level experience in a wide range of businesses in North America and Europe. Prior to joining COP, he was most recently the Chief Operating Officer at CBI Health Group, the largest provider of outpatient rehabilitation and community healthcare services in Canada, which purchased We Care Health Services where he held the position of President & CEO.

## CEASE TRADE ODRERS, 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.

Mr. Hennigar is a director 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. Mr. Hennigar was a director 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.

#### **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, 2019 and 2020 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 2021 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 2019 and 2020 respectively are as follows:

| <b>Fees</b>  | <b>2019</b>     | <b>2020</b>     |
|--------------|-----------------|-----------------|
| Audit fees   | \$64,800        | \$70,200        |
| Tax fees     | Nil             | Nil             |
| <b>Total</b> | <b>\$64,800</b> | <b>\$70,200</b> |

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, 2020, 2019, and 2018, 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 |
|---|----------------|-------------------------|-------|---------------------------|---|---|--------------|
| Robert von der Porten<br>President and C.E.O. <sup>(1)</sup>                            | 2020           | \$54,063                | Nil   | Nil                       | Nil                                     | Nil   | Nil          |
|   | 2019           | -                       | Nil   | Nil                       | \$119,080 ‡                             | Nil   | Nil          |
|   | 2018           | \$112,500               | Nil   | Nil                       | Nil                                     | Nil   | Nil          |
| Louie Canitano, Chief<br>Operating Officer <sup>(2)</sup>                               | 2020           | \$126,523               | Nil   | Nil                       | Nil                                     | Nil   | Nil          |
|   | 2019           | \$150,000               | Nil   | Nil                       | \$47,135 ‡                              | Nil   | Nil          |
|   | 2018           | \$147,500               | Nil   | Nil                       | \$63,347 ‡                              | Nil   | Nil          |
| James Cooke, CFO <sup>(3)</sup>   | 2020           | \$124,250               | Nil   | Nil                       | Nil                                     | Nil   | Nil          |
|   | 2019           | \$150,000               | Nil   | Nil                       | \$135,364 ‡                             | Nil   | Nil          |
|   | 2018           | \$158,500               | Nil   | Nil                       | \$47,392 ‡                              | Nil   | Nil          |
| Michael Druhan <sup>(4)</sup><br>President -<br>Dermatological Services<br>and Products | 2020           | \$250,000               | Nil   | Nil                       | Nil                                     | Nil   | Nil          |
| Scott Spearn<br>(former) President &<br>CEO <sup>(5)</sup>                              | 2020           | \$81,600                | Nil   | Nil                       | Nil                                     | Nil   | Nil          |
|   | 2019           | \$192,000               | Nil   | Nil                       | \$109,366 ‡                             | Nil   | Nil          |
|   | 2018           | \$138,000               | Nil   | Nil                       | \$339,448 ‡                             | 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, 2020 which is not indicative of any actual value in monetary terms. As at December 31, 2018, 2019 and 2020, the actual "in-the-money" value of all of the options referred to in this column was \$Nil, \$Nil and \$Nil respectively.

- (1) Mr. von der Porten was retained by the Company as President and C.E.O. effective November 29, 2013. 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. Effective June 15, 2020, Mr. von der Porten was appointed to act as C.E.O. following the retirement of Scott Spearn. In his position as acting C.E.O. Mr. von der Porten was paid a monthly retainer of \$7,500 during fiscal 2020; he is also entitled to Director's fees in his capacity as Chairman of the Board. As at December 31, 2019, and 2020, \$22,677 and \$55,450 was due to Mr. von der Porten in respect of accrued but unpaid fees (including \$17,500 and \$38,500 respectively in respect of fees accrued during times that he was a non-executive director).
- (2) Mr. Canitano joined the company as Executive Vice President of Operations in February, 2010. During 2013, Mr. Canitano was named Chief Operating Officer, During 2018 Mr. Canitano's base salary was set at \$150,000, and since April 2020 his salary was adjusted to \$100,000. On September 9, 2020, Mr. Canitano was appointed Managing Director, Light Therapy Products whereupon his compensation was then supplemented by commissions on laser sales. As at December 31, 2019,

and 2020, \$27,283 and \$15,222 was due to Mr. Canitano in respect of accrued but unpaid compensation.

- (3) Mr. Cooke joined the company as CFO in November 2013, as an independent contractor on a part time basis. As at December 31, 2019 and 2020, \$61,595 and \$22,600 respectively was due to Mr. Cooke in respect of accrued but unpaid fees.
- (4) Mr. Druhan was appointed as President - Dermatological Services and Products, on September 9, 2020, having previously been engaged by the company as VP Corporate Development to pursue sales opportunities for the Company's SIAscopy and DermSecure™ products and marketplace both in Canada, the US and the Americas.
- (5) Mr. Spearn, who provided 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. Mr. Spearn retired effective June 15, 2020.

## 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, 2020:

| 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 |
| Rob von der Porten  | 1,170,000   | \$0.17                | December 31, 2024         | Nil                                       |
| Louie Canitano      | 500,000   | \$0.18                | February 27, 2022         | Nil                                       |
|                     | 375,000   | \$0.25                | April 27, 2023            | Nil                                       |
|                     | 390,000   | \$0.17                | December 31, 2024         | Nil                                       |
| James Cooke         | 250,000   | \$0.25                | April 27, 2023            | Nil                                       |
|                     | 1,350,000   | \$0.17                | December 31, 2024         |   |
| Michael Druhan      | 750,000   | \$0.10                | August 25, 2021           | \$11,250                                  |
|                     | 750,000   | \$0.14                | August 25, 2021           | Nil                                       |
|                     | 500,000   | \$0.25                | April 27, 2023            | Nil                                       |
|                     | 2,000,000   | \$0.17                | December 31, 2024         | Nil                                       |
| Scott Spearn (1)    | 2,000,000   | \$0.25                | December 31, 2021         | Nil                                       |
|                     | 1,000,000   | \$0.16                | December 31, 2021         | Nil                                       |

- (1) Pursuant to the terms negotiated at the time of his retirement in June, 2020, Mr. Spearn was retained as a consultant until December 31 2021 on a nominal retainer, and the Board resolved to permit the options previously granted to him to remain valid and exercisable until December 31, 2021.

There were no options exercised by executive officers during fiscal 2019 or 2020, and therefore no value actually received upon exercise of options under incentive plans during either of the years ending December 31, 2019 and 2020. As at December 31, 2020, the value of unexercised in-the-money options held by named executive officers was \$11,250.

## 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, 2019 a total of 2,020,000 stock options were granted to Non-executive Directors, exercisable at \$0.17 expiring December 31, 2024. During the year ended December 31, 2020, a total of 800,000 stock options were granted to non-executive directors, exercisable at \$0.17, expiring November 25, 2025.

During the years ending December 31, 2019 and 2020, 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, 2020, there were 2,950,000 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, 2020:

### 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 <sup>(1)</sup> | 23,465,000  | \$0.19  | 2,535,000   |
| Equity compensation plans not approved by security-holders            | Nil   | \$ Nil  | Nil   |
| <b>TOTAL AS AT DECEMBER 31, 2020</b> <sup>(2)</sup>                   | 23,465,000  | \$0.19  | 2,535,000   |

(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, 2020 available on the SEDAR website at [www.sedar.com](http://www.sedar.com).

(2) Since December 31, 2020, a total of 1,850,000 options have been granted under the Company's Stock Option Plan.

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, 2020 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:

- As at December 31, 2020, Forest Lane Holdings Ltd., a company controlled by David Hennigar, a Director, was owed \$95,000 in respect of loans advanced during fiscal 2020. These loan advance advances bear interest at 10% per annum, are unsecured and are payable on demand. A Commitment Fee of \$4,750 was also paid in respect of these loans. These loans were repaid in full during fiscal 2021.
- As at December 31, 2020, Kenneth McKay, a Director, was owed \$89,000 in respect of advances made during fiscal 2020, These loans bear interest at 10% per annum, are unsecured and are payable on demand and fees of \$4,450 were paid in respect of the loans. These loans were fully repaid during fiscal 2021.

## **DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

The Company maintains an Insurance policy providing coverage for Directors' and Officers' Liability; the annual premium on such policy during fiscal 2020 was \$37,650.

## **SPECIAL BUSINESS OF THE MEETING**

### **PROPOSED AMENDMENT TO THE CORPORATION'S 2014 INCENTIVE STOCK OPTION PLAN**

At the Annual and Special Meeting of shareholders held on June 24, 2014, shareholders approved adoption of a new Incentive Stock Option Plan (the "2014 Plan"), pursuant to which a fixed number of 12,000,000 incentive stock options were reserved for issuance under the 2014 Plan. In all respects, the 2014 Plan meets with the requirements and policies of the TSX Venture Exchange as a "fixed number" plan. At the Annual General and Special Meeting of shareholders held on August 25, 2016, a resolution was passed to increase the number of shares issuable under the 2014 Plan to 16,400,000. At the Annual General and Special Meeting of shareholders held on January 17, 2018, a resolution was passed to increase the number of shares issuable under the 2014 Plan to 21,200,000. At the Annual General and Special Meeting of shareholders held on November 5, 2018, a resolution was passed to increase the number of shares issuable under the 2014 Plan to 26,000,000. It is proposed to seek shareholder approval for a further Amendment to the 2014 Plan, to increase the fixed number of options to be reserved from 26,000,000 to 30,000,000. Policies of the TSX Venture Exchange require acceptance by the TSX Venture Exchange to any proposed amendment, and approval by a majority of votes cast by shareholders, excluding votes attached to shares held by insiders or associates of insiders to whom options may be issued under the plan.

A copy of the full text of the 2014 Plan (as amended in 2016, further amended in January 2018 and further amended in November, 2018), including the proposed Amendment at Article 4.1, to increase

the fixed number of options available to 30,000,000, is annexed to this Information Circular as **Appendix "C"**. The following is a summary of the amended 2014 Plan – with the proposed amendment noted at (b) below in **bold type**:

**(a) Administration**

The Plan will be administered by the Board of Directors of the Corporation (the "Board").

**(b) Number of shares**

The total number of shares reserved under the 2014 Plan, **as amended**, shall not exceed **30,000,000** Common Shares of the Corporation. Unless disinterested shareholder approval is received as discussed below, additional restrictions will be placed on the number of options which may be granted to insiders of the Corporation. The maximum number of Common Shares may subsequently be increased by further vote(s) of shareholders of the Corporation.

**(c) The Option Price**

The option price of shares which are subject of any option shall be fixed by the Board, subject to the option price not being less than the market price of the Common Shares at the time the option is granted or such lesser price as may be permitted pursuant to the rules or policies of any applicable regulatory agency or stock exchange, including those prescribed by stock exchanges or securities markets upon which the shares may then be listed and/or quoted and traded.

**(d) Term**

The period during which options are exercisable shall not exceed ten (10) years after such options are granted. Subject to applicable regulatory policies, the Board may determine the period or periods of time during which the options will terminate following the cessation of the holder to be a director, officer, employee or consultant for any cause.

**(e) Non-Transferability**

No option shall be transferable or assignable by an optionee.

**(f) Adjustment of Number of Shares**

Each option shall have uniform provisions for the adjustment of the number and kind of shares in the event of a stock split, stock dividend, share consolidation, merger or other relevant change in the Corporation's capitalization to prevent substantial dilution or enlargement of the rights granted to the optionee.

**(g) Amendments to the 2014 Plan**

Subject to applicable shareholder and/or regulatory approval or requirements, the Board may amend or discontinue the 2014 Plan from time to time.

Shareholders are being asked to consider and, if deemed advisable, to pass a resolution to authorize and to approve the adoption of the proposed amendment to the 2014 Plan to increase the number of options available from 26,000,000 to 30,000,000. In order to be effective, the resolution with respect to the adoption of the Amendment to the 2014 Plan must be approved by the affirmative vote of a majority of the votes cast thereon at the Meeting other than votes attaching to Common Shares beneficially owned by insiders to whom stock options may be issued pursuant to the 2014 Plan.

The text of the resolution to be submitted to shareholders at the Meeting is set forth below, subject to such amendments, variations or additions as may be approved at the Meeting:

**"NOW THEREFORE BE IT RESOLVED THAT:**

1. The adoption of the Amendment to the 2014 Incentive Stock Option Plan by the Corporation, so as to increase the number of options available for grant is increased from 26,000,000 to 30,000,000, is hereby authorized and approved, so as to come into effect immediately

subsequent to the later of (a) the approval of this Resolution by affirmative vote or (b) acceptance of the Amendment to the 2014 Plan by the TSX Venture Exchange; and,

2. Any director or officer of the Corporation is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such other acts and things, as may in the opinion of such director or officer of the Corporation be necessary or desirable to carry out the intent of the foregoing resolutions.”

**Management recommends voting FOR the resolution to approve adoption of proposed Amendment to the 2014 Plan, and unless otherwise indicated, the persons named in the accompanying proxy intend to vote FOR the resolution to approve the adoption of proposed Amendment to the 2014 Plan. In order for the resolution to pass, the Corporation must receive affirmative votes of a majority of the votes cast by all shareholders at the Meeting, excluding votes attaching to the Common Shares beneficially owned by insiders or associates of insiders to whom options may be issued under the 2014 Plan.**

## **OTHER MATTERS**

As at June 28, 2021, Management of the Corporation knows of no matters to come before the Meeting other than the matters referred to in the Notice of Annual and Special 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](http://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, 2019 and 2020 is also available with the company’s documents filed on SEDAR at [www.sedar.com](http://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: June 29, 2021.

***Rob von der Porten***  
Chairman & CEO

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## **Appendices**

- Appendix “A” Corporate Governance Disclosure
- Appendix “B” Audit Committee Charter
- Appendix “C” 2014 Incentive Stock Option Plan (with proposed Amendment to Article 4.1)

## 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, 2020 were David J. Hennigar, N. Gary Van Nest, Kenneth McKay and David Breukelman and, from October 13, 2020, Wayne Cockburn and Anthony Milonas, who then joined the Board as independent members. Subsequent to December 31, 2020, N. Gary Van Nest and David Breukelman retired as directors. Robert von der Porten, Chairman of the Board, was an independent director until June 15, 2020, when he was appointed as acting CEO following the retirement of Scott Spearn.

During fiscal 2020, and until his retirement effective June 15, 2020, Scott Spearn was an Executive Officer, and thus a non-independent director of the Corporation.

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 2020, with the number of meetings attended in numerator and total number of meetings during 2018 in denominator:

|                                 | Board Meetings | Audit Committee Meetings |
|---------------------------------|----------------|--------------------------|
| Robert von der Porten, Chairman | 4/4            | 3/3                      |
| David J. Hennigar               | 4/4            | 4/4                      |
| Kenneth McKay                   | 4/4            | 4/4                      |
| David Breukelman                | 4/4            | N/A                      |
| N. Gary Van Nest                | 4/4            | 4/4                      |
| Scott Spearn <sup>(1)</sup>     | 1/1            | 1/1                      |
| Wayne Cockburn <sup>(2)</sup>   | 1/1            | N/A                      |
| Anthony Milonas <sup>(2)</sup>  | 1/1            | N/A                      |

(1) Mr. Spearn ceased to be a director on June 15, 2020;

(2) Mr. Cockburn and Mr. Milonas joined the Board on October 13, 2020.

### Audit Committee

The members of the Audit Committee are currently Kenneth McKay(Chair), David Hennigar and Robert von der Porten. The President/CEO is a member of the Audit Committee *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/CEO 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

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## 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

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## Appendix "C"

### MEDX HEALTH CORP

#### 2014 STOCK OPTION PLAN (AS AMENDED AT ARTICLE 4.1)

##### ARTICLE I – PURPOSE OF PLAN

- 1.1 The purpose of the Plan is to provide Executives, Employees and Consultants, where permitted under applicable legislation, of the Corporation and its Subsidiaries, compensation opportunities that will encourage share ownership and enhance the Corporation's ability to attract, retain and motivate key personnel and reward significant performance achievements. This Plan is an amendment to and a restatement of all previous stock option plans of the Corporation.

##### ARTICLE II – DEFINED TERMS

Where used herein, the following terms shall have the following meanings:

- 2.1 “Board” means the board of directors of the Corporation or, where the context permits, any committee of such board of directors to which such board of directors may from time to time delegate its powers or responsibilities hereunder;
- 2.2 “Business Day” means any day, other than a Saturday, Sunday or holiday, on which any stock exchange or quotation or trading system on which the Shares are listed or quoted, is open for trading;
- 2.3 “Consultant” means an individual, or a company or partnership in which the individual is an employee, shareholder or partner, as the case may be, other than an Employee or an Executive of the Corporation or a Subsidiary, that:
- (a) is engaged to provide, on a bona fide basis, consulting, technical, management or other services to the Corporation or a Subsidiary under a written contract between the Corporation or the Subsidiary and the individual or the consultant company or consultant partnership of the individual; and
  - (b) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or a Subsidiary;
- 2.4 “Corporation” means **MedX Health Corp.**, and includes any successor corporation thereto;
- 2.5 “Eligible Person” means any Executive, Employee or Consultant who performs services for the Corporation and/or a Subsidiary on an ongoing basis or who has provided or is expected to provide a service of value to the Corporation or a Subsidiary and, in the case of an Employee or a Consultant, whom the Corporation represents to be a bona fide Employee or Consultant of the Corporation, as the case may be;
- 2.6 “Employee Optionee” means an Optionee who is an Employee;
- 2.7 “Employee” means a full or part-time employee of the Corporation or a Subsidiary, other than an Executive, and includes, where the context permits, a trustee, custodian or administrator acting on behalf or for the benefit of employees of the Corporation or a Subsidiary;
- 2.8 “Executive” means any officer or director of the Corporation or a Subsidiary;
- 2.9 “Market Price” at any date in respect of Shares shall be the closing quoted price of such Shares on the stock exchange or quotation or trading system on which the Corporation’s shares are listed, on the last Business Day preceding the date on which the Option is approved. In the event that such Shares did not trade on such Business Day, the Market Price shall be the average of the bid and ask prices in respect of such shares at the close of trading on such date. In the event that such Shares are not listed and posted for trading on any stock exchange, quotation or trading system, the Market Price in respect thereof shall be the fair market value of such Shares as determined by the Board in its sole discretion;
- 2.10 “Option” means an option to purchase Shares granted under the Plan;
- 2.11 “Option Price” means the price per share at which Shares may be purchased under the Option, as the same may be adjusted from time to time in accordance with Article VIII hereof;
- 2.12 “Optionee” means a person to whom an Option has been granted;
- 2.13 “Plan” means this 2014 Stock Option Plan of the Corporation as embodied herein, as the same may be amended or varied from time to time;
- 2.14 “Shares” means the common shares of the Corporation or, in the event of any adjustment contemplated by Article VIII hereof, such other shares or securities to which an Optionee may be entitled upon the exercise of an Option as a result of such adjustment; and

- 2.15 “Subsidiary” means any body corporate which is controlled by the Corporation or one or more persons or companies which are controlled by the Corporation.
- 2.16 For purposes of the Plan, a person or company is considered to be controlled by a person or company if voting securities of the first person or company are carrying more than 50% of the votes for the election of directors are held, otherwise than by way of security only, by or for the benefit of the other person or company, and the votes carried by the securities are entitled, if exercised, to elect a majority of the directors of the first-mentioned company.

### **ARTICLE III – ADMINISTRATION OF THE PLAN**

- 3.1 The Plan shall be administered by the Board.
- 3.2 The Board shall have the power, where consistent with the general purpose and intent of the Plan and subject to the specific provisions of the Plan and to applicable securities and stock exchange regulatory requirements:
- (a) to establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of the Plan;
  - (b) to interpret and construe the Plan and to determine all questions arising out of the Plan and any Option granted pursuant to the Plan, and any such interpretation, construction, or determination made by the Board shall be final, binding and conclusive for all purposes;
  - (c) to determine to which Eligible Persons Options are granted and to grant Options;
  - (d) to determine the number of Shares purchasable under each Option;
  - (e) to determine and fix the Option Price, which under no circumstances shall be less than the Market Price of the Shares at the date of the grant of such Option;
  - (f) to determine the time or times when and the manner in which Options will be granted, become vested and exercisable;
  - (g) to determine if the Shares which are subject to an Option will be subject to any restrictions upon the exercise of such Option;
  - (h) to grant in its discretion to the holder of an outstanding Option, in exchange for the surrender and cancellation of such Option and subject to relevant regulatory and disinterested shareholder approval, a new Option having an Option Price lower than the Option Price of the surrendered and cancelled Option and containing other terms and conditions as regulatory policies may require and as the Board may prescribe; and
  - (i) to prescribe the form of the instruments relating to the grant, exercise and other terms of Options.
- 3.3 For greater clarity, the Board shall have the power to:
- (a) grant such Options to Eligible Persons which shall not become fully vested or exercisable until the happening of an event, the attainment of an objective or the satisfaction of certain other conditions determined by the Board at the time of the grant of such Options to the Eligible Persons;
  - (b) with respect to the hiring of Executives, authorize the Corporation to grant Options to such Executives as at the date of the acceptance of any offer of employment by such Executives, subject to approval by the Board; and

- (c) grant Options to a class of persons to be allocated to members of such class who are Eligible Persons from time to time as may be determined by the Board.
- 3.4 The Board shall have the power to delegate to a committee of the Board the power to determine to which Eligible Persons Options are to be granted and to grant such Options, the number of Shares purchasable under each Option, the Option Price and the time or times when and the manner in which Options are exercisable, and such committee shall make such determinations in accordance with the provisions of this Plan and with applicable securities and stock exchange regulatory requirements, subject to final approval by the Board.

#### **ARTICLE IV – SHARES AVAILABLE UNDER THE PLAN**

- 4.1 Options may be granted in respect of authorized and unissued Shares provided that the aggregate number of Shares reserved for issuance under this Plan, subject to adjustment or increase of such number pursuant to the provisions of Article VIII hereof, together with any Shares reserved for issuance under the previous Stock Option Plan of the Corporation and any options or warrants for services or employee stock purchase or stock option plans or any other plans, shall not exceed **30,000,000** Shares. Shares in respect of which Options are not exercised shall be available for subsequent Options under the Plan. No fractional shares may be purchased or issued under the Plan

#### **ARTICLE V – ELIGIBILITY, GRANT AND TERMS OF OPTIONS**

- 5.1 In no event may the term of an Option exceed ten (10) years from the date of the grant of the Option.
- 5.2 The total number of Shares reserved for issuance under Options granted to Optionees under this Plan during a financial year of the Corporation shall not exceed 10% of the issued and outstanding Shares at the date of the grant or proposed grant of the Option unless a resolution of disinterested shareholders has approved a lifting of this threshold;
- (a) The total number of Shares reserved for issuance to any one Optionee under this Plan together with any Shares reserved for issuance under options or warrants for services and employee stock purchase plans or any other share compensation arrangements or incentive plan to such Optionee shall not exceed 5% of the issued and outstanding Shares in any twelve (12) month period (unless the Corporation has obtained disinterested Shareholder approval).
  - (b) The total number of shares reserved for issuance to any one Optionee who is a Consultant shall not exceed 2% of the issued shares of the Corporation in any twelve (12) month period.
  - (c) The total number of shares reserved for issuance to all Optionees who are employees conducting Investor Relations Activities shall not exceed 2% of the issued shares of the Corporation in any twelve (12) month period.
  - (d) Options issued to Optionees under the Plan shall, unless otherwise determined by the Board at the time of approval of grant, be subject to general vesting provisions as follows: 25% at time of grant, 25% after six (6) months from date of grant, 25% after twelve (12) months from date of grant, and 25% after eighteen (18) months from date of grant. For greater clarity, the Board has the discretion to approve immediate vesting of all options in a particular grant, or to impose any particular vesting conditions that it considers necessary or appropriate in respect of each grant.
- 5.3 An Option is personal to the Optionee and may not be assigned or transferred except as may be envisaged under applicable regulatory exemptions relative to the RRSP or RRIF of an Optionee. The Option may only be exercised by the Optionee, provided that where the Optionee is an individual, then during the lifetime of such Optionee, the Option may be exercised only by him or

her, his or her legal representative or a nominee which is a corporation wholly-owned by the Optionee.

- 5.4 Each Option shall be evidenced by a written agreement between the Corporation and the Optionee containing terms and conditions established with respect to such Option and shall be consistent with the provisions of the Plan.

#### **ARTICLE VI – TERMINATION OF EMPLOYMENT, DEATH OR RETIREMENT**

- 6.1 In the event that an Optionee shall cease to be employed or retained by the Corporation or any Subsidiary for any reason (other than for reason of cause, death, retirement or circumstances equating retirement as determined by the Board) or shall receive notice from the Corporation or any Subsidiary of the termination of such employment or engagement (the “Termination”) such Optionee may, but only within ninety (90) days of such Termination if the Optionee is a Director, Employee, Consultant or Management Company Employee, but within thirty (30) days of such Termination if the Optionee is engaged in Investor Relations Activities, or within such other period as the Board in its sole discretion may determine, exercise such Optionee’s Options to the extent that such Optionee was entitled to exercise such Options at the date of such Termination. All Options and all rights to purchase such Optionee Shares pursuant thereto shall expire and terminate immediately on the ninetieth or thirtieth day, as the case may be, following such Termination or on such other date as the Board may in its sole discretion determine.
- 6.2 Notwithstanding any other provision of the Plan, if such Optionee is terminated for cause, all Options and all rights to purchase Shares pursuant thereto shall expire and terminate immediately upon notification being given to such Optionee of such termination for cause.
- 6.3 Notwithstanding any other provision of the Plan, if any Optionee shall die holding Options which have not been fully exercised or surrendered, such Optionee’s executors, administrators or legal personal representatives may, at any time within twelve (12) months after the date of such death or on such other date as the Board may in its sole discretion determine (but in no event later than the normal expiry date of the said Options), exercise the Options, to the extent that the Optionee was entitled to exercise such Options at the date of death.
- 6.4 Notwithstanding any other provision of the Plan, if any Optionee shall retire, or terminate such Optionee’s employment or office with the consent of the board under circumstances equating retirement, while holding Options which have not been fully exercised or surrendered, such Optionee may exercise the Options to the extent that the Optionee was entitled to exercise such Options at the date of retirement within thirty days after the date of such retirement or within such other period as the Board in its sole discretion may determine (but in no event later than the normal date of such Options).
- 6.5 Options shall not be affected by any change of employment of such Optionee or by such Optionee ceasing to be a director or officer of the Corporation or a Subsidiary where such Optionee continues to be employed on a full-time basis, or continues to be a director of the Corporation or a Subsidiary.

#### **ARTICLE VII – EXERCISE OF OPTIONS**

- 7.1 Subject to the provisions of the Plan and the terms of each specific grant, an Option may be exercised from time to time by delivery to the Corporation at its registered office of a written notice of exercise addressed to the Secretary of the Corporation specifying the number of Shares with respect to which the Option is being exercised and accompanied by payment in full by certified cheque of the Option Price of the Shares to be purchased or on delivery against payment in full to a financial institution acceptable to the Corporation. Certificates for such Shares shall be issued and delivered to such Optionee within a reasonable time following receipt of such notice and payment.

- 7.2 Notwithstanding any of the provisions contained in the Plan or in any Option, the Corporation's obligation to issue Shares to an Optionee pursuant to the exercise of an Option shall be subject to:
- (a) completion of such registration or other qualification of such Shares or obtaining approval of such governmental or other regulatory authority as the Corporation shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;
  - (b) the admission of such Shares to listing or quoting on any stock exchange or quotation and trading system on which the Shares may be then listed or quoted; and
  - (c) the receipt from the Optionee of such representations, agreements and undertakings, including an undertaking with respect to future dealings in such Shares, as the Corporation or its counsel determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.

In this connection, the Corporation shall, to the extent necessary, take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing or quoting of such Shares on any stock exchange or quotation and trading system on which the Shares are then listed or quoted.

#### **ARTICLE VIII – ADJUSTMENTS**

- 8.1 Appropriate adjustments in the number of Shares subject to the Plan and, as regards Options granted or to be granted, in the number of Shares optioned and in the Option Price, shall be made by the Board to give effect to adjustments in the number of Shares resulting from any subdivision, consolidation or reclassification of the Shares of the Corporation, the payment of stock dividends by the Corporation (other than dividends in the ordinary course) or other relevant changes in the capital of the Corporation.

#### **ARTICLE IX – MERGERS**

- 9.1 Should the Corporation amalgamate or merge with any other body corporate or bodies corporate (the right to do so being hereby expressly reserved) whether by way of amalgamation, arrangement, sale of assets and undertakings or otherwise, then the Corporation shall provide for the reservation and issuance by the continuing or resulting incorporation, upon the exercise by the Optionees of outstanding Options, of that number of shares of the continuing or resulting corporation to which the outstanding Options relate at the same aggregate purchase price adjusted accordingly to reflect the increase or decrease in the number of Shares involved.

#### **ARTICLE X – CANCELLATION AND RE-GRANT OF OPTIONS**

- 10.1 Subject to the prior written approval of any relevant securities regulation, regulatory authority or stock exchange and disinterested shareholder approval, the Board may, with the consent of the Optionee, cancel an existing Option and re-grant the Options at an Option Price determined in the same manner as provided in Article V above.

#### **ARTICLE XI – REDUCTION IN EXERCISE PRICE**

- 11.1 Disinterested Shareholder approval will be obtained for any reduction in the exercise price of an Option if the Optionee is an Insider at the time of the proposed amendment to the Option.

#### **ARTICLE XII – AMENDMENT OR DISCONTINUANCE OF PLAN**

- 12.1 Subject to applicable shareholder and/or regulatory approval, the Board may amend or discontinue the Plan at any time.

### **ARTICLE XIII – MISCELLANEOUS PROVISIONS**

- 13.1 The holder of an Option shall not have any rights as a shareholder of the Corporation with respect to any of the Shares covered by such Option until such holder shall have exercised such Option in accordance with the terms of the Plan (including tendering payment in full of the Option Price of the Shares in respect of which the Option is being exercised) and the Corporation shall issue such Shares to the Optionee in accordance with the terms of the Plan in those circumstances.
- 13.2 Nothing in the Plan or any Option shall confer upon any Employee Optionee any right to continue in the employ of the Corporation or any Subsidiary of the Corporation or affect in any way the right of the Corporation or any such Subsidiary to terminate his or her employment at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent on the part of the Corporation or any Subsidiary to extend the employment of any Employee Optionee beyond the time which he or she would normally be retired pursuant to the provisions of the present or future retirement plan of the Corporation or any Subsidiary or beyond the time at which he or she would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Subsidiary.
- 13.3 Nothing in the Plan or any Option shall confer on any Optionee who is not an Employee Optionee any right to continue providing ongoing services to the Corporation or any entity controlled by the Corporation or effect in any way the right of the Corporation or any such entity to terminate his, her or its contract at any time; nor shall anything in the Plan or any Option be deemed or construed as an agreement or an expression of intent, on the part of the Corporation or any such entity to extend the time for the performance of the ongoing services beyond the time specified in the contract with the Corporation or any such entity.

### **ARTICLE XIV – SHAREHOLDER AND REGULATORY APPROVAL**

The Plan shall be subject to any requisite approval of securities regulators and of the shareholders of the Corporation, such shareholder approval to be given by a resolution passed at a meeting of the shareholders of the Corporation. Any Options granted prior to such approval and acceptance shall be conditional upon such approvals and no such Options may be exercised unless and until such approvals are given. All Options granted and approved under the Corporation's predecessor Stock Option Plan shall continue as an obligation of the Corporation and all Shares reserved under the prior Options shall be included in the number set forth herein subject to their terms and conditions.

### **ARTICLE XV – INTERPRETATION**

- 15.1 The Plan shall be construed according to the laws of Ontario, Canada.

### **ARTICLE XVI – LIABILITY**

- 16.1 No member of the Board or any director, officer or employee of the Corporation or a Subsidiary shall be personally liable for any act taken or omitted in good faith in connection with the Plan.

***Approved by the Board on May 12, 2014***

***Approved by shareholders on June 24, 2014***

***Amended and approved by Shareholders on August 25, 2016***

***First Amendment to Article 4.1: Approved by the Board on December 4, 2017***

***First Amendment to Article 4.1: Approved by shareholders on January 17, 2018***

***Second Amendment to Article 4.1: Approved by the Board on September 18, 2018***

***Second Amendment to Article 4.1: Approved by shareholders on November 5, 2018***

***Third Amendment to Article 4.1: Approved by the Board on May 26, 2021***

***Third Amendment to Article 4.1: Approved by shareholders on \*\*\*\*\*, 2021***