

MediPharm Labs

(TSX: LABS)

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

and

MANAGEMENT INFORMATION CIRCULAR

May 15, 2024

TABLE OF CONTENTS

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS.....	I
MANAGEMENT INFORMATION CIRCULAR.....	1
SOLICITATION OF PROXIES	1
APPOINTMENT AND REVOCATION OF PROXIES	2
EXERCISE OF DISCRETION BY PROXIES.....	2
ADVICE TO BENEFICIAL SHAREHOLDERS.....	2
NOTICE-AND-ACCESS.....	3
NOTE TO NON-OBJECTING BENEFICIAL OWNERS	4
VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF	4
EXECUTIVE COMPENSATION	5
<i>Compensation Discussion and Analysis</i>	5
PERFORMANCE GRAPH.....	22
SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS.....	23
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS	23
REPORT ON CORPORATE GOVERNANCE	24
AUDIT COMMITTEE DISCLOSURE.....	24
INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS	24
PARTICULARS OF MATTERS TO BE ACTED UPON	24
INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON.....	31
ADDITIONAL INFORMATION	32
APPROVAL OF BOARD OF DIRECTORS	32
SCHEDULE “A” STATEMENT OF GOVERNANCE PRACTICES.....	A-1
SCHEDULE “B” DIRECTORS’ MANDATE	B-1



NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual meeting (the “**Meeting**”) of holders (collectively, the “**Shareholders**” or individually, a “**Shareholder**”) of common shares (“**Common Shares**”) in the capital of MediPharm Labs Corp. (the “**Company**”) will be held on June 26, 2024 at 11:00 a.m. (Toronto time). The Meeting will be a virtual meeting conducted via live audio webcast. The purpose of the Meeting is as follows:

1. to receive the audited financial statements of the Company for the financial year ended December 31, 2023, together with the report of the auditor thereon and related management’s discussion and analysis;
2. to elect the directors of the Company for the ensuing year;
3. to appoint MNP LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and to authorize the directors of the Company to fix its remuneration; and
4. to transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

Accompanying this Notice of Annual Meeting of Shareholders (the “**Notice**”) is the Circular, either a form of proxy for registered shareholders or a voting instruction form for beneficial shareholders, and a reply card for use by Shareholders who wish to receive the Company’s interim and/or annual financial statements. The Company has fixed May 10, 2024 as the record date for determining those Shareholders entitled to receive notice and to vote at the Meeting.

The Meeting will be held virtually and Shareholders who choose to attend the Meeting will do so by accessing a live audio webcast of the Meeting via the internet. Shareholders and duly appointed proxyholders can access the Meeting by visiting <https://virtual-meetings.tsxtrust.com/1679>. The password for the Meeting is “medipharm2024” (case sensitive). At this website, registered Shareholders will be able to listen to the Meeting live, submit questions and submit their vote while the Meeting is being held. We believe hosting the Meeting virtually will enable increased Shareholder attendance from different geographic locations and will encourage more active Shareholder engagement and participation at the Meeting. Guests cannot vote or ask questions at the Meeting.

Shareholders who are unable to be present personally at the Meeting must follow the instructions on the proxy or voting instruction form. Only registered Shareholders and duly appointed proxyholders may attend and vote at the Meeting. Shareholders that hold their Common Shares with a bank, broker or financial intermediary that wish to vote at the Meeting must carefully follow the instructions provided by their intermediary. In order to be effective, proxies must be received by the Chair of the Meeting before the commencement of the Meeting or any adjournment thereof. If you are attending the Meeting, please log-on to the virtual meeting in advance to ensure that your vote will be counted.

Time is of the essence. It is recommended that you vote by telephone or internet to ensure that your vote is received before the Meeting. To cast your vote by telephone or internet, please have your proxy card or voting instruction form in hand and carefully follow the instructions contained therein. Your telephone or internet vote authorizes the named proxies to vote your Common Shares in the same manner as if you mark, sign and return your proxy card. If you vote by telephone or internet, your vote must be received before 11:00 a.m. (Eastern Time) on June 24, 2024.

A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act for such Shareholder and on his, her or its behalf at the Meeting other than the persons designated in the enclosed form of proxy (the “**Appointee**”). Such right may be exercised by inserting in the blank space provided for that purpose the name of the Appointee or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to the Company’s transfer agent and registrar, TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1 no later than two (2) business days (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment thereof. **The Appointee will need to contact TSX Trust Company at tsxtrustproxyvoting@tmx.com to request a 12-digit control number. Without the control number, an Appointee will not be able to participate at the Meeting.**

DATED at Toronto, Ontario, this 15th day of May, 2024.

BY ORDER OF THE BOARD

(signed) “*David Pidduck*”

David Pidduck

Chief Executive Officer and Director



MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by management of MediPharm Labs Corp. (the “**Company**”) for use at the annual meeting (the “**Meeting**”) of holders (collectively, the “**Shareholders**” or individually, a “**Shareholder**”) of common shares in the capital of the Company (“**Common Shares**”) to be held virtually at the time and for the purposes set forth in the attached Notice of Annual Meeting of Shareholders (the “**Notice**”). Shareholders can access the meeting by visiting <https://virtual-meetings.tsxtrust.com/1679>. The password for the Meeting is “medipharm2024” (case sensitive). If you plan to vote at the Meeting, it is important that you are connected to the Internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure Internet connectivity for the duration of the Meeting. You should allow ample time to log in to the Meeting online and complete the check-in procedures. The solicitation of proxies will primarily be made by sending proxy materials to Shareholders by mail, and, in relation to the delivery of this Circular, by posting this Circular online at <https://docs.tsxtrust.com/2120> and our SEDAR+ (as defined below) profile at www.sedarplus.ca pursuant to the Notice-and-Access (as defined below) provisions. See “Notice-and-Access” on page 3 of this Circular for further information.

The solicitation of proxies may be supplemented by telephone or other personal contact to be made without special compensation by directors, officers and employees of the Company or by the Company’s transfer agent and registrar. The Company may retain other persons or companies to solicit proxies on behalf of management in which event customary fees for such services will be paid. All costs of solicitation will be borne by the Company. The Company has sent the N&A Notice (as defined below) and a form of proxy or voting instruction form, as applicable, (the “**Notice Package**”) to all Shareholders informing them that this Circular is available online and explaining how this Circular may be accessed. The Company will not directly send the Notice Package to Beneficial Shareholders. Instead, the Company will pay clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the “**Intermediaries**”) for distribution to Beneficial Shareholders (as defined below) whose Common Shares are held by or in custody of such Intermediaries. Such Intermediaries are required to forward the Notice Package to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The Company has elected to pay for the delivery of the Notice Package to objecting Beneficial Shareholders by the Intermediaries. The Company is sending the Notice Package directly to non-objecting Beneficial Shareholders, through the services of its transfer agent and registrar, TSX Trust Company. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by the Company if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. The Company will pay the permitted fees and costs of Intermediaries incurred in connection with the distribution of the Notice Package.

APPOINTMENT AND REVOCATION OF PROXIES

A registered Shareholder can vote by proxy whether or not he, she or it attends the Meeting. The persons named in the enclosed form of proxy are officers and/or directors of the Company. **A registered Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act for such registered Shareholder and on his, her or its behalf at the Meeting other than the persons designated in the enclosed form of proxy (the “Appointee”).** Such right may be exercised by inserting in the blank space provided for that purpose the name of the Appointee or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to the Company’s transfer agent and registrar, TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1 no later than two (2) business days (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment thereof. **The Appointee will need to contact TSX Trust Company at tsxtrustproxyvoting@tmx.com to request a 12-digit control number. Without the control number, an Appointee will not be able to participate at the Meeting.** A proxy must be executed by the registered Shareholder or his, her or its attorney duly authorized in writing or, if the registered Shareholder is a corporation, by an officer or attorney thereof duly authorized.

Proxies given by Shareholders for use at the Meeting may be revoked prior to their use:

- (a) by depositing an instrument in writing executed by the Shareholder or by such Shareholder’s attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized indicating the capacity under which such officer or attorney is signing at the registered office, 151 John St. Barrie, Ontario L4N 2L1, at any time up to and including 11:00 a.m. on June 24, 2024; or
- (b) in any other manner permitted by law.

EXERCISE OF DISCRETION BY PROXIES

The persons named in the accompanying form of proxy will vote the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. **In the absence of such direction, such Common Shares will be voted in favour of the passing of the matters set out in the Notice. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting or any adjournment thereof.** At the time of the printing of this Circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice. **However, if any other matters which at present are not known to the management of the Company should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.**

ADVICE TO BENEFICIAL SHAREHOLDERS

Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares, or non-objecting beneficial owners whose names have been provided to the Company’s registrar and transfer agent, can be recognized and acted upon at the Meeting. The information set forth in this section is therefore of significant importance to a substantial number of Shareholders who do not hold their Common Shares in their own name (referred to in this section as “**Beneficial Shareholders**”). If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary, then in almost all cases those Common Shares will not be registered in such Shareholder’s name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder’s Intermediary or an agent of that

Intermediary. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co., as nominee for CDS Clearing and Depository Services Inc., which acts as a depository for many Canadian Intermediaries. Common Shares held by Intermediaries or their nominees can only be voted for or against resolutions upon the instructions of the Beneficial Shareholder. Without specific instructions, Intermediaries are prohibited from voting Common Shares for their clients.

Applicable regulatory policy requires Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its Intermediary is identical to the form of proxy provided by the Company to the Intermediaries. However, its purpose is limited to instructing the Intermediary how to vote on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails the voting instruction forms or proxy forms to the Beneficial Shareholders and asks the Beneficial Shareholders to return the voting instruction forms or proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a proxy or voting instruction form from Broadridge cannot use that proxy to vote Common Shares directly at the Meeting - the document must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of their Intermediary, a Beneficial Shareholder may attend the Meeting as proxyholder for the Intermediary and vote their Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their own Common Shares as proxyholder for the Intermediary should enter their own names in the blank space on the management form of proxy or voting instruction form provided to them and return the same to their Intermediary (or the agent of such Intermediary) in accordance with the instructions provided by such Intermediary or agent well in advance of the Meeting. **Beneficial Shareholders should carefully follow the instructions of their Intermediaries and their service companies.**

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

NOTICE-AND-ACCESS

The Company is utilizing the notice-and-access mechanism ("**Notice-and-Access**") under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") in the case of Beneficial Shareholders and National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**") in the case of registered Shareholders.

Notice-and-Access allows the Company to deliver this Circular to Shareholders via specified electronic means provided that the conditions of NI 54-101 and NI 51-102 are met. In accordance with NI 54-101, the Company set the Record Date (as defined below) at least 40 days before the Meeting.

Website Where Meeting Materials are Posted

The Notice-and-Access provisions are a set of rules that allow reporting issuers to choose to deliver proxy-related materials to registered Shareholders and Beneficial Shareholders by posting electronic versions of proxy-related materials online, via the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and one other website, rather than mailing paper copies of such materials to Shareholders.

The Company will not rely upon the use of “stratification”. In order for a reporting issuer such as the Company to avail itself of the Notice-and-Access process, the Company must send a notice to Shareholders (the “**N&A Notice**”), including Beneficial Shareholders, indicating the websites where this Circular has been posted and explaining how a Shareholder can access the Circular online or obtain a paper copy from the Company as well as other basic information about the Meeting including, among other things, the matters to be voted on at the Meeting.

Electronic copies of the Circular, the Notice, the annual audited consolidated financial statements of the Company for the year ended December 31, 2023 (“**Financial Statements**”) and management’s discussion and analysis of the Company’s results of operations and financial condition for the year ended December 31, 2023 (“**MD&A**”) may be found on the Company’s SEDAR+ profile at www.sedarplus.ca and online at <https://docs.tsxtrust.com/2120>. In relation to the Meeting, Shareholders with existing instructions on their account to receive printed materials and those Shareholders with addresses outside of Canada and the United States will receive a printed copy of the Notice Package. All other Shareholders will receive only the required notification documentation under Notice-and-Access, which will not include a paper copy of the Circular.

Obtaining Paper Copies of Materials

The Company anticipates that using Notice-and-Access for delivery will directly benefit the Company through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials. Shareholders with questions about Notice-and-Access can call the Company toll-free in North America at 1-866-600-5869. Shareholders may also obtain paper copies of the Circular, Financial Statements and MD&A free of charge by contacting TSX Trust Company at the same toll-free number or at tsxtis@tmx.com. Requests should be received at least five (5) business days in advance of the proxy cut-off date set out in the accompanying proxy or voting instruction form in order to receive the meeting materials in advance of the date of the Meeting.

NOTE TO NON-OBJECTING BENEFICIAL OWNERS

The meeting materials are being sent to both registered and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Company or its agent has sent the meeting materials directly to you, your name and address and information about your holdings of Common Shares, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send the meeting materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering the meeting materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company has fixed the close of business on May 10, 2024 as the record date (the “**Record Date**”) for the purposes of determining Shareholders entitled to receive the Notice and vote at the Meeting. As at the Record Date, 404,818,107 Common Shares carrying the right to one vote per share at the Meeting were issued and outstanding.

In accordance with the provisions of the *Business Corporations Act* (Ontario) (the “**OBCA**”), the Company will prepare a list of the holders of Common Shares on the Record Date. Each holder of Common Shares named on the list will be entitled to vote the Common Shares shown opposite their name on the list at the Meeting.

To the knowledge of the directors and executive officers of the Company, as at the date of this Circular, no person beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company carrying 10% or more of the voting rights attached to the Common Shares.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The general objectives of the Company's compensation strategy are to: (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interests of shareholders; and (c) attract and retain highly qualified executive officers.

Elements of Compensation

1. Base Salary

Each Named Executive Officer (as such term is defined below) receives a base salary, which constitutes a significant portion of the Named Executive Officer's compensation package. Base salary is recognition for discharging day-to-day duties and responsibilities and reflects the Named Executive Officer's performance over time, as well as that individual's particular experience and qualifications. A Named Executive Officer's base salary is reviewed by the board of directors of the Company (the "**Board**") on an annual basis and may be adjusted to take into account performance contributions for the year and to reflect sustained performance contributions over a number of years.

2. Equity Incentive Plan

The Company's rolling long-term omnibus equity incentive plan (the "**Equity Incentive Plan**") is intended to, among other things, provide the Company with an equity based mechanism to attract, retain and motivate qualified directors, employees and consultants, to reward such directors, employees and consultants for their contributions toward the long-term goals and success of the Company and to enable and encourage such directors, employees and consultants to acquire Common Shares as long-term investments and proprietary interests in the Company.

The Equity Incentive Plan was originally adopted by the Board and approved by Shareholders in 2020, as further amended and restated by the Board on May 20, 2022 and approved by Shareholders on June 30, 2022. The aggregate maximum number of Common Shares that may be issued upon the exercise or settlement of Awards (as defined below) granted under the Equity Incentive Plan shall not exceed 15% of the Company's issued and outstanding Common Shares from time to time, on a non-diluted basis, subject to certain limitations set forth in the Equity Incentive Plan.

The Equity Incentive Plan provides flexibility to the Company to grant equity-based incentive awards in the form of options ("**Options**"), restricted share units ("**RSUs**"), preferred share units ("**PSUs**") and deferred share units ("**DSUs**" and, together with Options, RSUs, and PSUs, collectively, "**Awards**"), as described in further detail below.

All future grants of Awards are governed by the Equity Incentive Plan rather than the Company's former rolling stock option plan (the "**2019 Stock Option Plan**"), which was discontinued upon the adoption of a Equity Incentive Plan in 2020 (as amended and restated by the Board on May 20, 2022).

A summary of the key terms of the Equity Incentive Plan is set out below. This summary is qualified in its entirety by the full text of the Equity Incentive Plan, which is available on the Company's SEDAR+ profile at www.sedarplus.ca.

Shares Subject to the Equity Incentive Plan

The Equity Incentive Plan is a rolling plan which, subject to the adjustment provisions provided for therein (including a subdivision or consolidation of Common Shares), provides that the aggregate maximum number of Common Shares that may be issued upon the exercise or settlement of Awards granted thereunder shall not exceed 15% of the Company's issued and outstanding Common Shares from time to time (the "**Plan Limit**"), such number being 404,818,107 as at the date of this Circular.

The Equity Incentive Plan is considered an "evergreen" plan, since the Common Shares covered by Awards which have been exercised, settled or terminated shall be available for subsequent grants under the Equity Incentive Plan and the number of Awards available to grant increases as the number of issued and outstanding Common Shares increases.

As of the Record Date, a total of 51,987,850 Common Shares were issuable pursuant to Awards granted under the Equity Incentive Plan, representing approximately 12.84% of the Company's issued and outstanding Common Shares. An aggregate of 8,734,866 Common Shares (plus any Awards forfeited or cancelled) are available for issuance pursuant to Awards granted under the Equity Incentive Plan, representing approximately 2.16% of the Company's issued and outstanding Common Shares as at the Record Date.

Insider Participation Limit

The Equity Incentive Plan also provides that the aggregate number of Common Shares (a) issuable to insiders at any time (under all of the Company's security-based compensation arrangements) cannot exceed 10% of the Company's issued and outstanding Common Shares and (b) issued to insiders within any one year period (under all of the Company's security-based compensation arrangements) cannot exceed 10% of the Company's issued and outstanding Common Shares.

Furthermore, the Equity Incentive Plan provides that (i) the Company shall not make grants of Awards to non-employee directors if, after giving effect to such grants of Awards, the aggregate number of Common Shares issuable to non-employee directors, at the time of such grant, under all of the Company's security based compensation arrangements would exceed 1% of the issued and outstanding Common Shares on a non-diluted basis, and (ii) within any one financial year of the Company, (a) the aggregate fair value on the date of grant of all Options granted to any one non-employee director shall not exceed \$100,000, and (b) the aggregate fair market value on the date of grant of all Awards (including, for greater certainty, the fair market value of the Options) granted to any one non-employee director under all of the Company's security based compensation arrangements shall not exceed \$150,000; provided that such limits shall not apply to (i) Awards taken in lieu of any cash retainer or meeting director fees, and (ii) a one-time initial grant to a non-employee director upon such non-employee director joining the Board.

Any Common Shares issued by the Company through the assumption or substitution of outstanding stock options or other equity-based awards from an acquired company shall not reduce the number of Common Shares available for issuance pursuant to the exercise of Awards granted under the Equity Incentive Plan.

Administration of the Equity Incentive Plan

The Plan Administrator (as defined in the Equity Incentive Plan) is determined by the Board, and is initially the Corporate Governance and Compensation Committee (the "**Compensation Committee**"). The Equity

Incentive Plan may in the future be administered by the Board itself or delegated to a committee of the Board. The Plan Administrator determines which directors, officers, consultants and employees are eligible to receive Awards under the Equity Incentive Plan, the time or times at which Awards may be granted, the conditions under which Awards may be granted or forfeited to the Company, the number of Common Shares to be covered by any Award, the exercise price of any Award, whether restrictions or limitations are to be imposed on the Common Shares issuable pursuant to grants of any Award, and the nature of any such restrictions or limitations, any acceleration of exercisability or vesting, or waiver of termination regarding any Award, based on such factors as the Plan Administrator may determine.

In addition, the Plan Administrator interprets the Equity Incentive Plan and may adopt guidelines and other rules and regulations relating to the Equity Incentive Plan, and make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Equity Incentive Plan.

Eligibility

All directors, employees and consultants are eligible to participate in the Equity Incentive Plan. The extent to which any such individual is entitled to receive a grant of an Award pursuant to the Equity Incentive Plan will be determined in the sole and absolute discretion of the Plan Administrator.

Types of Awards

Awards of Options, RSUs, PSUs and DSUs may be made under the Equity Incentive Plan. All of the Awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the Plan Administrator, in its sole discretion, subject to such limitations provided in the Equity Incentive Plan, and will generally be evidenced by an Award agreement. In addition, subject to the limitations provided in the Equity Incentive Plan and in accordance with applicable law, the Plan Administrator may accelerate or defer the vesting or payment of Awards, cancel or modify outstanding Awards, and waive any condition imposed with respect to Awards or Common Shares issued pursuant to Awards.

Options

An Option entitles a holder thereof to purchase a prescribed number of treasury Common Shares at an exercise price set at the time of the grant. The Plan Administrator will establish the exercise price at the time each Option is granted, which exercise price must in all cases be not less than the five-day volume weighted average closing price (the “**5-day VWAP**”) of the Common Shares on the TSX for the five trading days immediately preceding the date of grant (for the purposes of this section, the “**Market Price**”). Subject to any accelerated termination as set forth in the Equity Incentive Plan, each Option expires on its respective expiry date. The Plan Administrator will have the authority to determine the vesting terms applicable to grants of Options. Once an Option becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option, unless otherwise specified by the Plan Administrator, or as otherwise set forth in any written employment agreement, Award agreement or other written agreement between the Company or a subsidiary of the Company and the participant. The Plan Administrator has the right to accelerate the date upon which any Option becomes exercisable. The Plan Administrator may provide at the time of granting an Option that the exercise of that Option is subject to restrictions, in addition to those specified in the Equity Incentive Plan, such as vesting conditions relating to the attainment of specified performance goals.

Unless otherwise specified by the Plan Administrator at the time of granting an Option and set forth in the particular Award agreement, an exercise notice must be accompanied by payment of the exercise price. A participant may, in lieu of exercising an Option pursuant to an exercise notice, elect to surrender such Option to the Company (a “**Cashless Exercise**”) in consideration for an amount from the Company equal

to (i) the Market Price of the Common Shares issuable on the exercise of such Option (or portion thereof) as of the date such Option (or portion thereof) is exercised, less (ii) the aggregate exercise price of the Option (or portion thereof) surrendered relating to such Common Shares (the “**In-the-Money Amount**”) by written notice to the Company indicating the number of Options such participant wishes to exercise using the Cashless Exercise, and such other information that the Company may require. Subject to the provisions of the Equity Incentive Plan, the Company will satisfy payment of the In-the-Money Amount by delivering to the participant such number of Common Shares having a fair market value equal to the In-the-Money Amount.

Restricted Share Units

An RSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive one Common Share (or the value thereof) for each RSU after a specified vesting period. The Plan Administrator may, from time to time, subject to the provisions of the Equity Incentive Plan and such other terms and conditions as the Plan Administrator may prescribe, grant RSUs to any participant in respect of a bonus or similar payment in respect of services rendered by the applicable participant in a taxation year (the “**RSU Service Year**”).

The number of RSUs (including fractional RSUs) granted at any particular time under the Equity Incentive Plan will be calculated by dividing (a) the amount of any bonus or similar payment that is to be paid in RSUs, as determined by the Plan Administrator, by (b) the greater of (i) the Market Price of a Common Share on the date of grant and (ii) such amount as determined by the Plan Administrator in its sole discretion. The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of RSUs, provided that the terms comply with Section 409A of the U.S. Internal Revenue Code of 1986, to the extent applicable.

Upon settlement, holders will redeem each vested RSU for the following at the election of such holder but subject to the approval of the Plan Administrator: (a) one fully paid and non-assessable Common Share in respect of each vested RSU, (b) a cash payment or (c) a combination of Common Shares and cash. Any such cash payments made by the Company shall be calculated by multiplying the number of RSUs to be redeemed for cash by the Market Price per Share as at the settlement date. Subject to the provisions of the Equity Incentive Plan and except as otherwise provided in an Award agreement, no settlement date for any RSU shall occur, and no Common Share shall be issued or cash payment shall be made in respect of any RSU any later than the final business day of the third calendar year following the applicable RSU Service Year.

Performance Share Units

A PSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive one Common Share (or the value thereof) for each PSU after specific performance-based vesting criteria determined by the Plan Administrator, in its sole discretion, have been satisfied. The performance goals to be achieved during any performance period, the length of any performance period, the amount of any PSUs granted, the effect of termination of a participant’s service and the amount of any payment or transfer to be made pursuant to any PSU will be determined by the Plan Administrator and by the other terms and conditions of any PSU, all as set forth in the applicable Award agreement. The Plan Administrator may, from time to time, subject to the provisions of the Equity Incentive Plan and such other terms and conditions as the Plan Administrator may prescribe, grant PSUs to any participant in respect of a bonus or similar payment in respect of services rendered by the applicable participant in a taxation year (the “**PSU Service Year**”).

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of PSUs. Upon settlement, holders will redeem each vested PSU for the following at the election of such

holder but subject to the approval of the Plan Administrator: (a) one fully paid and non-assessable Common Share in respect of each vested PSU, (b) a cash payment, or (c) a combination of Common Shares and cash. Any such cash payments made by the Company to a participant shall be calculated by multiplying the number of PSUs to be redeemed for cash by the Market Price per Share as at the settlement date. Subject to the provisions of the Equity Incentive Plan and except as otherwise provided in an Award agreement, no settlement date for any PSU shall occur, and no Common Share shall be issued or cash payment shall be made in respect of any PSU any later than the final business day of the third calendar year following the applicable PSU Service Year.

Deferred Share Units

A DSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive one Common Share (or, at the election of the holder and subject to the approval of the Plan Administrator, the cash value thereof) for each DSU on a future date. The Board may fix from time to time a portion of the total compensation (including annual retainer) paid by the Company to a director in a calendar year for service on the Board (the “**Director Fees**”) that are to be payable in the form of DSUs. In addition, each director is given, subject to the provisions of the Equity Incentive Plan, the right to elect to receive a portion of the cash Director Fees owing to them in the form of DSUs.

Dividend Equivalents

Except as otherwise determined by the Plan Administrator or as set forth in the particular Award agreement, RSUs, PSUs and DSUs shall be credited with dividend equivalents in the form of additional RSUs, PSUs and DSUs, as applicable, as of each dividend payment date in respect of which normal cash dividends are paid on Common Shares. Dividend equivalents shall vest in proportion to, and settle in the same manner as, the Awards to which they relate. Such dividend equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Common Share by the number of RSUs, PSUs and DSUs, as applicable, held by the participant on the record date for the payment of such dividend, by (b) the Market Price at the close of the first business day immediately following the dividend record date, with fractions computed to three decimal places.

Black-out Periods

In the event an Award expires, at a time when a scheduled blackout is in place or an undisclosed material change or material fact in the affairs of the Company exists, the expiry of such Award will be the date that is 10 business days after which such scheduled blackout terminates or there is no longer such undisclosed material change or material fact.

Term

While the Equity Incentive Plan does not stipulate a specific term for Awards granted thereunder, as discussed below, Awards may not expire beyond 10 years from its date of grant, except where Shareholder approval is received or where an expiry date would have fallen within a blackout period of the Company. All Awards must vest and settle in accordance with the provisions of the Equity Incentive Plan and any applicable Award agreement, which Award agreement may include an expiry date for a specific Award.

Termination of Employment or Services

The following table describes the impact of certain events upon the participants under the Equity Incentive Plan, including termination for cause, resignation, termination without cause, disability, death or retirement,

subject, in each case, to the terms of a participant's applicable employment agreement, Award agreement or other written agreement:

Event	Provisions
Termination for Cause / Resignation	Any Option or other Award held by the participant that has not been exercised, surrendered or settled as of the Termination Date (as defined in the Equity Incentive Plan) shall be immediately forfeited and cancelled as of the Termination Date.
Termination without Cause	A portion of any unvested Options or other Awards shall immediately vest, such portion to be equal to the number of unvested Options or other Awards held by the participant as of the Termination Date multiplied by a fraction the numerator of which is the number of days between the date of grant and the Termination Date and the denominator of which is the number of days between the date of grant and the date any unvested Options or other Awards were originally scheduled to vest. Any vested Options may be exercised by the participant at any time during the period that terminates on the earlier of: (A) the expiry date of such Option; and (B) the date that is 90 days after the Termination Date. If an Option remains unexercised upon the earlier of (A) or (B), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period. In the case of a vested Award other than an Option, such Award will be settled within 90 days after the Termination Date.
Disability	Any Award held by the participant that has not vested as of the date of such participant's Termination Date shall vest on such date. Any vested Option may be exercised by the participant at any time until the expiry date of such Option. Any vested Award other than an Option will be settled within 90 days after the Termination Date.
Death	Any Award that is held by the participant that has not vested as of the date of the death of such participant shall vest on such date. Any vested Option may be exercised by the participant's beneficiary or legal representative (as applicable) at any time during the period that terminates on the earlier of: (a) the expiry date of such Option, and (b) the first anniversary of the date of the death of such participant. If an Option remains unexercised upon the earlier of (A) or (B), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period. In the case of a vested Award other than an Option, such Award will be settled with the Participant's beneficiary or legal representative (as applicable) within 90 days after the date of the Participant's death.

Retirement	Any (i) outstanding Award that vests or becomes exercisable based solely on the Participant remaining in the service of the Company or its subsidiary will become 100% vested, and (ii) outstanding Award that vests based on the achievement of Performance Goals (as defined in the Equity Incentive Plan) that has not previously become vested shall continue to be eligible to vest based upon the actual achievement of such Performance Goals. Any vested Option may be exercised by the participant at any time during the period that terminates on the earlier of: (A) the expiry date of such Option; and (B) the third anniversary of the participant's date of retirement. If an Option remains unexercised upon the earlier of (A) or (B), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period. In the case of a vested Award other than an Option that is described in (i), such Award will be settled within 90 days after the participant's retirement. In the case of a vested Award other than an Option that is described in (ii), such Award will be settled at the same time the Award would otherwise have been settled had the participant remained in active service with the Company or its subsidiary. Notwithstanding the foregoing, if, following his or her retirement, the participant commences (the " Commencement Date ") employment, consulting or acting as a director of the Company or any of its subsidiaries (or in an analogous capacity) or otherwise as a service provider to any person that carries on or proposes to carry on a business competitive with the Company or any of its subsidiaries, any Option or other Award held by the participant that has not been exercised or settled as of the Commencement Date shall be immediately forfeited and cancelled as of the Commencement Date.
-------------------	--

Change in Control

Under the Equity Incentive Plan, except as may be set forth in an employment agreement, Award agreement or other written agreement between the Company or a subsidiary of the Company and a participant:

- (a) If within 12 months following the completion of a transaction resulting in a Change in Control (as defined below), a participant's employment, consultancy or directorship is terminated by the Company or a subsidiary of the Company without Cause (as defined in the Equity Incentive Plan), without any action by the Plan Administrator:
 - (i) any unvested Awards held by the participant at Termination Date shall immediately vest; and
 - (ii) any vested Awards may be exercised, surrendered to the Company, or settled by the participant at any time during the period that terminates on the earlier of: (A) the expiry date of such Award; and (B) the date that is 90 days after the Termination Date. Any Award that has not been exercised, surrendered or settled at the end of such period being immediately forfeited and cancelled.
- (b) Unless otherwise determined by the Plan Administrator, if, as a result of a Change in Control, the Common Shares will cease trading on the TSX, the Company may terminate all of the Awards, other than an Option held by a participant that is a resident of Canada for the purposes of the Income Tax Act (Canada), granted under the Equity Incentive Plan at the time of and subject to the completion of the Change in Control transaction by paying to each holder at or within a reasonable period of time following completion of such Change in Control transaction an amount for each Award equal to the fair market value of the Award held by such participant as determined by the Plan Administrator, acting reasonably, provided that any vested Awards granted to U.S.

Taxpayers (as defined in the Equity Incentive Plan) will be settled within 90 days of the Change in Control.

Subject to certain exceptions, a “**Change in Control**” includes (a) any transaction pursuant to which a person or group acquires more than 50% of the outstanding Common Shares, (b) the sale of all or substantially all of the Company’s assets, (c) the dissolution or liquidation of the Company, (d) the acquisition of the Company via consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise, (e) individuals who comprise the Board at the last annual meeting of Shareholders (the “**Incumbent Board**”) cease to constitute at least a majority of the Board, unless the election, or nomination for election by the Shareholders, of any new director was approved by a vote of at least a majority of the Incumbent Board, in which case such new director shall be considered as a member of the Incumbent Board, or (f) any other event which the Board determines to constitute a change in control of the Company.

Non-Transferability of Awards

Except as permitted by the Plan Administrator and to the extent that certain rights may pass to a beneficiary or legal representative upon death of a participant, by will or as required by law, no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect. To the extent that certain rights to exercise any portion of an outstanding Award pass to a beneficiary or legal representative upon the death of a participant, the period in which such Award can be exercised by such beneficiary or legal representative shall not exceed one year from the participant’s death.

Amendments to the Equity Incentive Plan

The Plan Administrator may also from time to time, without notice and without approval of the holders of voting Common Shares, amend, modify, change, suspend or terminate the Equity Incentive Plan or any Awards granted pursuant thereto as it, in its discretion, determines appropriate, provided that (a) no such amendment, modification, change, suspension or termination of the Equity Incentive Plan or any Award granted pursuant thereto may materially impair any rights of a participant or materially increase any obligations of a participant under the Equity Incentive Plan without the consent of such participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements, and (b) any amendment that would cause an Award held by a U.S. Taxpayer to be subject to the income inclusion under Section 409A of the United States Internal Revenue Code of 1986, as amended, shall be null and void ab initio.

Notwithstanding the above, and subject to the rules of the TSX, the approval of Shareholders is required to effect any of the following amendments to the Equity Incentive Plan:

- (a) increasing the number of Common Shares reserved for issuance under the Equity Incentive Plan, except pursuant to the provisions in the Equity Incentive Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Company or its capital;
- (b) increasing or removing the 10% limits on Common Shares issuable or issued to insiders;
- (c) reducing the exercise price of an Option grant (for this purpose, a cancellation or termination of an Award of a participant prior to its expiry date for the purpose of reissuing an Award to the same participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Award) except pursuant to the provisions in the Equity Incentive

Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Company or its capital;

- (d) extending the term of an Option grant beyond the original expiry date (except where an expiry date would have fallen within a blackout period applicable to the participant or within 10 business days following the expiry of such a blackout period);
- (e) permitting an Option grant to be exercisable beyond 10 years from its date of grant (except where an expiry date would have fallen within a blackout period);
- (f) increasing or removing the limits on the participation of non-employee directors;
- (g) permitting Awards to be transferred to a person;
- (h) changing the eligible participants; and
- (i) deleting or otherwise limiting the amendments which require approval of the Shareholders.

Except for the items listed above, amendments to the Equity Incentive Plan will not require Shareholder approval. Such amendments include (but are not limited to): (a) amending the general vesting provisions of an Award, (b) amending the provisions for early termination of Awards in connection with a termination of employment or service, (c) adding covenants of the Company for the protection of the participants, (d) amendments that are desirable as a result of changes in law in any jurisdiction where a participant resides, and (e) curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error.

Anti-Hedging Policy

Participants are restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of Awards granted to them.

Shares Subject to the 2019 Stock Option Plan

The 2019 Stock Option Plan was adopted by the Company in 2018 and amended on July 17, 2019. It provides that the Board may from time to time, in its discretion, and in accordance with TSX requirements, grant to directors, officers, employees and consultants of the Company and its affiliates, non-transferable options to purchase Common Shares for a period of up to ten years from the date of grant, provided that the number of Common Shares reserved for issuance may not exceed 10% of the total issued and outstanding Common Shares at the date of the grant.

The 2019 Stock Option Plan was established to promote the profitability and growth of the Company by facilitating the efforts of the Company to obtain and retain key individuals. The 2019 Stock Option Plan was designed to provide an incentive for and encourages ownership of the Common Shares by its key individuals so that they may increase their stake in the Company and benefit from increases in the value of the Common Shares.

Pursuant to the 2019 Stock Option Plan, the maximum number of Common Shares reserved for issuance in any 12-month period to any one optionee other than a consultant may not exceed 5% of the issued and outstanding Common Shares at the date of the grant. The maximum number of Common Shares reserved for issuance in any 12-month period to any consultant may not exceed 2% of the issued and outstanding Common Shares at the date of the grant and the maximum number of Common Shares reserved for issuance

in any 12-month period to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding number of Common Shares at the date of the grant. Incentive stock options may be exercised until the earlier of: (a) the expiry time of such option; and (b) 90 days (or such other period as may be determined by the Board, provided such period is not more than one year) following the date the optionee ceases to be a director, officer or employee of the Company or its affiliates or a consultant or a management company employee, provided that if the cessation of such position or arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Notwithstanding the foregoing, in the event of termination for cause, all options held by such terminated optionee will be cancelled immediately.

As of the Record Date, a total of 1,139,150 Common Shares were issuable pursuant to Options granted under the 2019 Stock Option Plan. No future grants of Options will be made under the 2019 Stock Option Plan as it was discontinued upon the adoption of the Equity Incentive Plan.

Burn Rate

The following table sets out the burn rate for Options to purchase Common Shares granted under the 2019 Stock Option Plan and Awards granted under the Equity Incentive Plan for the years since they were adopted:

Year	Options/Awards Granted	Weighted Average Common Shares Outstanding	Burn Rate⁽¹⁾
2020	1,763,150	138,549,264	1.3%
2021	9,002,647	249,906,804	3.6%
2022	50,306,695	276,861,109	18.2%
2023	36,922,621	363,323,952	10.2%

Note:

(1) The burn rate is calculated by dividing the number of Options and Awards granted during the applicable year, by the weighted average Common Shares outstanding for the applicable fiscal year.

3. Short-Term Incentive and Long-Term Incentive Compensation Plans

In addition to base salary and any Awards granted under the Equity Incentive Plan, each NEO and other executive officers are entitled to certain annual bonuses. In order to achieve an appropriate balance between short-term incentive (“STI”) compensation and long-term incentive (“LTI”) compensation, cash and equity may be awarded. Specifically, the STI compensation will generally be awarded in cash payments while the LTI compensation will generally be awarded in RSUs and Options pursuant to the terms of the Equity Incentive Plan. Annual bonuses may be awarded by the Board based on qualitative and quantitative corporate and individual performance standards and are intended to reward performance of the Named Executive Officer’s individually as well as the attainment of the Company’s stated targets and objectives for the fiscal year. The determination of a Named Executive Officer’s performance may vary from year to year depending on economic conditions, and may be based on measures such as stock price performance, the meeting of financial targets against budget (such as adjusted funds from operations), the meeting of acquisition objectives and balance sheet performance.

Termination and Change of Control Benefits

Under executive employment contracts, MediPharm Labs Inc. (“**MediPharm Labs**”) is required to make the following payments to the Named Executive Officers (as such term is defined below) upon certain triggering events.

David Pidduck

David Pidduck and MediPharm Labs are party to an employment agreement dated April 11, 2022, whereby MediPharm Labs has agreed to pay Mr. Pidduck 24 months’ salary if MediPharm Labs terminates Mr. Pidduck’s employment without cause. The payment will also include an amount equal to his accrued but unpaid pro rata bonus, if applicable, and an amount equal to the value of any share-based compensation that has been granted but not yet vested or accelerated prior to the date notice of termination. The following chart outlines the estimated incremental payments payable as if the applicable triggering event occurred on December 31, 2023:

Triggering Event	Incremental Termination Amount
Termination without cause	\$940,000

Keith Strachan

Keith Strachan and MediPharm Labs are party to an employment agreement dated January 2, 2018, as amended on December 7, 2021 and April 11, 2022, whereby MediPharm Labs has agreed to pay Mr. Strachan 24 months’ salary if: (i) he resigns within 30 days following a change of control event; or (ii) MediPharm Labs terminates Mr. Strachan’s employment without cause. Further, upon any termination event of Mr. Strachan’s employment, any Options granted pursuant to the Equity Incentive Plan will not expire until the expiry date specified upon the granting of such Option regardless of whether Mr. Strachan continues as an officer of the Company. The following chart outlines the estimated incremental payments payable as if the applicable triggering event occurred on December 31, 2023:

Triggering Event	Incremental Termination Amount
Resignation following change of control	\$585,000
Termination without cause	\$585,000

Greg Hunter

Greg Hunter and MediPharm Labs are party to an employment agreement dated January 8, 2021, as amended on April 11, 2022, whereby MediPharm Labs has agreed to pay Mr. Hunter (i) 18 months’ salary if MediPharm Labs terminates Mr. Hunter without cause within eight months of a Change of Control (as such term is defined in the employment agreement) (the “**CoC Payment**”); or (ii) 12 months’ salary if MediPharm Labs terminates Mr. Hunter’s employment without cause. The CoC Payment will also include an amount equal to his accrued but unpaid pro rata bonus, if applicable. The following chart outlines the estimated incremental payments payable as if the applicable triggering event occurred on December 31, 2023:

Triggering Event	Incremental Termination Amount
Termination following Change of Control	\$427,500
Termination without cause	\$285,000

Compensation of Directors

The following table illustrates the compensation structure for the non-executive directors. The directors may also be reimbursed for out-of-pocket expenses incurred in carrying out their duties as directors in addition to the compensation as set out below for the financial year ended December 31, 2023.

Position	Per Meeting
Non-executive director	\$2,700

As of January 1, 2024, the compensation structure for non-executive directors was amended to reflect a fixed annual compensation, paid in a combination of cash and Awards, rather than a per meeting compensation structure. The non-executive directors will select a portion of their annual compensation to be paid in cash, with the remaining portion to be paid in Awards, subject to a minimum requirement to be paid 50% of their annual compensation in Awards.

Position	Annual Amount
Non-executive director	\$45,000
Committee chairs	\$50,000
Chairman of the Board	\$55,000

Officers of the Company who also act as directors will not receive any additional compensation for services rendered in such capacity, other than as paid by the Company in their capacity as officers.

Compensation Risk

The Board and, as applicable, the Compensation Committee, considers and assesses the implications of risks associated with the Company's compensation policies and practices and devotes such time and resources as is believed to be necessary in the circumstances. The Company's practice of compensating its officers primarily through a mix of salary and stock options is designed to mitigate risk by: (i) ensuring that the Company retains such officers; and (ii) aligning the interests of its officers with the short-term and long-term objectives of the Company and the Shareholders. As at the date of this Circular, the Board had not identified risks arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Financial Instruments

Pursuant to the terms of the Company's Insider Trading Policy, the Company's officers and directors are prohibited from purchasing financial instruments, such as prepaid variable forward contracts, equity swaps,

collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by an officer or director.

Compensation Governance

In order to assist the Board in fulfilling its oversight responsibilities with respect to compensation matters, the Board has established the Compensation Committee and has reviewed and approved the Compensation Committee's Charter. The Compensation Committee is composed of Shelley Potts and Chris Halyk, each of whom are independent as such term is defined in National Instrument 52-110 *Audit Committees* ("NI 52-110").

The Compensation Committee meets on compensation matters as and when required with respect to executive compensation. The primary goal of the Compensation Committee as it relates to compensation matters is to ensure that the compensation provided to the Named Executive Officers and the Company's other senior officers is determined with regard to the Company's business strategies and objectives, such that the financial interest of the senior officers is aligned with the financial interest of shareholders, and to ensure that their compensation is fair and reasonable and sufficient to attract and retain qualified and experienced executives. The Compensation Committee is given the authority to engage and compensate any outside advisor that it determines to be necessary to carry out its duties.

As a whole, the members of the Compensation Committee have direct experience and skills relevant to their responsibilities in executive compensation, including with respect to enabling the Compensation Committee in making informed decisions on the suitability of the Company's compensation policies and practices. Each of the members of the Compensation Committee has experience on the board of directors and related committees of other public companies, or such other relevant experience, as described under "Particulars of Matters to be Acted Upon – Election of Directors" in this Circular.

Executive Compensation-Related Fees

No executive compensation-related fees were paid in 2021, 2022 or 2023.

Summary Compensation Table – Named Executive Officers

The following table sets forth the compensation paid or awarded to the following individuals: (i) the President of the Company; (ii) the Chief Executive Officer of the Company; and (iii) the Chief Financial

Officer of the Company (collectively, the “Named Executive Officers”) for the financial years ended December 31, 2023, 2022 and 2021.

Name and principal position	Year	Salary/ Fee (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
Keith Strachan President	2023	292,500	116,418	60,560	350,000 ⁽⁵⁾	-	-	819,478
	2022	292,500	168,633	257,997	124,313	-	-	843,443
	2021	292,500	127,856	18,931	-	-	-	439,287
David Pidduck Chief Executive Officer and Director ⁽³⁾	2023	470,000	412,154	187,897	235,000 ⁽⁶⁾	-	-	1,305,051
	2022	314,538	2,382,197	573,344	-	-	-	3,270,079
	2021	-	-	-	-	-	-	-
Greg Hunter Chief Financial Officer ⁽⁴⁾	2023	285,000	113,640	59,111	500,000 ⁽⁷⁾	-	-	957,751
	2022	285,000	128,037	285,426	121,125	-	-	819,588
	2021	246,634	124,577	406,999	-	-	-	778,210

Notes:

- (1) Calculated based on the Black-Scholes model for option valuation. The fair value of the stock options has been calculated based on the following assumptions:

Year	Risk-free Interest Rate	Expected Life	Expected Stock Price Volatility	Expected Dividend Yield
2023	3.61%	5 Years	86.41-91.55%	0%
2022	1.57-3.60%	5 Years	87.55-91.40%	0%
2021	0.33-1.17%	5 Years	91.96-94.38%	0%

- (3) In April 2022, David Pidduck was appointed as Chief Executive Officer and a Director of the Company.
(4) In February 2021, Greg Hunter was appointed as Chief Financial Officer of the Company.
(5) Mr. Strachan was awarded a payment of \$100,000 upon the completion of an M&A transaction, which was paid on April 28, 2023. Mr. Strachan was also awarded a discretionary retention bonus of \$250,000 for retention purposes, payable in cash less applicable statutory withholdings following July 14, 2023.
(6) Mr. Pidduck was awarded a discretionary STI bonus of \$235,000, payable in cash less applicable statutory withholdings, on April 28, 2023.
(7) Mr. Hunter was awarded a discretionary STI bonus of \$500,000, payable in cash less applicable statutory withholdings, on April 28, 2023.

Incentive Plan Awards – Named Executive Officers

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all share-based and option-based awards outstanding for the Named Executive Officers as of December 31, 2023:

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money Options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ⁽²⁾ (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Keith Strachan	1,414,945	0.0615	Dec-22-2028	4,952	2,265,308	147,245	-
	204,610	0.075	Dec-22-2027				
	650,000	0.09	Oct-06-2027				
	1,500,000	0.195	Jan-27-2027				
	50,000	0.485	Mar-15-2026				
David Pidduck	4,390,110	0.0615	Dec-22-2028	15,365	6,869,230	446,499	-
	824,823	0.075	Dec-22-2027				
	2,276,577	0.145	Jul-27-2027				
	2,907,073	0.145	Apr-19-2027				
Greg Hunter	1,381,098	0.0615	Dec-22-2028	4,833	1,894,000	123,110	-
	199,291	0.075	Dec-22-2027				
	2,000,000	0.195	Jan-27-2027				
	1,000,000	0.175	Dec-17-2026				
	50,000	0.485	Mar-15-2026				
	600,000	0.63	Jan-28-2026				

Notes:

- (1) The “Value of unexercised in-the-money options” is calculated based on the difference between the closing price of \$0.065 for the Common Shares on the Toronto Stock Exchange (the “TSX”) on the last trading day of the year ended December 31, 2023, and the exercise price of the options, multiplied by the number of unexercised Options.
- (2) The “Market or payout value of share-based awards that have not vested” is calculated based on the closing price of \$0.065 for the Common Shares on the TSX on the last trading day of the year ended December 31, 2023, multiplied by the number of unvested RSUs.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned for each Named Executive Officer during the year ended December 31, 2023.

Name	Option-based awards – Value vested during the year⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Keith Strachan	-	73,816	-
David Pidduck	-	666,251	-
Greg Hunter	-	65,078	-

Note:

- (1) The “value vested during the year” is calculated as the aggregate dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date based on the difference between the closing price for the Common Shares on the TSX, as of the date of vesting (or the most recent closing price on the exchange, if applicable) and the exercise price of the options, multiplied by the number of vested options.

Director Compensation

The following table sets forth all amounts of compensation provided to the directors of the Company (other than directors who are also Named Executive Officers) during the year ended December 31, 2023:

Name	Fees Earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Chris Halyk	32,400	23,654	Nil	Nil	Nil	56,054
Shelley Potts	43,200	21,288	Nil	Nil	Nil	64,488
Miriam McDonald ⁽¹⁾	32,400	Nil	Nil	Nil	Nil	32,400
Chris Taves	35,100	52,038	Nil	Nil	Nil	87,138
Michael Bumby ⁽²⁾	10,800	23,654	Nil	Nil	Nil	34,454

Notes:

- (1) Miriam McDonald resigned from the Board effective as of November 30, 2023.
 (2) Michael Bumby was appointed to the Board effective as of April 1, 2023.

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all awards outstanding for each of the directors of the Company (other than directors who are also Named Executive Officers) as of December 31, 2023:

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ⁽²⁾ (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Chris Halyk	300,000	1.04	Jul-31-2025	Nil	384,615	24,999	Nil
Shelley Potts	300,000	1.35	Jun-22-2025	Nil	346,154	22,500	Nil
Chris Taves	300,000	1.22	Jul-13-2025	Nil	846,154	55,000	Nil
Michael Bumby ⁽⁴⁾	Nil	Nil	Nil	Nil	384,615	24,999	Nil

Notes:

- (1) The “value of unexercised in-the-money options” is calculated based on the difference between the closing price of \$0.065 for the Common Shares on the TSX on the last trading day of the year ended December 31, 2023, and the exercise price of the options, multiplied by the number of unexercised options.
- (2) The “Market or payout value of share-based awards that have not vested” is calculated based on the closing price of \$0.065 for the Common Shares on the TSX on the last trading day of the year ended December 31, 2023, multiplied by the number of unvested RSUs.
- (3) Miriam McDonald resigned from the Board effective as of November 30, 2023.
- (4) Michael Bumby was appointed to the Board effective as of April 1, 2023.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned by each director of the Company (other than directors who are also Named Executive Officers) during the year ended December 31, 2023:

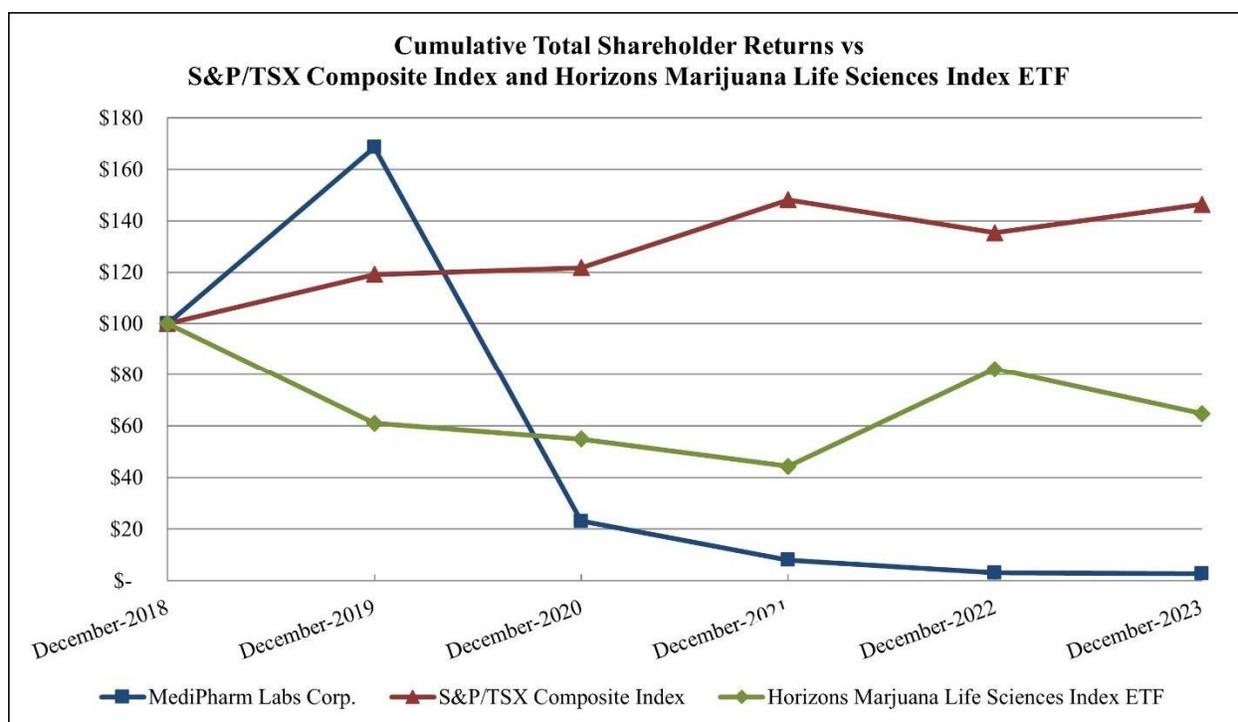
Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Chris Halyk	-	-	-
Shelley Potts	-	-	-
Miriam McDonald ⁽²⁾	-	-	-
Chris Taves	-	-	-
Michael Bumby ⁽³⁾	-	-	-

Note:

- (1) The “value vested during the year” is calculated as the aggregate dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date based on the difference between the closing price for the Common Shares on the TSXV or the TSX, as applicable, as of the date of vesting (or the most recent closing price on the TSXV, if applicable) and the exercise price of the options, multiplied by the number of vested options.
- (2) Miriam McDonald resigned from the Board effective as of November 30, 2023.
- (3) Michael Bumby was appointed to the Board effective as of April 1, 2023.

PERFORMANCE GRAPH

The following performance graph shows the cumulative return for Common Shares compared to the S&P/TSX Composite Index over the five-year period ended December 31, 2023. The table shows what \$100 investments in Common Shares and the S&P/TSX Composite Index, made on December 31, 2018 would have been worth at the end of each financial year. The stock price performance on the graph below is not necessarily indicative of future price performance.



	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023
Common Shares ⁽¹⁾	\$100	\$169	\$23.14	\$8	\$3.06	\$2.84
S&P/TSX Composite Index ⁽¹⁾⁽²⁾	\$100	\$119	\$122	\$148	\$135.34	\$146.33
Horizons Marijuana Life Sciences Index ETF ⁽¹⁾	\$100	\$61	\$55	\$44	\$82	\$65

Notes:

- (1) Assumes \$100 invested in Common Shares at the closing price on December 31, 2018. Values are as at December 31, 2019, 2020, 2021, 2022 and 2023.
- (2) The S&P/TSX Composite Index returns assume dividend reinvestment.

As at December 31, 2023, the value of \$100 invested in Common Shares on December 31, 2018 had decreased by approximately 97% compared to an increase of approximately 46% for a similar investment in the S&P/TSX Composite Index over the same period and a decrease of approximately 35% for a similar investment in the Horizons Marijuana Life Sciences Index ETF over the same period. There is no correlation between the performance of the Common Shares and executive compensation. The Common Share price may be affected by a number of factors beyond the control of the Company, including general and industry-specific economic and market conditions. The Compensation Committee evaluates performance by reference to the overall direction and success of the Company rather than by any short-term fluctuations in the trading price of the Common Shares.

As described in the “Compensation Discussion and Analysis” section above, a significant portion of the total direct compensation that Named Executive Officers receive in any year is comprised of variable compensation provided under the Equity Incentive Plan and the Company’s STI and LTI bonus program. These are both intended to drive and reward superior performance during the current year as well as over the long term.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information regarding the number of Common Shares to be issued upon exercise of outstanding Options pursuant to the 2019 Stock Option Plan and outstanding Awards pursuant to the Equity Incentive Plan, as at December 31, 2023:

Plan Category	Number of Common Shares to be issued upon exercise of Awards	Weighted-average exercise price of outstanding Awards (\$) ⁽¹⁾	Number of Common Shares remaining available for future issuance under the Equity Incentive Plan ⁽²⁾
Equity compensation plans approved by security holders	65,608,750	0.26	-
Equity compensation plans not approved by security holders	-	-	-
Total	65,608,750	0.26	-

Note:

- (1) As at December 31, 2023 there were RSUs to be issued upon exercise of Awards. As the RSUs do not have an exercise price, the weighted-average exercise price of outstanding Awards only reflects the weighted-average exercise price of the 40,938,502 Options outstanding as at December 31, 2023.
- (2) As at the Record Date, the Company had 404,808,107 Common Shares issued and outstanding, resulting in 8,733,366 Common Shares remaining available for future issuances under the Equity Incentive Plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Circular, no individual who is an executive officer, director, employee or former executive officer, director or employee of the Company or any of its subsidiaries is indebted to the Company or any of its subsidiaries pursuant to the purchase of securities or otherwise.

No individual who is, or at any time during the financial year ended December 31, 2023 was, a director or executive officer of the Company, a proposed management nominee for election as a director of the Company, or an associate of any such director, executive officer or proposed nominee, was indebted to the

Company or any of its subsidiaries during the financial year ended December 31, 2023 or as at the date of this Circular in connection with security purchase programs or other programs.

REPORT ON CORPORATE GOVERNANCE

Maintaining a high standard of corporate governance is a priority for the Board and the Company's management as both believe that effective corporate governance will help create and maintain shareholder value in the long term. A description of the Company's corporate governance practices, which addresses the matters set out in National Instrument 58-101 *Disclosure of Corporate Governance Practices*, is set out at Schedule "A" to this Circular.

AUDIT COMMITTEE DISCLOSURE

Disclosure relating to the Audit Committee is contained under the heading "Audit Committee" in the Company's Annual Information Form dated March 27, 2024 which is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, no "informed person" (as such term is defined in National Instrument 51-102 *Continuous Disclosure Obligations*) or proposed nominee for election as a director of the Company or any associate or affiliate of the foregoing has any material interest, direct or indirect, in any transaction in which the Company has participated since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or will materially affect the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Election of Directors

The Board presently consists of five directors, namely, David Pidduck, Chris Halyk, Shelley Potts, Chris Taves and Michael Bumby. Each director elected will hold office until the next annual meeting of shareholders or until his successor is duly elected or appointed pursuant to the articles of the Company. The enclosed form of proxy permits Shareholders to vote for all nominees together or for each nominee on an individual basis.

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF EACH OF THE PROPOSED NOMINEES UNLESS A SHAREHOLDER HAS SPECIFIED IN HIS, HER OR ITS PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES. MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF SUCH NOMINEES WILL BE UNABLE TO SERVE AS DIRECTORS. HOWEVER, IF FOR ANY REASON, ANY OF THE PROPOSED NOMINEES DO NOT STAND FOR ELECTION OR ARE UNABLE TO SERVE AS SUCH, PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN HIS, HER OR ITS PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES.

Advance Notice Requirement

The Company's by-laws contain a provision requiring advance notice of nominations of directors (the "**Advance Notice Provision**") in certain circumstances where nominations for election to the Board are made by Shareholders.

The following is a brief summary of certain provisions of the Advance Notice Provision, and is qualified in its entirety by the full text of the Company's by-laws which are available under the Company's profile on SEDAR+ at www.sedarplus.ca:

- (i) Other than pursuant to:
 - (a) a proposal made in accordance with the OBCA; or
 - (b) a requisition of a meeting of Shareholders made in accordance with the OBCA,

Shareholders must give advance written notice to the Company of any nominees for election to the Board.

- (ii) The Advance Notice Provision fixes a deadline by which registered Shareholders must submit, in writing, nominations for directors to the corporate secretary of the Company prior to any annual or special meeting of Shareholders and sets forth the specific information that such holders must include with their nominations in order to be effective.
- (iii) For an annual meeting of Shareholders, notice to the Company must be not less than 30 and not more than 65 days prior to the date of the annual meeting; save and except where the annual meeting is to be held on a date less than 50 days after the date on which the first public announcement of the date of such annual meeting was made, in which event notice may be given not later than the close of business on the 10th day following such public announcement.
- (iv) For a special meeting of Shareholders (that is not also an annual meeting), notice to the Company must be given not later than the close of business on the 15th day following the day on which the first public announcement of the date of such special meeting was made.

For the purposes of the Advance Notice Provision, "public announcement" means disclosure in a press release disseminated by the Company through a national news service in Canada, or in a document filed by the Company for public access under its profile on SEDAR+ at www.sedarplus.ca. The Board may, in its sole discretion, waive any requirement of the Advance Notice Provision.

Majority Voting Policy

The Company has adopted a majority voting policy for the election of directors whereby, in an uncontested election, any nominee director must immediately tender his or her resignation to the Board if he or she is not elected by at least a majority (50% +1) of the votes cast with respect to his or her election. The Board will determine whether or not to accept the resignation within 90 days. Absent exceptional circumstances, the Board will be required to accept the resignation effective immediately. The director who tendered his or her resignation will not be permitted to attend or participate in any Board or committee meeting at which the resignation is considered.

The Company will promptly issue a news release disclosing the Board's decision. If the Board determines not to accept a resignation, the news release shall fully state the reasons for that decision. Subject to any corporate law restrictions, the Board may (i) leave a resultant vacancy unfilled until the next annual meeting

of Shareholders; (ii) fill the vacancy through the appointment of a new director whom the Board considers to merit the confidence of Shareholders; or (iii) call a special meeting of Shareholders at which there will be presented individuals to fill the vacant position or positions.

Director Nominee Profiles

The following tables set out certain information as of the date of this Circular (unless otherwise indicated) with respect to the persons being nominated at the Meeting for election as directors. Information regarding Common Shares owned by each director of the Company is presented to the best knowledge of management of the Company and has been furnished to management of the Company by such directors. Information regarding Board and committee meeting attendance is presented for meetings held in 2023.

CHRIS HALYK		Principal Occupation and Biographical Information		
 Ontario, Canada Director Since: August 4, 2020	Mr. Halyk has 35 years of pharmaceutical industry experience including 33 years with Johnson & Johnson. Among his many career highlights, he served as: Vice-President, Sales and Marketing and a member of the Janssen Management Board with responsibility for innovations in direct-to-consumer advertising, patient education and sales force automation; Managing Director of Ortho Biotech, the biopharmaceutical division of Janssen Inc.; and from 2006 until his retirement in 2019 as the President of Janssen Inc. (Canada) where under his leadership, the company became the largest pharmaceutical company in Canada. During his tenure, his accomplishments included, bringing innovative products, services and solutions to market along with new technologies and treatments in oncology, immunology, neuroscience, infectious diseases and vaccines, cardiovascular and metabolism and pulmonary hypertension. Mr. Halyk holds an Honours Business Administration degree from Ivey Business School at Western University. He served as the Chair of the Board of Directors for Rx&D, the industry association for Canada’s Research-Based Pharmaceutical Companies (now named Innovative Medicines Canada) from 2012 until 2013. Before joining Johnson & Johnson, Mr. Halyk worked for pharmaceutical company Warner-Lambert in Toronto. Mr. Halyk has been a director since August 4, 2020.			
	Current Board/Committee Membership	Attendance	Attendance (Total)	
Member of the Board	5 of 5	9 of 9	100%	None
Member of the Compensation Committee	4 of 4			
Number of Securities Beneficially Owned, Controlled or Directed⁽¹⁾				770,615 ⁽²⁾

Notes:

- (1) Represents Common Shares, Options, RSUs and any other convertible securities, on a fully diluted basis.
- (2) As at the date of this Circular, Mr. Halyk holds 86,000 Common Shares directly. He also holds Options exercisable into an aggregate of 300,000 Common Shares, and RSUs entitling him to receive 384,615 Common Shares.

SHELLEY POTTS		Principal Occupation and Biographical Information		
 <p>Ontario, Canada</p> <p>Director Since: June 22, 2020</p>	<p>Shelley Potts served in a variety of senior executive roles at Nestlé Canada Inc. from 1990 until she retired after five years as President and Chief Executive Officer in 2018. During her time leading Nestlé Canada, she drove a substantial increase in revenue, market share and profitability and transformed core business units and brands by introducing new formulas, packaging, pricing, global sources of supply and Lean (Six Sigma) tools. She was named one of Canada’s Most Powerful Women by the Women’s Executive Network (WXN) in 2015, 2016 and 2018.</p> <p>Ms. Potts is a member of the Advisory Boards of Moosehead Brewery and Crosby Molasses. She is also a board director for Rogers Sugar Inc. (TSX:RSI) and Royal Victoria Hospital. Previous board experiences include Chair of Food & Consumer Products of Canada (FCPC), Kids Help Phone and Grocery Foundation (Toonies for Tummies). Ms. Potts is a graduate of Wilfrid Laurier University (Bachelor of Business Administration) and earned the Institute of Corporate Directors ICD.D designation in 2016. Ms. Potts has been a director since June 22, 2020.</p>			
Current Board/Committee Membership	Attendance	Attendance (Total)		Other Public Board Memberships
Member of the Board	5 of 5	13 of 14	92%	Rogers Sugar Inc. (TSX:RSI)
Member of the Audit Committee	4 of 5			
Member of the Compensation Committee	4 of 4			
Number of Securities Beneficially Owned, Controlled or Directed⁽¹⁾				646,154 ⁽²⁾

Notes:

- (1) Represents Common Shares, Options, RSUs and any other convertible securities, on a fully diluted basis.
- (2) As at the date of this Circular, Ms. Potts holds Options exercisable into an aggregate of 300,000 Common Shares and RSUs entitling her to receive 346,154 Common Shares.

CHRIS TAVES	Principal Occupation and Biographical Information			
 <p data-bbox="367 695 483 722">Hong Kong</p> <p data-bbox="284 753 568 781">Director Since: July 13, 2020</p>	<p data-bbox="659 249 1450 354">Chris Taves is a Managing Director and Head of Asia for BMO Capital Markets. In this role which commenced January 2024, he is responsible for the strategic oversight, leadership, and governance of the capital markets business for Bank of Montreal in Asia.</p> <p data-bbox="659 375 1450 646">Mr. Taves brings nearly 30 years of customer facing experience covering corporate and institutional clients across a wide range of products, including derivatives, investments, and corporate finance, working closely with Investment and Corporate Banking and Global Markets. Since joining BMO in 2009, Mr. Taves led various groups in Global Markets and ultimately became Head of Global Markets from 2016-2018, managing the sales and trading teams globally, was Chief Operating Officer of Capital Markets from 2018-2020, overseeing balance sheet and risk management and front office operations, and was Special Advisor from 2020-2023, helping the BMO Capital Markets Executive Committee drive several strategic initiatives forward and to completion.</p> <p data-bbox="659 667 1450 772">Mr. Taves holds an MBA from the Ivey Business School at Western University, a Mathematics degree from the University of Waterloo, and is a Chartered Professional Accountant. He is a member of the Advisory Board of First Mortgage LP, a Canadian asset management fund.</p> <p data-bbox="659 793 1450 869">Chris Taves is a Managing Director & Special Advisor, BMO Capital Markets. In this role, he provides strategic advice on capital markets and client management for the Bank of Montreal.</p> <p data-bbox="659 890 1141 917">Mr. Taves has been a director since July 13, 2020.</p>			
Current Board/Committee Membership	Attendance	Attendance (Total)		Other Public Board Memberships
Member of the Board	5 of 5	5 of 5	100%	None
Member of the Audit Committee	5 of 5			
Number of Securities Beneficially Owned, Controlled or Directed⁽¹⁾				2,146,154 ⁽²⁾

Notes:

- (1) Represents Common Shares, Options, RSUs and any other convertible securities, on a fully diluted basis.
- (2) As at the date of this Circular, Mr. Taves holds 1,000,000 Common Shares directly. He also holds Options exercisable into an aggregate of 300,000 Common Shares, and RSUs entitling him to receive 846,154 Common Shares.

DAVID PIDDUCK		Principal Occupation and Biographical Information		
 Ontario, Canada Director Since: April 20, 2022	<p>David Pidduck has over 20 years of experience in the Canadian and international pharmaceutical industries. Mr. Pidduck has a wealth of experience in driving strategic change in complex and ambiguous environments. His previous roles within the pharmaceutical industry have centered around transformation, portfolio and channel diversification, and he has been recognized for driving significant revenue and profit growth during his tenures. Mr. Pidduck prides himself in being a people-centric leader who has been able to increase employee engagement while transforming multi-national organizations.</p> <p>Mr. Pidduck holds an EMBA from the Kellogg School of Business at Northwestern University, and an Honours BBA from Wilfred Laurier University.</p> <p>Mr. Pidduck serves as the CEO of the Company.</p>			
Current Board/Committee Membership	Attendance	Attendance (Total)		Other Public Board Memberships
Member of the Board	5 of 5	5 of 5	100%	None
Number of Securities Beneficially Owned, Controlled or Directed ⁽¹⁾				30,615,230 ⁽²⁾

Notes:

- (1) Represents Common Shares, Options, RSUs and any other convertible securities, on a fully diluted basis.
- (2) As at the date of this Circular, Mr. Pidduck holds 13,347,417 Common Shares directly. He also holds Options exercisable into an aggregate of 10,398,583 Common Shares and RSUs entitling him to receive 6,869,230 Common Shares.

MICHAEL BUMBY		Principal Occupation and Biographical Information		
 <p>Ontario, Canada</p> <p>Director Since: April 1, 2023</p>		<p>Michael Bumby has over 20 years of experience in the pharmaceutical industry with more than 10 years spent internationally with Eli Lilly. Dr. Bumby has previously acted as the CFO of multiple NASDAQ and TSX listed public Canadian companies, most recently at VIVO Cannabis Inc.</p>		
Current Board/Committee Membership	Attendance	Attendance (Total)		Other Public Board Memberships
Member of the Board	3 of 3	5 of 5 ⁽²⁾	100%	None
Member of the Audit Committee	2 of 2			
Number of Securities Beneficially Owned, Controlled or Directed⁽¹⁾				501,015 ⁽³⁾

Notes:

- (1) Represents Common Shares, Options, RSUs and any other convertible securities, on a fully diluted basis.
- (2) Michael Bumby was appointed to the Board on April 1, 2023.
- (3) As at the date of this Circular, Dr. Bumby holds 116,400 Common Shares directly. He also holds RSUs entitling him to receive 384,615 Common Shares.

Corporate Cease Trade Orders

To the knowledge of the Company, no proposed director is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer of such company; or

- (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company.

The foregoing information, not being within the knowledge of the Company, has been furnished by the proposed directors.

Bankruptcies, or Penalties or Sanctions

To the knowledge of the Company, no proposed director:

- (a) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (b) has, within 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets;
- (c) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (d) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

The foregoing information, not being within the knowledge of the Company, has been furnished by the proposed directors.

2. Appointment of Auditor

Management proposes to nominate, MNP LLP, Chartered Professional Accountants, as auditor of the Company to hold office until the next annual meeting of Shareholders.

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF MNP LLP, CHARTERED PROFESSIONAL ACCOUNTANTS, AS AUDITOR OF THE COMPANY AND THE AUTHORIZING OF THE DIRECTORS TO FIX ITS REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person or company who has been a director or executive officer of the Company at any time since the beginning of the Company's last completed financial year, no proposed nominee for election as a director of the Company and no associate or affiliate of any of the foregoing persons has any material interest, direct

or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

ADDITIONAL INFORMATION

Additional information relating to the Company is available under the Company's profile on SEDAR+ at www.sedarplus.ca. Financial information is provided in the Financial Statements and MD&A. In addition, copies of the Company's Financial Statements and MD&A and this Circular may be obtained upon request to the Company. The Company may require the payment of a reasonable charge if the request is made by a person who is not a shareholder of the Company.

APPROVAL OF BOARD OF DIRECTORS

The contents of this Circular and the sending of it to each director of the Company, to the auditor of the Company, to the Shareholders and to the appropriate governmental agencies, have been approved by the directors of the Company.

Dated: May 15, 2024.

(signed) "*David Pidduck*"

David Pidduck
Chief Executive Officer and Director



**SCHEDULE “A”
STATEMENT OF GOVERNANCE PRACTICES**

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 (“NI 58-101”)	Comments
Board of Directors	
1. Board of Directors – Disclose how the board of directors (the “ Board ”) of MediPharm Labs Corp. (the “ Company ”) facilitates its exercise of independent supervision over management, including (i) the identity of directors that are independent, and (ii) the identity of directors who are not independent, and the basis for that determination.	The Board currently consists of a total of five directors of which Chris Halyk, Shelley Potts, Chris Taves and Michael Bumby are considered “independent” as such term is defined in NI 58-101. David Pidduck is not considered independent as he is an executive officer of the Company.
2. Directorships – If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	Please refer to the accompanying management information circular dated May 15, 2024 (the “ Circular ”) under the heading “Particulars of Matters to be Acted Upon - Election of Directors”.
3. Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of Company’s most recently completed financial year. If the independent directors do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent directors.	The independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. However, as part of their regularly scheduled meetings, the Board and Audit Committee typically hold in-camera sessions without management present to facilitate open and candid discussion.
4. Disclose whether or not the Chair of the Board is an independent director. If the Board has a Chair who is an independent director, disclose the identity of the independent Chair, and describe his or her role and responsibilities.	Chris Taves is the Chair of the Board and is considered “independent” as such term is defined in NI 58-101.
5. Disclose the attendance record of each director for all Board meetings held since the beginning of the Company’s most recently completed financial year.	Please refer to the Circular under the heading “Particulars of Matters to be Acted Upon - Election of Directors”.
6. Disclose the text of the Board’s written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.	The directors of the Board have adopted a formal written mandate which provides that the directors of the Board are responsible for the overall stewardship of the Company, establishing the overall policies and standards of the Company and approving its strategic plans. A copy of the Directors’ Mandate can be found as Schedule “B” to the Circular.

Position Descriptions	
7. Disclose whether or not the Board has developed written position descriptions for the Chair and the Chair of each Board committee. If the Board has not developed written position descriptions for the Chair of each Board committee, briefly describe how the Board delineates the role and responsibilities of each such position.	The directors of the Board have adopted a written description for Chair of the Board, which outlines the roles and responsibilities of the Chair. The Board has not adopted a formal written mandate for the Chair of each Committee. The Board looks to the Chair of each Board Committee to lead such Committee and such Committee's mandate.
8. Describe whether or not the Board and CEO have developed a written position description for the CEO. If the Board and the CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the CEO.	The Board has adopted a formal mandate for the CEO which outlines the roles and responsibilities of the CEO, including management of the strategic and operational agenda of the Company and for execution of the directives and policies of the Board.
Orientation and Continuing Education	
9. Describe what steps, if any, the Board takes to orient new Board members, and describe any measures the Board takes to provide continuing education for directors.	Each director ultimately assumes responsibility for keeping themselves informed about the Company's business and relevant developments outside the Company that affect its business. Management assists directors by providing them with regular updates on relevant developments and other information that management considers of interest to the Board. Directors may also attend other Board committee meetings if they are not active members, to broaden their knowledge base and receive additional information on the Company's business and developments in areas where they are not commonly exposed.
Ethical Business Conduct	
10. Disclose whether or not the Board has adopted a written code for the directors, officers and employees. If the Board has adopted a written code: (i) disclose how a person or company may obtain a copy of the code, (ii) describe how the Board monitors compliance with its code, or if the Board, and (iii) provide a cross-reference to any material change report filed since the beginning of the Company's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.	The Board has adopted a formal Code of Business Conduct (the "Code") which highlights key issues and identifies policies and resources to help employees, officers and directors of the Company reach appropriate and ethical decisions. The Company's Chief Financial Officer is responsible for investigating all reported complaints under the Code. A copy of the Code can be obtained by contacting the Company.
11. Describe the steps the Board takes to ensure directors exercise independent judgement in considering transactions and agreement in respect of which a director or executive officer has a material interest, and any other steps the Board takes to encourage and promote a culture of ethical business conduct.	The Board is responsible for promoting an ethical business culture. The Board monitors compliance, including through receipt by the Audit Committee of reports of unethical behaviour. To ensure that an ethical business culture is maintained and promoted, directors are encouraged to exercise their independent judgment. If a director has a material interest in any transaction or agreement that the Company proposes to enter into, such director is expected to disclose such interest to the Board in compliance with the applicable laws, rules and policies which govern conflicts of interest in connection with such transaction or agreement. Further, any director who has a material interest in any proposed transaction or agreement will be excluded from the portion of the Board meeting concerning such matters and will be further precluded from voting on such matters.

Nomination of Directors	
12. Disclose the process by which the Board identifies new candidates for Board nomination, including: (i) who identifies new candidates, and (ii) the process of identifying new candidates.	The Board is responsible for the identification and assessment of potential directors. While no formal nomination procedures are in place to identify new candidates, the Board does review the experience and performance of nominees for election to the Board. Members of the Board are canvassed with respect to the qualifications of a prospective candidate and each candidate is evaluated with respect to his or her experience and expertise, with particular attention paid to those areas of expertise that could complement and enhance current management. The Board also assesses any potential conflicts, independence or time commitment concerns that the candidate may present.
Compensation	
13. Disclose what steps, if any, are taken to determine compensation for the directors and officers, including: (i) who determines compensation, and (ii) the process of determining compensation.	The process undertaken by the Board and the Compensation Committee in respect of compensation is more fully described in the “Compensation Discussion and Analysis” section of the accompanying Circular.
Other Board Committees	
14. If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.	The Board has no other standing committees.
Assessments	
15. Disclose whether or not the Board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that the Board, its committees, and its individual Trustees are performing effectively.	The entire Board will evaluate the effectiveness of the Board, its committees and individual directors on an annual basis. To facilitate this evaluation, each committee will conduct an annual assessment of its performance, consisting of a review of its charter, the performance of the committee as a whole and the performance of the committee Chair.
Director Term Limits and Other Mechanisms of Board Renewal	
16. Disclose whether the Company has adopted term limits for the directors on its Board or other mechanisms for Board renewal and, if so, include a description of those director term limits or other mechanisms of Board renewal. If the Company has not adopted director term limits or other mechanisms of Board renewal, disclose why it has not done so.	The Board has not adopted a term limit for directors. The Board believes that the imposition of term limits on a director implicitly discounts the value of experience and continuity amongst Board members and runs the risk of excluding experienced and potentially valuable Board members as a result of an arbitrary determination. The notional objective of term limits is to encourage board turnover, introduce new perspectives and retain independence. The Company has achieved a satisfactory mix and turnover in directors over its short history, and the Board believes that it can strike the right balance between continuity and fresh perspectives without mandated term limits.

Policies Regarding the Representation of Women on the Board	
17. Disclose whether the Company has adopted a written policy relating to the identification and nomination of women directors. If the Company has not adopted such a policy, disclose why it has not done so. If the Company has adopted a policy, disclose a short summary of its objectives and key provisions, the measures taken to ensure that the policy has been effectively implemented, annual and cumulative progress by the issuer in achieving the objectives of the policy, and whether and, if so, how the Board or its nominating committee measures the effectiveness of the policy.	The Company has not adopted a written policy relating to the identification and nomination of women or minority directors. At this time, the Company has not adopted a target regarding the representation of women on the Board or in executive officer positions. The Company is committed to increasing Board diversity, and recognizes that the Board's background should represent a variety of backgrounds, experiences and skills.
Consideration of the Representation of Women in the Director Identification and Selection Process	
18. Disclose whether and, if so, how the Board or nominating committee considers the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board. If the Company does not consider the representation of women on the Board in identifying and nominating candidates for election or re-election to the Board, disclose the Company's reasons for not doing so.	The diversity of the Board (and in particular the representation of women) is one of many factors considered in the selection of candidates as potential directors.
Consideration Given to the Representation of Women in Executive Officer Appointments	
19. Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the Company does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the Company's reasons for not doing so.	The diversity of the executive officers (and in particular the representation of women) is one of many factors considered in the selection of candidates as potential executive officers.
20. Disclose whether the Company has adopted a target regarding women on the Board or in executive officer positions. If the Company has not adopted a target, disclose why it has not done so. If the Company has adopted a target, disclose the target, and the annual and cumulative progress of the Company in achieving the target.	The Company has not adopted a target regarding women on the Board or in executive officer positions.
Number of Women on the Board and in Executive Officer Positions	
21. Disclose the number and proportion (in percentage terms) of (i) directors on the Company's Board, and (ii) executive officers of the Company, who are women.	Currently, one of the five directors of the Board (20%) is a woman. Currently, none of the named executive officers of the Company are women.



B-1

**SCHEDULE "B"
DIRECTORS' MANDATE**



DIRECTORS' MANDATE

Amended and Restated as of August 11, 2019

MEDIPHARM LABS CORP.
(the “Corporation”)

DIRECTORS’ MANDATE

Directors’ Responsibilities

The directors of the Corporation (the “**Directors**”) are responsible for the stewardship of the Corporation. To discharge this obligation, the Directors, directly and through the applicable committees of the Board of Directors (the “**Board**”), should assume responsibility in the following areas:

Strategic Planning Process

- Provide input to management on emerging trends and issues.
- Adopt, review and approve, if appropriate, management’s strategic plans on an annual basis.
- Review and approve the Corporation’s budget, financial objectives, plans and actions, including significant capital allocations and expenditures.

Monitoring Tactical Progress

- Monitor corporate performance against the strategic and business plans, including assessing operating results to evaluate whether the business is being properly managed.
- Analyze and discuss information relating to the Corporation’s achievement of objectives.
- Assess and oversee the nature and scope of monitoring activities and management’s evaluation and remediate deficiencies.

Risk Assessment

- Identify the principal risks of the Corporation’s businesses and ensure that appropriate systems are in place to manage these risks.
- Oversee management’s assessment of risks to the achievement of the Corporation’s objectives, including the potential impact of significant changes, fraud and management override of internal control.

Senior Level Staffing

- Select, monitor and evaluate the Chief Executive Officer and other senior executives, and ensure the adoption of a management succession plan.
- Approve a position description for the Chief Executive Officer, including limits to management’s responsibilities and corporate objectives which the Chief Executive Officer is responsible for meeting, all upon recommendation from the Corporate Governance and Nominating Committee.

- Satisfy itself as to the integrity of the Chief Executive Officer and other executive officers.
- Satisfy itself that the Chief Executive Officer and other executive officers create, maintain and foster a culture of integrity throughout the Corporation.
- Engage in succession planning, including appointing, training and monitoring senior management.

Integrity

- Provide oversight to the Chief Executive Officer and other executive officers in the development and performance of control activities.
- Ensure the integrity of the Corporation's internal control and management information systems.
- Ensure ethical behaviour and compliance with applicable laws and regulations, audit and accounting principles, and the Corporation's own governing documents, and accountability to the Board.
- Satisfy itself as to the integrity of the Chief Executive Officer and other executive officers and that the Chief Executive Officer and other executive officers create a culture of integrity throughout the organization.

Material Transactions

- Review and approve material transactions not in the ordinary course of business.
- Review any potential related party transaction or non-arm's length transaction regardless of materiality.

Monitoring Directors' Effectiveness

- Assess their own effectiveness in fulfilling the above and Directors' responsibilities, including monitoring the effectiveness of individual Directors.
- Define, maintain, and periodically evaluate the skills and expertise needed among its members to enable them to ask probing questions of senior management and take commensurate actions.

Disclosure Policy and Code of Business Conduct

- Adopt, monitor and periodically review the effectiveness of a corporate disclosure policy and a code of business conduct.
- Make determinations with respect to waiving compliance with the code of business conduct by Directors and executive officers.
- The Board may delegate responsibility for making determinations with respect to waiving compliance with the code of business conduct to a committee of the Board.

Feedback from Shareholders

- Develop measures for the receipt, by Directors, of feedback from shareholders.

Expectations of Directors

- Directors are expected to attend all meetings.
- The specific dates of Board meetings to approve interim and annual financial results shall be scheduled at the commencement of each fiscal year.
- Additional meetings of the Board shall be called on an as-required basis.
- Directors are expected to review materials to be presented at Board meetings prior to such meetings. Such materials are to be circulated with sufficient advanced notice to allow Board members adequate review time. However, for unscheduled meetings, shorter notice may be necessary.
- “Independent” directors (as defined below) shall meet regularly, as least twice a year, without the non-Independent directors and any senior officers present at the meeting.

Corporate Governance

- Develop the Corporation’s approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Corporation.
- The Board may delegate this responsibility to a committee of the directors, which committee shall have a majority of “Independent” directors (as such term is defined in National Policy 58-201 – Corporate Governance Guidelines and in accordance with the definition of “Independent” as defined under applicable laws and in the rules and regulations of all exchanges on which the securities of the Corporation are listed for trading) and the remaining members of which, if any, shall be “non-management” directors.
- The Board should be comprised of a majority of “Independent” directors, as defined under applicable laws and in the rules and regulations of all exchanges on which the securities of the Corporation are listed for trading.

Other

- Perform such other functions as prescribed by law or assigned to the Directors in the Corporation’s constating documents, policies and guidelines.
- All functions shall be conducted in accordance with all applicable laws and the rules and regulations of all exchanges on which the securities of the Corporation are listed for trading.
- The Composition of the Board and the committees of the Board shall, at all times, comply with applicable laws and the rules and regulations of all exchanges on which the securities of the Corporation are listed for trading.

Currency of this Mandate

This mandate was last approved by the Board on August 11, 2019.