



HAPBEE TECHNOLOGIES, INC.

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
AND
MANAGEMENT INFORMATION CIRCULAR**

**ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON DECEMBER 7, 2022**

OCTOBER 28, 2022

HAPBEE TECHNOLOGIES, INC.

NOTICE IS HEREBY GIVEN THAT AN ANNUAL GENERAL AND SPECIAL MEETING (the “**Meeting**”) of shareholders of Hapbee Technologies, Inc. (the “**Company**”) will be held as an in-person only meeting to be held at the offices of Osler, Hoskin & Harcourt LLP, 1000 de la Gauchetière West Street, Suite 2100 Montreal, H3B 4W5, on December 7, 2022 at 1:00 p.m. (Montréal time) for the following purposes, all as more particularly described in the Company’s management information circular (the “**Information Circular**”):

Business to be transacted at the Meeting

1. To receive and consider the audited financial statements of the Company for the financial period ended December 31, 2021, and the report of the auditor thereon;
2. To elect the board of directors of the Company (the “**Board**”) for the ensuing year;
3. To appoint the auditor of the Company for the ensuing year and to authorize the Board to fix the auditor’s remuneration;
4. To consider and, if thought advisable, to pass, with or without variation, an ordinary resolution as set forth in the accompanying Information Circular, to approve the Company’s Stock Option Plan;
5. To consider and, if thought advisable, to pass, with or without variation, an ordinary resolution as set forth in the accompanying Information Circular, approving, ratifying and confirming certain amendments to the Company’s Restricted Stock Unit Plan, as previously approved by the Board; and
6. To transact such other business as may be properly brought before the Meeting or any adjournment thereof.

Accompanying this Notice is the Information Circular, a form of proxy (“**Proxy**”), or voting instruction form (“**VIF**”) and a reply card for use by shareholders who wish to receive the Company’s interim and/or annual financial statements. The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to and expressly made a part of this Notice.

The Company will not be using the notice-and-access mechanism under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* for distribution of the Meeting materials to Shareholders.

Attending the In-Person Meeting

We ask that all Shareholders who wish to attend the Meeting in person please adhere to COVID-19 public health measures prevailing at the time of the Meeting. As the COVID-19 pandemic is continually evolving, additional requirements or questions may apply at the date of the Meeting. Shareholders with questions regarding attending the Meeting in person are encouraged to contact the Company by email at jaycee@hapbee.com or by phone at 514-288-8070 ext. 101.

Voting at the Meeting

All shareholders may attend the Meeting in person or be represented by proxy. Shareholders who do not plan on attending the Meeting in person are requested to complete, date and sign the enclosed form of proxy and return it in the envelope provided. A proxy or VIF will not be valid unless it is delivered to the Company’s registrar and transfer agent, Computershare Investor Services Inc. (“**Computershare**”), Proxy Department, by any of the following methods: (i) by mail addressed to 135 West Beaver Creek, PO Box 300, Richmond Hill, Ontario L4B 4R5; (ii) by facsimile to 1-866-249-7775 or 416-263-9524; or (iii) vote by telephone at 1-866-732-8683, or vote online at www.investorvote.com, no later than 1:00 p.m. on December 5, 2022

Only registered shareholders and duly appointed proxyholders will be entitled to attend, ask questions and vote at the Meeting. Non-registered shareholders (being shareholders who beneficially own shares that are registered in the name

of an intermediary such as a bank, trust company, securities broker or other nominee, or in the name of the depository of which the intermediary is a participant) who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, but guests will not be able to vote or ask questions at the Meeting.

Shareholders of the Company who wish to appoint a person other than the Company proxyholders identified on the form of proxy (including a non-registered shareholder who wishes to appoint themselves as proxyholder in order to attend the Meeting) must carefully follow the instructions in the Information Circular and on the Proxy or VIF accompanying this Notice of Annual General and Special Meeting. Non-registered shareholders located in the United States must also provide Computershare with a duly completed legal proxy if they wish to vote at the Meeting or appoint a third party as their proxyholder.

The board of directors of the Company has fixed the record date for the Meeting at the close of business on October 28, 2022 (the "**Record Date**"). Each shareholder is entitled to one vote for each Subordinate Voting Share in the capital of the Company and 100 votes for each Multiple Voting Share in the capital of the Company shown as registered in the shareholder's name on the list of shareholders prepared as of the Record Date.

DATED this 28th day of October, 2022.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Yona Shtern"

Yona Shtern
Chairman, President and Director



HAPBEE TECHNOLOGIES, INC.

MANAGEMENT INFORMATION CIRCULAR

(containing information as of October 28, 2022)

Solicitation of Proxies by Management

This management proxy circular (this “**Information Circular**”) is furnished in connection with the solicitation of proxies by or on behalf of the management of Hapbee Technologies, Inc. (“**Hapbee**” or the “**Company**”) to be used at the annual general and special meeting of holders (“**Shareholders**”) of Subordinate Voting Shares (the “**Subordinate Voting Shares**”) and Multiple Voting Shares (the “**Multiple Voting Shares**”, and together with the Subordinate Voting Shares, the “**Shares**”) in the capital of the Company (the “**Meeting**”).

Hapbee is holding its Meeting in an in-person only format. Only registered Shareholders and duly appointed proxyholders will be entitled to attend, ask questions and vote at the Meeting. **Shareholders will be able to physically attend the Meeting.** The solicitation will be primarily by mail, but proxies may also be solicited personally or by telephone by directors, officers or employees of the Company. The cost of this solicitation will be borne by the Company.

The Meeting will be held in person. Shareholders with questions regarding attending the Meeting in person are encouraged to contact the Company by email at jaycee@hapbee.com or by phone at 514-288-8070 ext. 101. The Meeting will begin at 1:00 p.m. (Montreal time) on December 7, 2022 or at any adjournments or postponements thereof for the purposes set forth in the Notice of Annual General and Special Meeting of Shareholders (the “**Notice of Meeting**”) accompanying this Information Circular. Information contained herein is given as of October 28, 2022, unless otherwise specifically stated.

The board of directors of the Company (the “**Board**”) has fixed the record date for the Meeting at the close of business on October 28, 2022 (the “**Record Date**”). Each Shareholder is entitled to one vote for each Subordinate Voting Share and 100 votes for each Multiple Voting Share shown as registered in the Shareholder’s name on the list of Shareholders prepared as of the Record Date. As the Meeting is in person-only, Shareholders will be able to attend in person to vote their shares. Instructions for Shareholders to participate in the Meeting and vote by proxy are contained in this Information Circular.

APPOINTMENT AND REVOCATION OF PROXIES

The information in this section applies to Shareholders who hold Shares in their own name and have a share certificate or direct registration system (DRS) statement (a “**Registered Shareholder**”). As a Registered Shareholder, you are identified on the share register maintained by the Company’s register and transfer agent, Computershare Investor Services Inc., as being a Shareholder.

Registered Shareholders will receive a form of proxy for use at the Meeting. **The persons named in the form of proxy are directors and/or officers of the Company. A Registered Shareholder submitting a proxy has the right to appoint a person or company as its nominee (who need not be a Shareholder) to represent such Registered Shareholder at the Meeting other than the persons designated in the enclosed form of proxy by inserting the name of the chosen nominee in the space provided for that purpose on the form of proxy and by striking out the printed names.** The Shares represented by the form of proxy will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and, if a Registered Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.

A form of proxy will not be valid for the Meeting or any adjournment or postponement thereof unless it is signed by the Registered Shareholder or by the Registered Shareholder’s attorney authorized in writing or, if the Registered Shareholder is a corporation, it must be executed by a duly authorized officer or attorney thereof. The proxy, to be

acted upon, must be dated, completed, signed and deposited with the Company's transfer agent, Computershare Investor Services Inc.: (i) by mail using the enclosed return envelope or one addressed to Computershare Investor Services Inc., Attention: Proxy Department 135 West Beaver Creek PO Box 300, Richmond Hill, Ontario L4B 4R5; or ii) by facsimile to 1-866-249-7775 or 416-263-9524, by no later than 1:00 p.m. (Montreal time) on December 5, 2022, or two business days preceding the date of any adjournment or postponement of the Meeting. As an alternative to completing and submitting a proxy for use at the Meeting, a Shareholder may vote electronically by telephone at 1-866-732-8683 or on the internet at www.investorvote.com. Votes cast electronically are in all respects equivalent to, and will be treated in the same manner as, votes cast via a paper form of proxy. Shareholders who wish to vote using internet or by telephone should follow the instructions provided in the form of proxy.

A Registered Shareholder who has given a proxy may revoke it prior to its use, in any manner permitted by law, including by an instrument in writing executed by the Registered Shareholder or by his, her or its attorney authorized in writing or, if the Registered Shareholder is a corporation, executed by a duly authorized officer or attorney thereof, and deposited at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, at which the proxy is to be used, or with the chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof.

ADVICE TO BENEFICIAL HOLDERS OF SHARES

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Registered Shareholders can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Shares will not be registered in the Shareholder's name in the Company's records. Such Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Shares for the broker's clients. Therefore, Beneficial Shareholders should contact their broker or other intermediary as soon as practicable to ensure that instructions respecting the voting of their Shares are communicated to the appropriate person.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker 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 Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to Registered Shareholders; however, its purpose is limited to instructing the Registered Shareholder how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Services, Inc. ("**Broadridge**"). Broadridge typically mails a scannable voting instruction form in lieu of the form of proxy. The Beneficial Shareholder is requested to complete and return the voting instruction form to them by mail or facsimile. Alternatively, the Beneficial Shareholder can call a toll-free telephone number or visit www.proxyvote.com to vote the Shares held by the Beneficial Shareholder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form cannot use that voting instruction form to vote Shares directly at the Meeting as the voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Shares voted.**

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

Beneficial Shareholders (other than Beneficial Shareholders who are duly appointed proxyholders) will not be admitted to the Meeting. Beneficial Shareholders are urged to vote their Shares in advance of the Meeting in accordance with the procedures and instructions received from Broadridge or other applicable intermediary. This Information Circular is available on the Company's SEDAR profile at www.sedar.com.

VOTING OF PROXIES

All Shares represented at the Meeting by properly executed proxies will be voted on any matter that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the accompanying form of proxy, the Shares represented by the proxy will be voted or withheld from voting in accordance with such instructions. In the absence of any such instructions, the persons whose names appear on the printed form of proxy will vote in favour of all the matters set out thereon.

The form of proxy confers discretionary authority upon the persons named therein. If any other business or amendments or variations to matters identified in the Notice of Meeting properly comes before the Meeting, then discretionary authority is conferred upon the person appointed in the proxy to vote in the manner they see fit, in accordance with their best judgment.

At the time of the printing of this Information Circular, management of the Company knew of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

Except as disclosed in this Information Circular, management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership or otherwise, of any person that has been a director or executive officer of the Company since the beginning of the last financial year of the Company, any proposed nominee for election as a director, or any associate or affiliate of any of the foregoing, in any matter to be acted on at the Meeting other than the election of directors or the appointment of auditors.

VOTING SECURITIES, PRINCIPAL HOLDERS THEREOF AND QUORUM

Authorized Share Capital

The authorized share capital of the Company includes an unlimited number of Subordinate Voting Shares and an unlimited number of Multiple Voting Shares with multiple voting rights.

The holders of Subordinate Voting Shares are entitled to receive notice of and to attend and vote at all meetings of the Company and each Subordinate Voting Share confers the right to one vote in person or by proxy at all meetings of the Company's shareholders. The holders of the Subordinate Voting Shares are entitled to receive such dividends in any financial year as the Company's board may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, holders of Subordinate Voting Shares are entitled to share rateably, together with holders of Multiple Voting Shares, in such assets of the Company as are available for distribution.

Rights and Restrictions of the Multiple Voting Shares

The following is a summary of the material rights and restrictions of the Multiple Voting Shares.

Holders of Multiple Voting Shares are entitled to notice of and to attend at any meeting of the shareholders of the Company, except a meeting of which only holders of another particular class or series of shares of the Company shall have the right to vote. At each such meeting, holders of Multiple Voting Shares will be entitled to one vote in respect of each Subordinate Voting Share into which such Multiple Voting Share could ultimately then be converted, which currently equals 100 votes per Multiple Voting Share.

Holders of Multiple Voting Shares have the right to receive dividends, out of any cash or other assets legally available therefor, *pari passu* (on an as-converted to Subordinate Voting Share basis) as to dividends and any declaration or payment of any dividend on the Subordinate Voting Shares.

In the event of the liquidation, dissolution or winding-up of the Company, holders of Multiple Voting Shares will be entitled to participate rateably along with all other holders of Multiple Voting Shares (on an as-converted to Subordinate Voting Share basis) and Subordinate Voting Shares.

Each Multiple Voting Share is convertible, at the option of the holder into fully paid and non-assessable Subordinate Voting Shares as is determined by multiplying the number of Multiple Voting Shares by the relevant Compression Ratio. The initial “**Compression Ratio**” is 100 Subordinate Voting Shares for each Multiple Voting Share; provided, however, that the Compression Ratio shall be subject to adjustment in certain circumstances.

Before any holder of Multiple Voting Shares is entitled to convert, the Board (or a committee thereof) will designate an officer of the Company to determine if any of the following conversion limitations apply to the conversion of Multiple Voting Shares. The Company will use commercially reasonable efforts to maintain its status as a “foreign private issuer” (as determined in accordance with Rule 3b-4 under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”). Accordingly, the Company will not effect any conversion of Multiple Voting Shares, and the holders of Multiple Voting Shares will not have the right to convert any portion of the Multiple Voting Shares, to the extent that after giving effect to all permitted issuances after such conversions of Multiple Voting Shares, the aggregate number of Subordinate Voting Shares and Multiple Voting Shares held of record, directly or indirectly, by residents of the United States would exceed 45% (the “**45% Threshold**”) of the aggregate number of Subordinate Voting Shares and Multiple Voting Shares issued and outstanding after giving effect to such conversions (the “**FPI Protective Restriction**”). The Board may by resolution increase the 45% Threshold to an amount not to exceed 50%.

In order to effect the FPI Protection Restriction, each holder of Multiple Voting Shares will be subject to the 45% Threshold based on the number of Multiple Voting Shares held by such holder as of the date of the initial issuance of the Multiple Voting Shares and thereafter at the end of each of the Company’s subsequent fiscal quarters.

Notwithstanding the above, the Company may require each holder of Multiple Voting Shares to convert all the Multiple Voting Shares at the applicable Compression Ratio (a “**Mandatory Conversion**”) if at any time all the following conditions are satisfied:

- the Subordinate Voting Shares issuable upon conversion of all the Multiple Voting Shares are registered for resale and may be sold by the holder thereof pursuant to an effective registration statement and/or AIF covering the Subordinate Voting Shares under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”);
- the Company is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act; and
- the Subordinate Voting Shares are listed or quoted (and are not suspended from trading) on a recognized North American stock exchange or by way of reverse takeover transaction on the Toronto Stock Exchange, the TSX Venture Exchange (the “**Exchange**”), the Canadian Securities Exchange or Aequitas NEO Exchange (or any other stock exchange recognized as such by the Ontario Securities Commission).

Outstanding Share Capital

The number of Shares entitled to be voted on each matter to be acted on at the Meeting as at the Record Date is 74,697,850 Subordinate Voting Shares (62.41% of voting rights) and 450,000 Multiple Voting Shares (37.59% of voting rights).

To the knowledge of the directors and officers of the Company as at the Record Date, the only person who beneficially owns, controls or directs, directly or indirectly, Shares carrying more than 10% of the votes attached to all the Shares entitled to be voted at the Meeting is as follows:

Name of Shareholder	Number Of Shares	% of Class⁽¹⁾
EMulate Therapeutics, Inc. (“ EMulate ”)	281,250 Multiple Voting Shares	62.50% ⁽²⁾

Name of Shareholder	Number Of Shares	% of Class ⁽¹⁾
Scott Donnell	168,750 Multiple Voting Shares	37.50% ⁽³⁾

Notes:

- (1) Based on 450,000 Multiple Voting Shares issued and outstanding.
- (2) Represents 23.50% of the total share base.
- (3) Represents 14.10% of the total share base.

To the knowledge of the Company as of the date hereof, the only persons who beneficially own, directly or indirectly, or exercise control or direction over voting securities carrying more than 10% of the voting rights attached to any class of voting securities of EMulate are: (i) Nancy S. Nordhoff holding 3,192,920 equivalent shares of common stock which represents approximately 16% of EMulate’s issued and outstanding common shares and (ii) Butters Family Revocable Trust holding 2,429,000 shares of common stock which represents approximately 12% of EMulate’s issued and outstanding common shares

Quorum

Pursuant to the by-laws of the Company, a quorum of Shareholders will be present at the Meeting if two holders of not less than 5% of all issued and outstanding Shares entitled to vote at the Meeting are present in person or represented by proxy.

BUSINESS TO BE TRANSACTED AT THE MEETING

A. Receive the Financial Statements

The audited financial statements of the Company for the year ended December 31, 2021 and the report of the auditors thereon will be received at the Meeting. The audited financial statements of the Company and the report of the auditors will be available under the Company’s profile on SEDAR at www.sedar.com.

B. Election of Directors

At the Meeting, a Board composed of six directors will be proposed for election. Management has been informed that each of the proposed nominees listed below is willing to serve as a director if elected. Each director holds office until the next following annual meeting of Shareholders or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the Articles of the Company or the provisions of the *Business Corporations Act* (British Columbia) (the “BCBCA”). **In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the Management will be voted FOR the nominees listed in this Information Circular.**

The following table sets forth certain information regarding the nominees for election as directors, their respective positions with the Company, the dates on which they became directors of the Company, their principal occupations during the last five years and the approximate number of Shares beneficially owned by them, directly or indirectly, or over which control or direction is exercised by them as of the Record Date.

Name and Jurisdiction of Residence	Present Positions and Offices with the Company	Director Since	Principal Occupation for the Last Five Years	Number of Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽¹⁾⁽²⁾
Chris Rivera ⁽³⁾ Washington, United States	Director	January 3, 2019	Chairman and CEO of EMulate Therapeutics, Inc.	Nil
Yona Shtern ⁽⁴⁾ Quebec, Canada	Chief Executive Officer, President, and Director	June 1, 2021	CEO & Executive Chairman of Arrive (April 2017 to May 2021); CEO of Shtern & Partners (July 2015 to March	33,333 Subordinate Voting Shares

Name and Jurisdiction of Residence	Present Positions and Offices with the Company	Director Since	Principal Occupation for the Last Five Years	Number of Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽¹⁾⁽²⁾
			2017)	
Robert Dzisiak ⁽³⁾ Manitoba, Canada	Director	January 3, 2019	CEO of King Global Ventures Inc. (July 2020 to present); CEO of Encanto Potash Corp.; Managing Director of Dona Blanca (July 2019 to August 2020); Managing Director of Engage Capital Ltd. (October 2016 to Present); Chairman and CEO of Tanzania Minerals Corp. (August 2011 to June 2019)	351,250 Subordinate Voting Shares (<1%)
Charles McNERney ⁽³⁾ California, United States	Director	May 22, 2019	VP & CISO of Expedia Group Seattle 2019 (present); CISO, Retail Operations, Corporate Operations of Microsoft Corporation (June 1993 to November 2019)	Nil
Michael Matysik ⁽⁴⁾ Washington, United States	Director	January 30, 2020	Principal of Broadview & Co.	725,000 Subordinate Voting Shares (<1%)
Mark Timm ⁽³⁾ Indiana, United States	Director	June 15, 2020	President and Chairman of IntegriMedical LLC (June 2019 to present); President and CEO of Cottage Garden, Inc. (January 2000 to May 2019)	225,000 Subordinate Voting Shares (<1%)

Notes:

- (1) The information as to shares beneficially owned, or over which control or direction is exercised, directly or indirectly, is based upon information furnished to the Company by the respective directors and senior officers as at the date hereof.
- (2) Based on 74,697,850 Subordinate Voting Shares issued and outstanding, and 450,000 Multiple Voting Shares issued and outstanding.
- (3) Also a director and/or officer of EMulate.
- (4) Mr. Shtern was appointed to the board on June 1, 2021 to fill the vacancy in the board of directors created upon the resignation of Mr. Scott Donnell on May 28, 2021.
- (5) The Board has one committee, the audit committee, whose members are Messrs. Michael Matysik (Chairman), Robert Dzisiak and Mark Timm (the “**Audit Committee**”).

Biographies of Director Nominees

Chris E. Rivera, Chairman of the Board

Chris E. Rivera, Chairman of the Board, has over the past 30 years held numerous leadership roles in both emerging and established companies, guiding them through product development to commercialization and beyond. He was a

founder and CEO of Hyperion Therapeutics, which was acquired by Horizon Pharma in 2015, Senior Vice President and head of Commercial Operations at Tercica, Inc., where he led the cross-licensing transaction between Tercica and Ipsen Group; and Genzyme Corporation, where he built and ran Genzyme's US renal commercial operations and helped launch their renal division globally. Prior to Genzyme, he helped build the commercial infrastructures at Cephalon, Inc. and Centocor Biotech, Inc. Mr. Rivera has extensive early stage and turnaround experience and success in addition to a proven track record in building successful companies.

Yona Shtern, Chief Executive Officer, President and Director

Yona Shtern is the CEO & President of Hapbee. He has built, grown and advised numerous technology companies from early-stage to maturity across a variety of verticals, including consumer products, mobility, telecommunication, fashion & health & beauty. As CEO & Executive Chairman of Arrive over 4 years, he led the transformation of a consumer parking app into an enterprise platform which became the market leader for transactional mobility services to over 50 million consumers in over 230 cities through partners like SiriusXM, Amazon, Avis, TomTom, Ford, Ticketmaster, Groupon and many others. He led a successful sale to FlashParking (L Catteron-backed) in 2021.

Mr. Shtern was also co-founder and CEO of Beyond the Rack – a leading e-commerce marketplace and Canada's fastest growing private company in 2014. He has received numerous awards for his advertising, product launch, and marketing strategies and was named Entrepreneur of the Year in 2015 by Start Up Canada. Mr. Shtern served as a board member at Swap.com – a leading online fashion consignment marketplace. He is also an active angel investor, serves on a number of advisory boards and acts a mentor to entrepreneurs at Founder Fuel and Founders Institute. Previously, Mr. Shtern was President of Gosh Marketing, Chief Marketing Officer of Ice.com, and CMO of Microcell Telecommunications where he launched the Fido wireless brand in Canada. He was also Vice President of Direct and Database Marketing at Saks Fifth Avenue and Director of Direct Marketing at Avon Products. He began his career with a BA in English Literature from McGill University.

Rob Dzisiak, Director

Rob Dzisiak, a director of the Company, has spent most of his career starting and operating several Canadian based futures commission merchants. He established R.J. O'Brien & Associates Canada Inc., an IIROC member firm in Canada, and was the past President and CEO of CFG Canada, which he started as a branch office of LFG, LLC in 1994. Mr. Dzisiak is a past Chairman of the Winnipeg Commodity Exchange and has served as director and officer of several public listed Canadian companies. In particular, Mr. Dzisiak provides advice to the Company related to transitioning from a private to a public company and the preparations therefor.

Charles Mc Nerney, Director

Charles Mc Nerney, a director of the Company, is a seasoned executive with over 24 years of multidiscipline security, operations and core engineering experience at Microsoft and more recently at Expedia. He has designed, implemented and led the information security organization for a multinational, Fortune 50 technology company to include physical and digital protection globally. He is a respected security leader across the industry and is recognized for his ability to navigate corporate risk and manage business continuity issues through innovative leadership and vision. Mr. Mc Nerney provides assistance to the Company in protecting the security of its products.

Michael Matysik, Director

Michael Matysik, a director of the Company, is a co-founder and principal of Broadview & Co., a real estate investment firm and also serves on the Board of Advisors to Benston Porter Corporate Advisory, a boutique investment banking firm. His 30+ year career includes executive roles in medical device, biotech, music/media and technology. Mr. Matysik has experience with initial public offerings, nine years as a public company CFO and multiple strategic exits for shareholders, both public and private.

Mark Timm, Director

Mark Timm, a director of the Company, has been a serial entrepreneur and exponential thinking practitioner for nearly two decades. He has started more than a dozen companies, several of which have multiplied and been sold, and has consequently participated in several equity events. His businesses have been built with international footprints in more

than a dozen countries across diverse industries from retail to wholesale and from product manufacturing to digital marketing and real estate. In particular, Mr. Timm provides advice to the Company regarding the marketing, sale and distribution of the Company's products.

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of the Company, as at the date hereof and within the ten years before the date hereof, other than as disclosed below, no director or executive officer of the Company is or has been a director, chief executive officer or chief financial officer of any person or company (including the Company), that while that person was acting in that capacity:

- (a) was subject of a cease trade order or similar order or an order that denied the relevant person or Company access to any exemptions under securities legislation (an "order"), for a period of more than 30 consecutive days; or
- (b) was subject to an order that was issued after the director or executive officer 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.

Robert Dzisiak was a director of BluKnight Aquafarms Inc. (formerly 1040426 BC Ltd.) from October 2015 to June 2017; eXeBlock Technology Corporation (formerly 1040433 BC Ltd.) from October 2015 to June 2017; 1040440 BC Ltd. October 2015 to May 2017 and Zenith Explorations Inc. (formerly 1040442 BC Ltd.) from October 2015 to March 2017. Each of BluKnight Aquafarms Inc., eXeBlock Technology Corporation, 1040440 BC Ltd. and Zenith Explorations Inc. became subject to a cease trade order issued by the British Columbia Securities Commission (the "BCSC") on December 2, 2016 for failure to file their respective financial statements. The BCSC revoked the cease trade orders on May 23, 2017.

Mr. Dzisiak was a director of Genix Pharmaceutical Corp. from October 2015 to February 2018. On December 2, 2016 the BCSC issued a cease trade order against Genix Pharmaceutical Corp. for failure to file financial statements.

Mr. Dzisiak was a director and officer of Tanzania Minerals Corp. from August 2011 to June 2019. On September 1, 2016 the BCSC and the Alberta Securities Commission issued cease trade orders against Tanzania Minerals Corp. for failure to file financial statements. The BCSC revoked the cease trade orders relating to Tanzania Minerals' securities effective January 9, 2018, concurrently the Alberta Securities Commission revoked the reciprocal order.

To the knowledge of the Company, as at the date hereof and within the ten years before the date hereof, no director or officer of the Company or security holder anticipated to hold a sufficient number of securities of the Company to affect materially its control:

- (a) is, or has been within the ten years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the ten years before the date of this Information 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 manager or trustee appointed to hold the assets of that individual.

Penalties or Sanctions

To the knowledge of the Company, no director or officer of the Company or security holder anticipated to hold a sufficient number of securities of the Company to affect materially its control, has:

- (a) 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
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Chris Rivera is a director of the Company, and is also the President, Chief Executive Officer and Chairman of EMulate. Charles McNerney is a director of the Company, and is also a director of EMulate. As such, there is a conflict of interest as between the Company and certain of its directors and officers.

It is possible that other directors or officers of EMulate may in the future become shareholders, officers or directors of the Company. Accordingly, additional conflicts of interest may arise in the future with respect to such individuals.

The Company's directors and officers are subject to fiduciary obligations to act in the best interest of the Company. Conflicts will be subject to the procedures and remedies of the BCBA or other applicable corporate legislation.

In addition, the Board has adopted policies and procedures to identify and independently evaluate and approve related party transactions (including but not limited to transactions with EMulate). Among other things, such policies and procedures are designed to:

- Identify related parties and any transactions with such parties, evaluate the merits of such transactions, and require that the transactions be reported to the board and be subject to prior board approval.
- Require directors and senior management required to obtain board approval or the approval of independent or disinterested directors before entering into transactions in which they have an interest.
- Require related party transactions to be evaluated by disinterested directors (i.e., as opposed to evaluation by directors who may be definitionally "independent" for purposes of securities regulation but would not be considered disinterested by a reasonable person).
- Identify transactions which are subject to the minority shareholder approval and formal valuation requirements under Multilateral Instrument 61-101 – *Protection of Minority Shareholders in Special Transactions*.
- Ensure that transactions that fall outside the normal course of business are scrutinized to determine whether related parties have a direct or indirect interest in those transactions.
- Assess whether the same or similar benefits derived by the Company through a related party transaction be obtained at a lower cost or with less risk on an arm's length basis.
- Consider the impact on the Company in the event the related party no longer supplied certain goods or its services.
- Consider any tax or other risks that arise from related party transactions.

C. Reappointment of Auditors

On September 14, 2021, Manning Elliott LLP ("**Manning Elliott**") was appointed as auditor of the Company. At the Meeting, Shareholders will be requested to again reappoint Manning Elliott as auditor of the Company, to hold office until the next annual meeting of Shareholders or until a successor is appointed, and to authorize the Board to fix the auditors' remuneration.

Absent contrary instructions, proxies given pursuant to this solicitation by the management of the Company will be voted FOR the appointment of Manning Elliott as the auditor of the Company to hold office until the next annual meeting of Shareholders or until a successor is duly appointed, as well as FOR the authorization of the directors to fix the remuneration of the auditor.

D. Approval of Rolling Stock Option Plan

The Company's equity incentive plan (the "**Stock Option Plan**"), in its current form, was last approved by Shareholders at a meeting held on September 14, 2021. The Stock Option Plan is intended for the employees, directors, officers, consultants and employees of a person or company which provides management services to the Company or its associated, affiliated, controlled and subsidiary companies (the "**Participants**"), to grant such Participants stock options to acquire up to 10% of the total of: (i) the number of Subordinate Voting Shares outstanding at the relevant time, and (ii) the number of Multiple Voting Shares outstanding at the relevant time, multiplied by the Compression Ratio (the "**Total Share Base**"). This is a "rolling" plan as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding share capital increases. Up to an aggregate of 11,969,785 Subordinate Voting Shares, representing approximately 10% of the Total Share Base will be available for the grant of stock options under the Stock Option, of which 11,436,875 have been granted as of the date hereof.

The Stock Option Plan provides that the directors of the Company may grant options to purchase Subordinate Voting Shares on terms that the directors may determine, within the limitations of the Stock Option Plan. The exercise price of an option issued under the Stock Option Plan is determined by the directors, but may not be less than the closing market price of the Subordinate Voting Shares on the day preceding the date of granting of the option less any available discount, in accordance with the Exchange policies. No option may be granted for a term longer than ten years. An option may expire on such earlier date or dates as may be fixed by the Board, subject to earlier termination in the event the optionee ceases to be eligible under the Stock Option Plan by reason of death, retirement or otherwise.

The Stock Option Plan provides for the following restrictions: (i) no Participant may be granted an option if that option would result in the total number of stock options granted to the Participant in the previous 12 months, exceeding 5% of the issued and outstanding Subordinate Voting Shares unless the Company has obtained disinterested shareholder approval in accordance with the Exchange policies; (ii) the aggregate number of options granted to Participants conducting Investor Relations Activities (as defined in the Exchange policies) in any 12 month period must not exceed 2% of the issued and outstanding Subordinate Voting Shares, calculated at the time of grant; and (iii) the aggregate number of options granted to any one consultant in any 12 month period must not exceed 2% of the issued and outstanding Subordinate Voting Shares, calculated at the time of grant. In addition, options granted to consultants conducting Investor Relations Activities (as defined in the Exchange policies) will vest over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting or such longer vesting period as the Board may determine. Vesting of options is otherwise at the discretion of the Board.

A copy of the Stock Option Plan is attached to this Information Circular as Schedule "A".

Any time a company adopts a "rolling" stock option plan, the Exchange requires a company to obtain disinterested Shareholder approval where a stock option plan, together with all of the company's other previously established and outstanding stock option plans or grants, could result, at any time, in: (i) the number of shares reserved for issuance under stock options granted to Insiders (as defined in Exchange Policy 1.1) exceeding 10% of the issued shares; (ii) the grant to Insiders, within a 12 month period, of a number of shares exceeding 10% of the issued shares; or (iii) the grant to any one optionee, within a 12 month period, of a number of shares exceeding 5% of the issued shares. By insiders of a company participating in a stock option plan, it is possible that a stock option plan could result in the foregoing situations. Accordingly, the Company will seek disinterested Shareholder approval at the Meeting to allow the directors the flexibility under the Stock Option Plan, without the expense of calling another Shareholder meeting to specifically approve each issuance.

The Stock Option Plan must be approved by a majority of the votes cast by all Shareholders at the Meeting who are not insiders to whom stock options may be granted under the Stock Option Plan and their associates (the "**Disinterested Shareholders**"). As at the Record Date, and based on the information available to the Company,

holders of 1,243,083 Subordinate Voting Shares are not entitled to vote on the resolution to approve the Stock Option Plan.

Accordingly, Disinterested Shareholders will be asked to approve, with or without variation, the following ordinary resolution (the “**Stock Option Plan Resolution**”):

As of the date of this Information Circular, to the Company’s knowledge, a total of 1,243,083 Subordinate Voting Shares and 450,000 Multiple Voting Shares are held by insiders of the Company and will not be included for the purpose of determining whether disinterested Shareholder approval of the Stock Option Plan has been obtained.

The text of the ordinary resolution approving the Disinterested Stock Option Plan is as follows:

“BE IT RESOLVED THAT, AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS THAT:

1. The Disinterested Stock Option Plan of the Company attached as Schedule “A” to this Information Circular is hereby confirmed, ratified and approved, subject to such amendments as may be required by the Board from time to time to comply with applicable laws and the Exchange policies.
2. The Board is hereby authorized to administer the Company’s Disinterested Stock Option Plan and to make awards thereunder in accordance with their terms.
3. Notwithstanding that these resolutions have been passed by the Shareholders, the Board may revoke the resolutions at any time before they are implemented without further action by the Shareholders.
4. Any director or officer of the Company be and is hereby authorized, for and on behalf of the Company to execute and deliver all documents and instruments and take such other actions, including making all necessary filings with applicable regulatory bodies and stock exchanges, as such director or officer may determine to be necessary or desirable to implement these resolutions and the matter authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument and the taking of any such action.”

The Board believes that adopting the Disinterested Stock Option Plan is in the best interest of the Company and its Shareholders. The Board UNANIMOUSLY recommends that disinterested Shareholders vote “FOR” the Disinterested Stock Option Plan Resolution. Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote “FOR” the adoption of the Disinterested Stock Option Plan Resolution.

E. Approval of Restricted Stock Unit Plan

The Company’s restricted stock unit plan (the “**RSU Plan**”), in its current form, was last approved by Shareholders at a meeting held on September 14, 2021. On October 28, 2022, the Board approved amendments to the existing limits of Subordinate Voting Shares reserved for issuance under the RSU Plan, as described below, which are subject to Shareholder approval and the approval of the Exchange.

The RSU Plan is designed to provide certain directors, officers, employees and consultants of the Company and its related entities with the opportunity to acquire RSUs in order to enable them to participate in the long-term success of the Company. The purpose of the RSU Plan, similar to the Stock Option Plan, is to promote a greater alignment of the interests of directors, officers, employees and consultants of the Company with the interests of the shareholders. The Board (or such other committee the Board may appoint) is responsible for administering the RSU Plan. RSUs vest on terms established by the Board, or any Board committee appointed for such purpose.

Under the RSU Plan, the current fixed maximum number of Subordinate Voting Shares reserved and available for issuance from treasury is 10% of the number of issued and outstanding Shares as of August 12, 2020. The RSU Plan allows the Company to grant RSUs, under and subject to the terms and conditions of the RSU Plan, which may be converted to a fixed maximum number of 9,184,417 Subordinate Voting Shares (being 10% of the Total Share Base on the date of implementation of the RSU Plan).

The RSU Plan is designed to provide long term incentive for the directors, officers, employees and consultants of the Company. RSUs provide the Board (or a Board committee) with an additional compensation tool to help retain and attract highly qualified directors, officers and employees and further align the interests of directors, officers, employees and consultants of the Company with the interest of the shareholders, which allows Eligible Persons, being all RSU Plan Recipients (defined below), to participate in any increases to the value of the Company. The Board may engage such consultants and advisors as it considers appropriate, including compensation or human resources consultants or advisors, to provide advice and assistance in determining the amounts to be awarded under the RSU Plan and other amounts and values to be determined hereunder or in respect of the RSU Plan including, without limitation, those related to a particular fair market value.

All Directors, Officers, Employees and Consultants (as defined in the RSU Plan) of the Company and its related entities (“**Eligible Persons**”) are eligible to participate in the RSU Plan (as “**RSU Plan Recipients**”), though the Company reserves the right to restrict eligibility or otherwise limit the number of persons eligible for participation in the RSU Plan at any time. Eligibility to participate in the RSU Plan does not confer upon any person a right to receive an award of RSUs.

Subject to certain restrictions, the Board (or a Committee delegated by the Board), may, from time to time, award RSUs to Eligible Persons. All RSUs awarded will be credited to an account maintained for each RSU Plan Recipient on the books of the Company as of each award date. The number of RSUs to be credited to each RSU Plan Recipient’s account shall be determined at the discretion of the Board and pursuant to the terms of the RSU Plan.

Each award of RSUs vests on the date(s) (each, a “**Vesting Date**”) that is the later of the Trigger Date (defined below) and the date upon which the relevant performance condition or other vesting condition set out in the award has been satisfied, subject to the requirements of the RSU Plan. Rights and obligations under the RSU Plan can be assigned by the Company to a successor in the business of the Company, any company resulting from any amalgamation, reorganization, combination, merger or arrangement of the Company, or any corporation acquiring all or substantially all of the assets or business of the Company.

Under the RSU Plan, the Company, in its discretion and as may be determined by the Board, will pay out vested RSU’s by paying or issuing (net of any applicable withholding taxes) to a RSU Plan Recipient, on or subsequent to the Trigger Date and before the Expiry Date (as defined below) an award payout of either: (a) one Subordinate Voting Shares for each whole vested RSU; and (b) a cash amount equal to the fair market value of one Subordinate Voting Shares (as determined in accordance with the RSU Plan) as at the Trigger Date of each whole vested RSU.

Fractional Shares are not issued pursuant to the RSU Plan, and where a RSU Plan Recipient would be entitled to receive a fractional Subordinate Voting Shares in respect of a fractional vested RSU, the Company shall pay to such RSU Plan Recipient, in lieu of such fractional Subordinate Voting Shares, cash value equal to the Vesting Date Value of such fractional Subordinate Voting Shares.

An RSU Plan Recipient’s account will be credited with additional RSUs as of each dividend payment date in respect of which cash dividends are paid on Subordinate Voting Shares. The number of additional RSUs to be credited to an RSU Plan Recipient’s account is computed by multiplying the amount of the dividend per Subordinate Voting Share by the aggregate number of RSUs that were credited to the RSU Plan Recipient’s account as of the record date for payment of the dividend, and dividing that number by the Fair Market Value (as defined in the RSU Plan). Note that the Company is not obligated to pay dividends on Subordinate Voting Shares.

Generally, if an RSU Plan Recipient’s employment or service is terminated, or if the RSU Plan Recipient resigns from employment with the Company, then any RSUs credited to him or her pursuant to the RSU Plan, which have not vested on or before the separation date for the RSU Plan Recipient, are forfeited, cancelled and terminated without payment.

In the event an RSU Plan Recipient is terminated without cause, all unvested RSUs credited to such terminated RSU Plan Recipient will immediately vest on the date of termination. If an RSU Plan Recipient’s employment or service is terminated (otherwise than without cause), or the RSU Plan Recipient enters Retirement (as defined in the RSU Plan), dies, or suffers Total Disability (as defined in the RSU Plan), all unvested RSUs will automatically be cancelled without compensation.

The number of Subordinate Voting Shares available for reserve under the RSU Plan is a fixed number, therefore when RSUs are terminated or cancelled under the Plan, the Subordinate Voting Shares reserved for the conversion of such RSUs are also terminated and cancelled and no longer available for reserve under the RSU Plan.

In the event of a Change of Control (as defined in the RSU Plan), all RSUs credited to an RSU Plan Recipient vest on the date on which the Change of Control occurs. Within 30 days after the date on which the Change of Control Occurs, the RSU Plan Recipient must receive a payment equal to the number of RSUs that vested on the date of the Change of Control, multiplied by the Fair Market Value (as defined in the RSU Plan) on that date.

In the event of any dividend paid in Subordinate Voting Shares, any subdivision of the Subordinate Voting Shares, any combination or exchange of the Subordinate Voting Shares, merger, consolidation, spin-off or other distribution of Company assets to shareholders, or any other change in the capital of the Company affecting the Subordinate Voting Shares, the Board will make adjustments with respect to the number of RSUs outstanding and any proportional adjustments as the Board, in its discretion, considers appropriate to reflect the change.

The Board has the discretion to grant RSUs to Eligible Persons as the Board determines is appropriate, and can impose conditions on vesting as it sees fit in addition to the Performance Conditions (as defined in the RSU Plan) if any. RSUs vest on the date that is the later of: (a) the date set by the Board at the time of the grant or if no date is set then December 1 of the third calendar year following the date of the grant (the “**Trigger Date**”), and (b) the date upon which the relevant Performance Condition or other vesting condition has been satisfied, subject to the limitations of the RSU Plan.

RSUs only vest on the Trigger Date to the extent that the Performance Conditions have been satisfied on or before the Trigger Date, and no RSU will remain outstanding for any period which exceeds the expiry date (which shall be December 31 of the third calendar year after the date of grant, or such earlier date as may be established by the Board (the “**Expiry Date**”). The Board may accelerate the Trigger Date of any RSU at its election.

Unless disinterested Shareholder approval is obtained or permitted otherwise by the Exchange, the RSU Plan provides that: (a) the maximum number of Subordinate Voting Shares which may be reserved for issuance to Insiders, as a group, under the RSU Plan together with any other Share Compensation Arrangement (as defined in the RSU Plan), may not exceed 10% of the issued Shares; (b) the maximum number of RSUs that may be granted to Insiders, as a group, under the Plan together with any other Share Compensation Arrangement, within a 12-month period, cannot exceed 10% of the issued Shares calculated on the date of the grant of the RSUs; (c) the maximum number of RSUs that can be granted to any one Eligible Person under the Plan, together with any other Share Compensation Arrangement, within a 12-month period, cannot exceed 5% of the issued Shares calculated on the date of the grant of the RSUs; and (d) the maximum number of RSUs that may be granted to any one Consultant, within a 12-month period, may not result in a number of RSUs exceeding 2% of the number of issued and outstanding Shares at the Grant Date, together with any other Share Compensation Arrangement, without the prior consent of the Exchange.

The Exchange has previously permitted the Company to award RSUs under the RSU Plan that are convertible up to the fixed maximum number of 9,184,414 Subordinate Voting Shares in addition to the number of stock options that may be granted under the Stock Option Plan to acquire up to 10% of the Total Share Base, provided that the maximum number of Subordinate Voting Shares issuable pursuant to the RSU Plan and Stock Option Plan, together with any Subordinate Voting Shares issuable pursuant to any other Security Based Compensation Arrangement, will not exceed an aggregate of 20% of the Total Share Base at any time. For additional information regarding the Stock Option Plan, please see “*Business to be Transacted at the Meeting – Stock Option Plan*” above.

Subject to the requirements of applicable laws and the Exchange policies, the Board may amend or terminate the RSU Plan at any time, but the consent of the RSU Plan Recipient is required for any such amendment that adversely affects the rights of the RSU Plan Recipient, unless the amendment or termination is required by law. A termination of the RSU Plan will not accelerate the vesting of RSUs or the time in which an RSU Plan Recipient would otherwise be entitled to receive payment in respect of the RSUs.

A copy of the RSU Plan is attached to this Information Circular as Schedule “B”.

At the Meeting, Disinterested Shareholders will be asked to consider and, if deemed advisable, to pass an ordinary resolution, with or without variation, amend the RSU Plan to set the total number of Subordinate Voting Shares

reserved for issuance thereunder (the “**RSU Plan Resolution**”), which, to be effective, pursuant to the Exchange policies, must be passed by not less than a majority of the votes cast by Disinterested Shareholders at the Meeting. The amendment to the RSU Plan remains subject to the approval of the Exchange.

As of the date of this Information Circular, to the Company’s knowledge, a total of 1,243,083 Subordinate Voting Shares and 450,000 Multiple Voting Shares are held by insiders of the Company and will not be included for the purpose of determining whether disinterested Shareholder approval of the RSU Plan has been obtained.

The text of the ordinary resolution approving the RSU Plan is as follows:

“BE IT RESOLVED THAT, AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS THAT:

1. The RSU Plan of the Company attached as Schedule “B” to this Information Circular is hereby confirmed, ratified and approved, subject to such amendments as may be required by the Board from time to time to comply with applicable laws and the Exchange policies.
2. The Board is hereby authorized to administer the Company’s RSU Plan and to make awards thereunder in accordance with their terms.
3. Notwithstanding that these resolutions have been passed by the Shareholders, the Board may revoke the resolutions at any time before they are implemented without further action by the Shareholders.
4. Any director or officer of the Company be and is hereby authorized, for and on behalf of the Company to execute and deliver all documents and instruments and take such other actions, including making all necessary filings with applicable regulatory bodies and stock exchanges, as such director or officer may determine to be necessary or desirable to implement these resolutions and the matter authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument and the taking of any such action.”

The Board believes that adopting the RSU Plan is in the best interest of the Company and its Shareholders. The Board UNANIMOUSLY recommends that disinterested Shareholders vote “FOR” the RSU Plan Resolution. Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote “FOR” the adoption of the RSU Plan Resolution.

OTHER MATTERS TO BE ACTED UPON

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment thereof. The management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by proxy.

STATEMENT OF EXECUTIVE COMPENSATION

The Company is a venture issuer and is disclosing the compensation of its directors and Named Executive Officers in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*.

In this section, “**Named Executive Officer**” means each of the following individuals:

- (a) the Company’s chief executive officer, including an individual performing functions similar to a chief executive officer (the “CEO”);
- (b) the Company’s chief financial officer, including an individual performing functions similar to a chief financial officer (the “CFO”);

- (c) the most highly compensated executive officer of the Company and its subsidiaries, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was more than C\$150,000, as determined in accordance with Form 51-102F6, for that financial year; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company and was not acting in a similar capacity, at the end of that financial year.

During the fiscal year ended December 31, 2021, the Named Executive Officers of the Company were: (i) Yona Shtern, Chairman, President and CEO, (ii) Scott Donnell, former CFO, and (iii) Herrick Lau, former CFO.

Director and named executive officer compensation, excluding compensation securities.

The following table sets forth the compensation paid to the Company's Named Executive Officers and directors for the financial years ending December 31, 2021, and 2020:

Table of compensation excluding compensation securities (in US Dollars)							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Chris Rivera ⁽¹⁾ Chairman of the Board	2021	-	-	-	-	-	-
	2020	-	-	-	-	-	-
Yona Shtern ⁽²⁾ CEO & Director	2021	200,003 ⁽¹⁰⁾	200,000	-	-	-	400,003
	2020	-	-	-	-	-	-
Scott Donnell ⁽³⁾ Former CEO & Former Director	2021	120,000	-	-	-	-	120,000
	2020	176,000	-	-	-	-	176,000
Herrick Lau ⁽⁴⁾ Former CFO	2021	143,435 ⁽⁹⁾	-	-	-	-	143,435
	2020	58,878	-	-	-	-	58,878
Kenneth Adessky ⁽⁶⁾ Corporate Secretary	2021	66,969	-	-	-	-	66,969
	2020	-	-	-	-	-	-
Charles McNerney ⁽⁶⁾ Director	2021	-	-	-	-	-	-
	2020	-	-	-	-	-	-
Michael Matysik ⁽⁷⁾ Director	2021	-	-	-	-	-	-
	2020	-	-	-	-	-	-
Mark Timm ⁽⁹⁾ Director	2021	-	-	-	-	-	-
	2020	-	-	-	-	-	-
Robert Dzisiak ⁽⁹⁾ Director	2021	-	-	-	-	-	-
	2020	-	-	-	-	-	-

Notes:

- (1) Mr. Rivera was appointed as a director on January 3, 2019.
(2) Mr. Shtern was appointed CEO and director on June 1, 2021.

- (3) Mr. Donnell was appointed CEO on March 14, 2019 and as a director on June 15, 2020. On May 28, 2021, Mr. Donnell resigned from his position as CEO and director.
- (4) Mr. Lau was appointed CFO on June 25, 2020 and resigned on March 31, 2022 .
- (5) Fees for corporate secretary services were paid to 4114566 Canada Inc., pursuant to the Adessky Consulting Agreement, See “*Employment, Consulting and Management Agreements*”.
- (6) Mr. McNerney was appointed as a director on May 22, 2019.
- (7) Mr. Matysik was appointed as a director on January 30, 2020.
- (8) Mr. Timm was appointed as a director on June 15, 2020.
- (9) Mr. Dzisiak was appointed as a director on January 3, 2019.
- (10) Fees for CFO Services were paid to Baron pursuant to the Baron Consulting Agreement, See “*Employment, Consulting and Management Agreements*”
- (11) Fees for CEO Services were paid to Shtern Consulting Inc., pursuant to the Shtern Consulting Agreement, See “*Employment, Consulting and Management Agreements*”

Stock Options and Other Compensation Securities

Stock options or compensation securities granted or issued to the Named Executive Officers or any of the directors by the Company and any of its subsidiaries in the most recently completed financial year ended December 31, 2021, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries is set out in the table below.

Compensation Securities (in US dollars)							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price(4) (\$)	Closing price of security or underlying security on date of grant(4) (\$)	Closing price of security or underlying security at year end(5) (\$)	Expiry Date
Chris Rivera Chairman of the Board	Options	1,125,000 ⁽²⁾ (14.3%)	January 20, 2020	\$0.22	\$0.22 ⁽⁶⁾	\$0.24	January 20, 2028
	RSUs	562,500 ⁽¹⁾ (10.3%)	November 12, 2020	\$0.56	\$0.56	\$0.24	November 12, 2023
Yona Shtern CEO, President & Director	Options	300,000 1,000,000 (23.8%)	June 1, 2021 Oct 18, 2022	0.40 0.065	0.40 0.065	0.24	June 1, 2024 Oct 17, 2025
	RSUs	1,072,000 (19.63%)	June 1, 2021	0.38	0.38	0.24	June 1 2024
Scott Donnell ⁽³⁾ Former CEO & Former Director	Options	575,000 ⁽²⁾ (7.3%)	November 12, 2020	\$0.56	\$0.56	\$0.24	November 12, 2028
	RSUs	550,000 ⁽¹⁾ (10.1%)	November 12, 2020	\$0.56	\$0.56	\$0.24	November 12, 2023
Herrick Lau Former CFO	Options	150,000 ⁽²⁾ (1.9%)	November 12, 2020	\$0.56	\$0.56	\$0.24	November 12, 2028
	RSUs	100,000 ⁽¹⁾ (1.8%)	November 12,	\$0.56	\$0.56	\$0.24	November 12, 2023

Compensation Securities (in US dollars)							
			2020				
Kenneth Adessky Corporate Secretary	Options	250,000	Oct 18, 2022	\$0.05	\$0.05		October 17, 2029
	RSU's	250,000	Oct 18, 2022	\$0.05	\$0.05		October 17, 2025
Charles McNerney Director	Options	900,000 ⁽²⁾ (11.4%)	January 20, 2020	\$0.22	\$0.22 ⁽⁶⁾	\$0.24	January 20, 2028
	RSUs	450,000 ⁽¹⁾ (8.2%)	November 12, 2020	\$0.56	\$0.56	\$0.24	November 12, 2023
Michael Matysik Director	Options	450,000 ⁽²⁾ (5.7%)	November 12, 2020	\$0.56	\$0.56	\$0.24	November 12, 2028
	RSUs	450,000 ⁽¹⁾ (8.2%)	November 12, 2020	\$0.56	\$0.56	\$0.24	November 12, 2023
Mark Timm Director	Options	450,000 ⁽²⁾ (5.7%)	November 12, 2020	\$0.56	\$0.56	\$0.24	November 12, 2028
	RSUs	450,000 ⁽¹⁾ (8.2%)	November 12, 2020	\$0.56	\$0.56	\$0.24	November 12, 2023
Robert Dzisiak Director	Options	900,000 ⁽²⁾ (11.4%)	January 20, 2020	\$0.22	\$0.22 ⁽⁶⁾	\$0.24	January 20, 2028
	RSUs	450,000 ⁽¹⁾ (8.2%)	November 12, 2020	\$0.56	\$0.56	\$0.24	November 12, 2023

Notes:

- (1) One-half of RSUs shall vest on November 12, 2021, and one-half of RSUs shall vest on November 12, 2022.
- (2) Options vested on the date of grant.
- (3) Mr. Donnell was appointed CEO on March 14, 2019 and as a director on June 15, 2020. On May 28, 2021, Mr. Donnell resigned from his position as CEO and director, and the vacancy created on the board of directors by Mr. Donnell's resignation was filled by Mr. Yona Shtern on June 1, 2021.
- (4) For the purpose of the above table, in accordance with Form 51-102F6V *Statement of Executive Compensation – Venture Issuers* (“**Form 51-102F6V**”), these figures have all been converted to U.S. dollars using the Canadian dollar to U.S. dollar exchange rate of Cdn\$1.00 = US\$0.7620 on the date of grant.
- (5) For the purpose of the above table, in accordance with Form 51-102F6V, these figures were calculated by using the Canadian dollar to U.S. dollar exchange rate of Cdn\$1.00 = US\$0.7854 at the year end.
- (6) Amounts are based on the most recently completed financing by the Company of shares issued at US\$1.00 per share. The Company's shares commenced trading on the Exchange on October 30, 2020.

None of the above options have been exercised.

Stock Option Plans and Other Incentive Plans

The Company has the Stock Option Plan and the RSU Plan. The Stock Option Plan and RSU Plan comply with the requirements of the Exchange's Policy 4.4 *Incentive Stock Options* as it relates to Tier 2 issuers. See “*Business to be Transacted at the Meeting – Approval of Stock Option Plan*” for further information respecting the Stock Option Plan

and see “*Business to be Transacted at the Meeting – Approval of RSU Plan*” for further information respecting the RSU Plan.

Copies Stock Option Plan and the RSU Plan are attached as Schedule “A” and Schedule “B” to this Information Circular.

Employment, Consulting and Management Agreements

Other than as disclosed below, the Company is not party to any agreement or arrangement under which compensation was provided during any prior financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or Named Executive Officer or performed by any other party but are services typically provided by a director or Named Executive Officer.

The Company entered into an independent contractor agreement with Shtern Consulting Inc, dated June 1, 2021, (the “**Shtern Agreement**”) which outlined the terms and conditions under which Mr. Shtern provided various executive consulting services to the Company. The term of the Shtern Agreement is ongoing unless terminated upon providing 30-days written notice. In the year ended December 31, 2021 Mr. Shtern was paid US\$400,000.00 on an annual basis, representing US\$33,333.33 on a monthly basis (the “**Base Compensation**”). For the services provided following the achievement (as determined by the Board) of a financing milestone in accordance with the terms of the Shtern Agreement, which occurred in November 2021, the Base Compensation for Mr.Shtern was increased upon closing to US\$600,000.00 on an annual basis, representing US\$50,000.00 on a monthly basis. The Shtern Agreement is still in effect.

The Company entered into an independent contractor agreement with Scott Donnell dated July 1, 2019, as amended on April 1, 2020 (the “**Donnell Agreement**”) which outlined the terms and conditions under which Mr. Donnell provided various executive consulting services to the Company. The term of the Donnell Agreement was for an initial period of three months which may be extended thereafter on a month-to-month basis. Pursuant to the Donnell Agreement, Mr. Donnell was paid \$8,000 per month for the period from July 1, 2019 to March 31, 2020 and \$16,000 per month starting April 1, 2020, and to be reimbursed by the Company for any reasonable expenses pursuant to the Donnell Agreement. The Donnell Agreement was terminated upon the resignation of Mr. Donnell from his position as CEO and a director of the Company on May 28, 2021.

The Company entered into a consulting agreement dated June 12, 2020 (the “**Baron Consulting Agreement**”) between the Company and Baron Global Financial Canada Ltd. (“**Baron**”), Baron provided various administrative, management and related services to the Company in the financial year ended December 31, 2021. Under the Baron Consulting Agreement, Baron agreed to provide corporate advisory services to the Company, including advising of corporate governance principles and policies; advising of issues in compliance with the standards and policies of applicable stock exchanges and regulators; advising of applicable continuous disclosure requirements; preparation of financial statements and management’s discussion and analysis; liaison and coordination with legal counsel, transfer agent and auditor; assisting in and advising of corporate finance related matters; and making available to the company the services of various personnel of Baron as well as the services of Herrick Lau to serve as CFO of the Company (collectively, the “**CFO Services**”). Herrick Lau is the Managing Director of Baron. The Baron Consulting Agreement was terminated upon the resignation of Mr. Lau from his position as CFO of the Company on March 31, 2022.

The Company entered into an independent contractor agreement with 4114566 Canada Inc., dated August 1, 2021, (the “**Adessky Agreement**”) which outlined the terms and conditions under which Mr. Adessky provided various executive consulting services to the Company. The term of the Adessky Agreement is ongoing unless terminated upon providing 30-days written notice. In the year ended December 31, 2021 Mr. Adessky was paid US\$66,969 on an annual basis, representing US\$14,000 on a monthly basis (the “**Base Compensation**”). For the services provided following the achievement (as determined by the Board) of a financing milestone in accordance with the terms of the Adessky Agreement, which occurred in November 2021, the Base Compensation for Mr. Adessky was increased upon closing to US\$210,000 on an annual basis, representing US\$17,500 on a monthly basis. The Adessky Agreement is still in effect.

Oversight and Description of Director and Named Executive Officer Compensation

Director Compensation

The Board determines director compensation from time to time. Directors are not generally compensated in their capacities as such but the Company may, from time to time, grant to its directors stock options to purchase Subordinate Voting Shares pursuant to the terms of the Stock Option Plan and/or grant to its directors RSUs to purchase Subordinate Voting Shares pursuant to the terms of the RSU Plan, and in accordance with the policies of the Exchange.

Named Executive Officer Compensation

The primary objectives of the Company's compensation strategy are, (i) to provide fair compensation to the Company's executive officers, in light of their qualifications, experience and duties with the Company and compensation received by their industry peers, (ii) to provide incentive to executive officers to sustain and improve corporate performance, and (iii) generally to align the interests of the executive officers and senior employees with those of the Company's shareholders. The strategy is also intended to ensure that the Company has in place programs to attract, retain and develop management of a high calibre and provide a process for the orderly succession of management.

The process for determining executive compensation is straightforward. Compensation is discussed and awarded by the full Board without reference to any specific pre-determined goals, benchmarks or other criteria substantial input into the process. The primary goal in making specific compensation awards is to reward performance, both individually and at a corporate-level, and to provide incentive for future performance.

In keeping with the relatively simple compensation structure adopted by most venture issuers, the Company's executive compensation has two primary components, cash compensation, and security-based compensation (comprised of incentive stock options and RSUs). Cash compensation is determined by the Board on an ad hoc basis for both incumbent officers and employees and new hires. The amounts paid to Named Executive Officers for the year ended December 31, 2021 as disclosed in the Compensation Table below, were considered by the Board as being appropriate in meeting the Company's compensation objectives for the year. It is anticipated that the Company's future compensation awards will continue to be influenced by the objectives of the Company to reward performance and provide incentive, as set forth in the foregoing.

Stock options and RSUs are awarded by the Board on an ad hoc basis and are weighted more towards the incentive element of the Company's compensation strategy. The Company considers the use of stock options and RSUs to be significant in attracting, motivating and retaining employees at all levels. The Company has adopted a formal Stock Option Plan under which specific option grants are made by the Board, at its discretion and a formal RSU Plan under which specific RSU grants are made by the Board, at its discretion. In making specific grants to individuals, a number of factors are considered including, but not limited to:

- (i) the number of options and/or RSUs already held by the individual,
- (ii) a fair balance between the number of options and/or RSUs held by the individual and the other executives and employees of the Company, in light of their respective duties and responsibilities, and
- (iii) the value of the options and/or RSUs as a component of the individual's overall compensation package. Total awards are also limited by the number of options available for grant from time to time under the Company's Stock Option Plan and RSU Plan, as applicable. Options and RSUs awarded to a specific director are not voted on by that director.

Pension Disclosure

The Company does not provide a pension to its directors or named executive officers.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information relating to the Company’s equity compensation plan as at December 31, 2020. The Company has implemented a Stock Option Plan and RSU Plan, each of which are seeking shareholder approval at the Meeting:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column) ⁽²⁾
Equity compensation plans approved by Shareholders	Nil	N/A	Nil
Equity compensation plans not approved by Shareholders	7,866,875 Options 5,466,875 RSUs	\$0.40 -	1,326,931 Options 3,717,542 RSUs
Total	13,333,750	-	5,044,473

Note:

- (1) These amounts relate to Options granted under the Stock Option Plan and RSUs granted under the RSU Plan. Options and RSUs are exercisable into Subordinate Voting Shares.
- (2) These amounts relate to the total amount of Subordinate Voting Shares available for issuance pursuant to the Stock Option Plan and RSU Plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the financial year ended December 31, 2021, no director, executive officer, senior officer or nominee for director of the Company or any of their associates was indebted to the Company, nor has any of these individuals been indebted to another entity which indebtedness is the subject of a guarantee, support in agreement, letter of credit or other similar arrangement or understanding provided by the Company.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

Under National Instrument 52-110 – *Audit Committees* (“NI 52-110”), companies are required to provide disclosure with respect to their audit committee, including the text of the audit committee’s charter, the composition of the audit committee and the fees paid to the external auditor.

The Audit Committee’s role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

Pursuant to NI 52-110, the Company is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers, employees, or control persons of the Company or of an affiliate of the Company. The Audit Committee is composed of Mr. Michael Matysik (Chairman), Robert Dzisiak and Mark Timm.

Audit Committee Charter

The Company has adopted an audit committee charter in the form attached hereto as Schedule “C” to this Information Circular.

Independence

NI 52-110 provides that a member of an audit committee is “independent” if the member has no direct or indirect material relationship with the issuer, which could, in the view of the issuer’s board of directors, reasonably interfere with the exercise of the member’s independent judgment. Each member of the Audit Committee is independent.

Financial Literacy

NI 52-110 provides that an individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

All existing and proposed members of the Audit Committee are financially literate as such term is defined in NI 52-110.

Relevant Education and Experience

Each member of the Company’s Audit Committee has adequate education and experience relevant to their performance as an Audit Committee member and, in particular, the requisite education and experience that provides the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company’s financial statements or experience actively supervising individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

See “*Business to be Transacted at the Meeting - Election of Directors - Biographies of Director Nominees*” above for more information concerning each Audit Committee member’s education and experience.

Audit Committee Oversight

Since the commencement of the Company’s most recently completed financial year, the Audit Committee has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company’s most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110; or
- (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees (By Category)

Since incorporation, Manning Elliott LLP has received fees from the Company as follows:

	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees	Total
2021	US\$ 124,560	US\$ 28,073	US\$5,487	US\$-	US\$ 158,120
2020	US\$ 52,565	US\$ 6,770	US\$ 5,168	US\$ 13,540	US\$ 78,043

Notes:

- (1) "Audit Fees" means the aggregate fees billed by the Company's external auditor for the last fiscal year for audit services.
- (2) "Audit-Related Fees" means the aggregate fees billed for the last fiscal year for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under clause (1) above, including assistance with specific audit procedures on interim financial information.
- (3) "Tax Fees" means the aggregate fees billed in the last fiscal year for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning.
- (4) "All Other Fees" means the aggregate fees billed in the last fiscal year for products and services provided by the Company's external auditor, other than the services reported under clauses (1), (2) and (3) above.

Exemption

Following Listing, the Company will rely on the exemption provided in section 6.1 of NI 52-110 as it will be a "venture issuer" and therefore exempt from the requirements of Part 3 (Composition of Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE

The Board of Directors

The Board is responsible for the general supervision of the management of the Company's business and affairs with the objective of enhancing shareholder value. The Board discharges its responsibilities directly and through its committees, which currently comprise the Audit Committee only.

The Board facilitates exercise of independent supervision over management through its independent members recognizing that the Company is currently in its early stages.

The Board of the Company consists of six directors. The Board has concluded that four of the directors, Messrs. Dzisiak, McNerney, Matysik and Timm are "independent" for purposes of board membership, as defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101"). By virtue of their management positions, Messrs. Rivera and Shtern are not considered "independent".

Orientation and Continuing Education

The directors have previous positive experience with public companies and are therefore familiar with the role and responsibilities of being a public company director.

While the Company does not have a formal continuing education program, the directors individually are responsible for updating their skills required to meet their obligations as directors.

Ethical Business Conduct

The Board has not adopted specific guidelines. 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 all 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 transaction or agreement will be excluded from the portion of a board of directors' meeting concerning such matters and will be further precluded from voting on such matters.

Nomination of Directors

The Board is responsible for the identification and assessment of potential directors. While no formal nomination procedure is in place to identify new candidates, the Board reviews the experience and performance of nominees for the election to the Board, and in particular, any appointments to the Audit Committee. The Board also assesses whether any potential conflicts, independence or time commitment concerns regarding a candidate may present.

Compensation

At present, no compensation other than the grant of stock options is paid to the Company's directors, in such capacity.

Other Board Committees

The Board has no standing committees other than the Audit Committee.

Board Assessments

The Board, the Audit Committee and its individual directors are assessed as to their effectiveness and contribution. All directors and/or committee members are free to make suggestions for improvement of the practice of the Board and/or the Audit Committee at any time and are encouraged to do so.

Directorships

None of the directors are presently directors of other reporting issuers.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth below and elsewhere in this Information Circular, the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer, any person or company who owns of record, or is known by the Company to own beneficially, directly or indirectly, more than 10% of the Shares of the Company or any associate or affiliate of the foregoing persons or companies in any transaction since its incorporation or in any proposed transaction that has materially affected or is reasonably expected to materially affect the Company.

Chris Rivera is a director of the Company, and is also the President, Chief Executive Officer and Chairman of EMulate. Charles McNerney is a director of the Company, and is also a director of EMulate. However, none of these individuals received any extra or special benefit or advantage from the License Agreements (defined below) not shared on an equal basis by all shareholders of the Company.

Pursuant to the exclusive license agreement entered into as of March 29, 2019 between EMulate and the Company with respect to the Happy, Sleepy and Focus signals, as amended and restated on October 26, 2020 (the "**First License Agreement**"), (ii) the exclusive license agreement entered into as of October 30, 2019 between EMulate and the Company with respect to the Alert, Calm and Relax signals, as amended and restated on October 26, 2020 (the "**Second License Agreement**"), (iii) the exclusive license agreement entered into as of April 21, 2021 with respect to the Bedtime signal (the "**Third License Agreement**"), and (iv) the exclusive license agreement entered into as of June 29, 2021 with respect to the Boost signal (the "**Fourth License Agreement**" and, together with the First License Agreement, the Second License Agreement and the Third License Agreement, the "**License Agreements**"), EMulate granted to the Company an exclusive, royalty-bearing license under the Emulate Technology to use, sell, offer for sale, lease, rent, import, and otherwise commercialize any product (a) that is composed of components authorized for use by EMulate, (b) that transmits the magnetic field encoded by one or more signals in a manner approved by EMulate, and (c) the use, sale, lease, rental, importation or manufacture of which would, but for the license granted to the Company hereunder, either infringe a valid claim of certain EMulate patents or use certain EMulate know-how (the "**Authorized Product**") in the recreational and/or non- medical use (i.e., use that is not regulated by any

governmental body under applicable laws) in humans of the Authorized Product (the “**Field**”) worldwide; provided, that “worldwide” excludes any national/federal, provincial/regional/state, or local jurisdiction that, with respect to the signal in question, does not or ceases to permit the use of such signal as contemplated in the License Agreements or otherwise, directly or indirectly, limits the full and free exercise of all of the rights with respect to such signal granted to EMulate under the License Agreements (“**Territory**”) during the term of the License Agreements. In addition, EMulate granted to the Company an exclusive, royalty-bearing license under EMulate’s know-how, patents and interests in certain joint patents and joint know-how (the “**EMulate Technology**”) to ship, label and package Authorized Product for use in the Field in the Territory.

EMulate Technology includes certain signals acquired through the practice of patents granted to EMulate. To date, EMulate has received 32 global patents on technologies relating to the Hapbee Wearable Wellness Product. These patents are related to signal acquisition. Under EMulate Therapeutics’ license agreements with Hapbee, certain signals acquired through the practice of these patents are licensed to Hapbee. EMulate also granted to the Company a non-exclusive, royalty-free license under certain EMulate trademarks solely to commercialize, use, sell, offer for sale, lease, rental, and import Authorized Product in the Field in the Territory during the Term.

The Company granted to EMulate a royalty-free, fully-paid, perpetual, irrevocable, nonexclusive license, with the right to grant sublicenses through multiple tiers, in, to and under certain technology to research, develop, make, have made, commercialize, use, sell, offer for sale, lease, rent, and import any product other than Authorized Product.

The Company agreed to manufacture and supply EMulate such product, other than the Authorized Product, to EMulate or third parties designated by EMulate for use outside the Field anywhere in the world, in such quantities as EMulate will order and the Company will accept pursuant to and in accordance with a separate commercial supply agreement to be entered into between the Company and EMulate at the stated transfer price for such product.

Further, EMulate agreed to make commercially reasonable efforts to develop signals that could be used for certain uses so as to enable the Company to continue the use of the Relax signal under the terms of the Second License Agreement.

The above description of the License Agreements is qualified in its entirety by the License Agreements themselves, which have been filed under the Company’s SEDAR profile at www.sedar.com. Readers should review the License Agreements in their entirety for a better understanding of the License Agreements.

See “*Voting Securities and Principal Holders Thereof*”.

Management Contracts

Other than as described below or elsewhere in this Information Circular, there are no agreements or arrangements under which management functions of the Company or any subsidiary of the Company are, to any substantial degree, performed by a person other than the directors or executive officers of the Company or a subsidiary of the Company.

ADDITIONAL INFORMATION

Additional Information concerning the Company is available on SEDAR at www.sedar.com. Financial Information concerning the Company is provided in the Company’s comparative financial statements and Management’s Discussion and Analysis for the financial year ended December 31, 2021.

Shareholders wishing to obtain a copy of the Company’s financial statements and Management’s Discussion and Analysis may contact the Company as follows:

Kenneth S. Adessky, Secretary, Hapbee Technologies, Inc.
600-3060 St. Catherine St. W., Montreal, QC H3Z 2Z3
Telephone: 514-288-8070
[E-mail: kenny@hapbee.com](mailto:kenny@hapbee.com)

BOARD APPROVAL

The contents of this Information Circular, including the Notice of Special Meeting, have been approved and its mailing has been authorized by the directors of the Company.

DATED at Vancouver, British Columbia, the 28th day of October, 2022.-----

ON BEHALF OF THE BOARD

(signed) "Yona Shtern"

Yona Shtern

Chairman, President and Director

SCHEDULE "A"
STOCK OPTION PLAN

HAPBEE TECHNOLOGIES, INC.

STOCK OPTION PLAN

DATED AUGUST 12, 2020

TABLE OF CONTENTS

HAPBEE TECHNOLOGIES, INC.

Page No.

ARTICLE 1 DEFINITIONS AND INTERPRETATION	1
1.1 Definitions.....	1
1.2 Choice of Law.....	4
1.3 Headings	4
ARTICLE 2 PURPOSE AND PARTICIPATION	5
2.1 Purpose of Plan	5
2.2 Participation in Plan.....	5
2.3 Limits on Option Grants	5
2.4 Notification of Grant.....	5
2.5 Copy of Plan	5
2.6 Limitation on Service.....	6
2.7 No Obligation to Exercise.....	6
2.8 Agreement.....	6
2.9 Notice.....	6
2.10 Representation to TSXV	6
ARTICLE 3 NUMBER OF SHARES UNDER PLAN	6
3.1 Board to Approve Issuance of Shares	6
3.2 Number of Shares.....	6
3.3 Fractional Shares.....	7
ARTICLE 4 GRANT OF OPTIONS	7
4.1 Grant of Options	7
4.2 Record of Option Grants.....	7
4.3 Effect of Plan	7
ARTICLE 5 TERMS AND CONDITIONS OF OPTIONS	7
5.1 Exercise Period of Option	7
5.2 Number of Shares Under Option.....	7
5.3 Exercise Price of Option	8
5.4 Termination of Option	8
5.5 Vesting of Option and Acceleration.....	9
5.6 Additional Terms	9
ARTICLE 6 TRANSFERABILITY OF OPTIONS	9
6.1 Non-transferable	9
6.2 Death of Option Holder.....	9
6.3 Disability of Option Holder	10
6.4 Disability and Death of Option Holder	10
6.5 Vesting	10
6.6 Deemed Non-Interruption of Engagement.....	10
ARTICLE 7 EXERCISE OF OPTION	10
7.1 Exercise of Option	10
7.2 Issue of Share Certificates.....	10
7.3 No Rights as Shareholder.....	11
ARTICLE 8 ADMINISTRATION	11
8.1 Board or Committee.....	11
8.2 Appointment of Committee.....	11

8.3	Quorum and Voting	11
8.4	Powers of Committee.....	11
8.5	Administration by Committee.....	12
8.6	Interpretation.....	12
ARTICLE 9 APPROVALS AND AMENDMENT		12
9.1	Shareholder Approval of Plan.....	12
9.2	Amendment of Option or Plan	12
ARTICLE 10 CONDITIONS PRECEDENT TO ISSUANCE OF OPTIONS AND SHARES		13
10.1	Compliance with Laws.....	13
10.2	Obligation to Obtain Regulatory Approvals	13
10.3	Inability to Obtain Regulatory Approvals.....	13
10.4	Withholding Tax Requirements	13
ARTICLE 11 ADJUSTMENTS AND TERMINATION		13
11.1	Termination of Plan	13
11.2	No Grant During Suspension of Plan.....	14
11.3	Alteration in Capital Structure	14
11.4	Triggering Events.....	14
11.5	Notice of Termination by Triggering Event.....	14
11.6	Determinations to be Made By Committee.....	15
11.7	Options Granted to U.S. Residents or Citizens	15

HAPBEE TECHNOLOGIES, INC.

STOCK OPTION PLAN

(the “Plan”)

**ARTICLE 1
DEFINITIONS AND INTERPRETATION**

1.1 Definitions

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

- (a) **“Administrator”** means such Executive or Employee of the Company as may be designated as Administrator by the Committee from time to time, if any.
- (b) **“Associate”** means, where used to indicate a relationship with any person:
 - (i) any relative, including the spouse of that person or a relative of that person’s spouse, where the relative has the same home as the person;
 - (ii) any partner, other than a limited partner, of that person;
 - (iii) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and
 - (iv) any corporation of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the corporation.
- (c) **“Board”** means the board of directors of the Company.
- (d) **“Change of Control”** means an occurrence when either:
 - (i) a Person or Entity, other than the current “control person” of the Company (as that term is defined in the Securities Act), becomes a “control person” of the Company; or
 - (ii) a majority of the directors elected at any annual or extraordinary general meeting of shareholders of the Company are not individuals nominated by the Company’s then-incumbent Board.
- (e) **“Committee”** means a committee of the Board appointed in accordance with this Plan or if no such committee is appointed, the Board itself.
- (f) **“Company”** means Hapbee Technologies, Inc.
- (g) **“Compression Ratio”** means 100, or such other compression ratio that is in effect at the relevant time in relation to the Multiple Voting Shares;
- (h) **“Consultant”** means an individual who:
 - (i) is engaged to provide, on an ongoing bona fide basis, consulting, technical, management or other services to the Company or any Subsidiary other than services provided in relation to a “distribution” (as that term is described in the Securities Act);

- (ii) provides the services under a written contract between the Company or any Subsidiary and the individual or a Consultant Entity (as defined in paragraph (v) below);
- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or any Subsidiary; and
- (iv) has a relationship with the Company or any Subsidiary that enables the individual to be knowledgeable about the business and affairs of the Company or is otherwise permitted by applicable Regulatory Rules to be granted Options as a Consultant or as an equivalent thereof,

and includes:

- (v) a corporation of which the individual is an employee or shareholder or a partnership of which the individual is an employee or partner (a “**Consultant Entity**”); or
 - (vi) an RRSP or RRIF established by or for the individual under which he or she is the beneficiary.
- (i) “**Disability**” means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, and which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment that the Committee, acting reasonably, determines constitutes a disability.
- (j) “**Employee**” means:
- (i) an individual who works full-time or part-time for the Company or any Subsidiary and such other individual as may, from time to time, be permitted by applicable Regulatory Rules to be granted Options as an employee or as an equivalent thereto; or
 - (ii) an individual who works for the Company or any Subsidiary either full- time or on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or any Subsidiary over the details and methods of work as an employee of the Company or any Subsidiary, but for whom income tax deductions are not made at source,
- and includes:
- (iii) a corporation wholly-owned by such individual; and
 - (iv) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (k) “**Executive**” means an individual who is a director or officer of the Company or a Subsidiary, and includes:
- (i) a corporation wholly-owned by such individual; and
 - (ii) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (l) “**Exercise Notice**” means the written notice of the exercise of an Option, in the form set out as Schedule “B” hereto, duly executed by the Option Holder.
- (m) “**Exercise Period**” means the period during which a particular Option may be exercised and is the period from and including the Grant Date through to and including the Expiry Time on the Expiry

Date provided, however, that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.

- (n) **“Exercise Price”** means the price at which an Option is exercisable as determined in accordance with section [5.3](#).
- (o) **“Expiry Date”** means the date the Option expires as set out in the Option Certificate or as otherwise determined in accordance with sections [5.4](#), [6.2](#), [6.3](#), [6.4](#) or [11.4](#).
- (p) **“Expiry Time”** means the time the Option expires on the Expiry Date, which is 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date.
- (q) **“Grant Date”** means the date on which the Committee grants a particular Option, which is the date the Option comes into effect provided however that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (r) **“Insider”** means an insider as that term is defined in the Securities Act;
- (s) **“Market Value”** means the market value of the Shares as determined in accordance with section [5.3](#).
- (t) **“Multiple Voting Shares”** means one or more multiple voting shares without par value in the capital stock of the Company.
- (u) **“Option”** means an incentive share purchase option granted pursuant to this Plan entitling the Option Holder to purchase Shares of the Company.
- (v) **“Option Certificate”** means the certificate, in substantially the form set out as Schedule “A” hereto, evidencing the Option.
- (w) **“Option Holder”** means a Person or Entity who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person.
- (x) **“Person or Entity”** means an individual, natural person, corporation, government or political subdivision or agency of a government, and where two or more persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity.
- (y) **“Personal Representative”** means:
 - (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
 - (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder.
- (z) **“Plan”** means this stock option plan as from time to time amended.
- (aa) **“Regulatory Approvals”** means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of this Plan or for the Options granted from time to time hereunder.
- (bb) **“Regulatory Authorities”** means all organized trading facilities on which the Shares are listed, and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company, this Plan or the Options granted from time to time hereunder.

- (cc) **“Regulatory Rules”** means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the implementation, operation or amendment of this Plan or the Options granted from time to time hereunder including, without limitation, those of the applicable Regulatory Authorities.
- (dd) **“Securities Act”** means the *Securities Act* (British Columbia), RSBC 1996, c.418 as from time to time amended.
- (ee) **“Share”** or **“Shares”** means, as the case may be, one or more subordinate voting shares without par value in the capital stock of the Company.
- (ff) **“Share Base”** means the total of (i) the number of Shares, and (ii) the number of Multiple Voting Shares multiplied by the Compression Ratio, that are outstanding at the relevant time.
- (gg) **“Subsidiary”** means a wholly-owned or controlled subsidiary corporation of the Company.
- (hh) **“Triggering Event”** means:
 - (i) the proposed dissolution, liquidation or wind-up of the Company;
 - (ii) a proposed merger, amalgamation, arrangement or reorganization of the Company with one or more corporations as a result of which, immediately following such event, the shareholders of the Company as a group, as they were immediately prior to such event, are expected to hold less than a majority of the outstanding capital stock of the surviving corporation;
 - (iii) the proposed acquisition of all or substantially all of the issued and outstanding shares of the Company by one or more Persons or Entities;
 - (iv) a proposed Change of Control of the Company;
 - (v) the proposed sale or other disposition of all or substantially all of the assets of the Company; or
 - (vi) a proposed material alteration of the capital structure of the Company which, in the opinion of the Committee, is of such a nature that it is not practical or feasible to make adjustments to this Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect.
 - (vii) **“TSXV”** means the TSX Venture Exchange Inc.
 - (viii) **“Vest”** or **“Vesting”** means that a portion of the Option granted to the Option Holder which is available to be exercised by the Option Holder at any time and from time to time.

1.2 Choice of Law

The Plan is established under, and the provisions of the Plan shall be subject to and interpreted and construed in accordance with, the laws of the Province of British Columbia. The Company and each Option Holder hereby attorn to the exclusive jurisdiction of the Courts of British Columbia in respect of any legal proceedings relating to the Plan or Options granted hereunder.

1.3 Headings

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

ARTICLE 2 PURPOSE AND PARTICIPATION

2.1 Purpose of Plan

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

2.2 Participation in Plan

The Committee shall, from time to time and in its sole discretion, determine those Executives, Employees and Consultants, if any, to whom Options are to be granted.

2.3 Limits on Option Grants

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

- (a) the maximum number of Options which may be granted to any one Option Holder under the Plan within any 12 month period shall be 5% of the Share Base (unless the Company has obtained disinterested shareholder approval as required by the TSXV);
- (b) the maximum number of Options which may be granted to Insiders within any 12 month period must not exceed 10% of the Share Base (including any Options which are granted and exercised within that 12 month period unless the Company has obtained disinterested shareholder approval as required by the TSXV);
- (c) with respect to section [5.1](#), the Expiry Date of an Option shall be no later than the tenth anniversary of the Grant Date of such Option;
- (d) the maximum number of Options which may be granted to any one Consultant within any 12 month period must not exceed 2% of the Share Base; and
- (e) the maximum number of Options which may be granted within any 12 month period to Employees or Consultants engaged in investor relations activities must not exceed 2% of the Share Base and such options must vest in stages over 12 months with no more than 25% of the Options vesting in any three month period,

and such limitation will not be an amendment to this Plan requiring the Option Holders consent under [section 9.2](#).

2.4 Notification of Grant

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

2.5 Copy of Plan

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

2.6 Limitation on Service

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

2.7 No Obligation to Exercise

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

2.8 Agreement

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

2.9 Notice

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

2.10 Representation to TSXV

As a condition precedent to the issuance of an Option, the Company and the Option Holder must be able to represent to the TSXV as of the Grant Date that the Option Holder is a bona fide Executive, Employee or Consultant of the Company or any Subsidiary. The Option Certificate to which the Option Holder is a party must contain such a representation by the Option Holder.

ARTICLE 3 NUMBER OF SHARES UNDER PLAN

3.1 Board to Approve Issuance of Shares

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

3.2 Number of Shares

Subject to adjustment as provided for herein, if the Company is listed on the TSXV, the number of Shares which will be available for purchase pursuant to Options granted pursuant to this Plan will not exceed 10% of the Share Base on the particular date of grant of Options. If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Plan.

3.3 Fractional Shares

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

ARTICLE 4 GRANT OF OPTIONS

4.1 Grant of Options

The Committee shall, from time to time in its sole discretion, grant Options to such Persons or Entities and on such terms and conditions as are permitted under this Plan.

4.2 Record of Option Grants

The Committee shall be responsible to maintain a record of all Options granted under this Plan and such record shall contain, in respect of each Option:

- (a) the name and address of the Option Holder;
- (b) the category (Executive, Employee or Consultant) under which the Option was granted to him, her or it;
- (c) the Grant Date and Expiry Date of the Option;
- (d) the number of Shares which may be acquired on the exercise of the Option and the Exercise Price of the Option;
- (e) the vesting and other additional terms, if any, attached to the Option; and
- (f) the particulars of each and every time the Option is exercised.

4.3 Effect of Plan

All Options granted pursuant to the Plan shall be subject to the terms and conditions of the Plan notwithstanding the fact that the Option Certificates issued in respect thereof do not expressly contain such terms and conditions but instead incorporate them by reference to the Plan. The Option Certificates will be issued for convenience only and in the case of a dispute with regard to any matter in respect thereof, the provisions of the Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

ARTICLE 5 TERMS AND CONDITIONS OF OPTIONS

5.1 Exercise Period of Option

Subject to sections [5.4](#), [6.2](#), [6.3](#), [6.4](#) and [11.4](#), the Grant Date and the Expiry Date of an Option shall be the dates fixed by the Committee at the time the Option is granted and shall be set out in the Option Certificate issued in respect of such Option.

5.2 Number of Shares Under Option

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

5.3 Exercise Price of Option

The Exercise Price at which an Option Holder may purchase a Share upon the exercise of an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Exercise Price shall not be less than the Market Value of the Shares as of the Grant Date. The Market Value of the Shares for a particular Grant Date shall be determined as follows:

- (a) for each organized trading facility on which the Shares are listed, Market Value will be the closing trading price of the Shares on the day immediately preceding the Grant Date, and may be less than this price if it is within the discounts permitted by the applicable Regulatory Authorities;
- (b) if the Company's Shares are listed on more than one organized trading facility, the Market Value shall be the Market Value as determined in accordance with subparagraph (a) above for the primary organized trading facility on which the Shares are listed, as determined by the Committee, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;
- (c) if the Company's Shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the Grant Date, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee; and
- (d) if the Company's Shares are not listed on any organized trading facility, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee to be the fair value of the Shares, taking into consideration all factors that the Committee deems appropriate, including, without limitation, recent sale and offer prices of the Shares in private transactions negotiated at arms' length.

Notwithstanding anything else contained herein, in no case will the Market Value be less than the minimum prescribed by each of the organized trading facilities that would apply to the Company on the Grant Date in question.

5.4 Termination of Option

Subject to such other terms or conditions that may be attached to Options granted hereunder, an Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Committee at the time the Option is granted as set out in the Option Certificate and the date established, if applicable, in paragraphs (a) or (b) below or sections [6.2](#), [6.3](#), [6.4](#) and [11.4](#) of this Plan:

- (a) *Ceasing to Hold Office* - In the event that the Option Holder holds his or her Option as an Executive and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 30th day following the date the Option Holder ceases to hold such position unless the Option Holder ceases to hold such position as a result of:
 - (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company;
 - (ii) a special resolution having been passed by the shareholders of the Company removing the Option Holder as a director of the Company or any Subsidiary; or
 - (iii) an order made by any Regulatory Authority having jurisdiction to so order;in which case the Expiry Date shall be the date the Option Holder ceases to hold such position; or

(b) *Ceasing to be Employed or Engaged* - In the event that the Option Holder holds his or her Option as an Employee or Consultant and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 30th day following the date the Option Holder ceases to hold such position, unless the Option Holder ceases to hold such position as a result of:

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

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

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

5.5 Vesting of Option and Acceleration

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

5.6 Additional Terms

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Committee may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in a schedule attached to the Option Certificate. The Option Certificates will be issued for convenience only, and in the case of a dispute with regard to any matter in respect thereof, the provisions of this Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

ARTICLE 6 TRANSFERABILITY OF OPTIONS

6.1 Non-transferable

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

6.2 Death of Option Holder

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

6.3 Disability of Option Holder

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

6.4 Disability and Death of Option Holder

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

6.5 Vesting

Notwithstanding any vesting schedule to which Options are subject, Options shall cease to vest immediately if the employment or engagement of an Option Holder as an Employee or Consultant or the position of an Option Holder as a director or officer of the Company or a Subsidiary is terminated for any reason whatsoever. In which case, the Option Holder may only exercise such number of Options that are vested as at the date of termination of such Option Holder's employment, engagement or appointment as a director or officer.

6.6 Deemed Non-Interruption of Engagement

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

ARTICLE 7 EXERCISE OF OPTION

7.1 Exercise of Option

An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder. An Option Holder or the Personal Representative of any Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period up to the Expiry Time on the Expiry Date by delivering to the Administrator the required Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option.

7.2 Issue of Share Certificates

As soon as reasonably practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares so purchased. All Share Certificates issued pursuant to the Plan shall be subject to the applicable hold periods set by the Regulatory Rules. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall also provide a new Option Certificate for the balance of Shares available under the Option to the Option Holder concurrent with delivery of the Share Certificate.

7.3 No Rights as Shareholder

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

ARTICLE 8 ADMINISTRATION

8.1 Board or Committee

The Plan shall be administered by the Board, by a Committee of the Board appointed in accordance with section [8.2](#), or by an Administrator appointed in accordance with paragraph [8.4\(b\)](#).

8.2 Appointment of Committee

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

8.3 Quorum and Voting

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

8.4 Powers of Committee

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

- (a) administer the Plan in accordance with its terms;
- (b) appoint or replace the Administrator from time to time;
- (c) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Value of the Shares;
- (d) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
- (e) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan;
- (f) determine the duration and purposes of leaves of absence from employment or engagement by the Company which may be granted to Option Holders without constituting a termination of employment or engagement for purposes of the Plan;
- (g) do the following with respect to the granting of Options:
 - (i) determine the Executives, Employees or Consultants to whom Options shall be granted, based on the eligibility criteria set out in this Plan;

- (ii) determine the terms of the Option to be granted to an Option Holder including, without limitation, the Grant Date, Expiry Date, Exercise Price and vesting schedule (which need not be identical with the terms of any other Option);
- (iii) subject to any necessary Regulatory Approvals and section 9.2, amend the terms of any Options;
- (iv) determine when Options shall be granted; and
- (v) determine the number of Shares subject to each Option;
- (h) accelerate the vesting schedule of any Option previously granted; and
- (i) make all other determinations necessary or advisable, in its sole discretion, for the administration of the Plan.

8.5 Administration by Committee

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

8.6 Interpretation

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

ARTICLE 9 APPROVALS AND AMENDMENT

9.1 Shareholder Approval of Plan

If required by a Regulatory Authority or by the Committee, this Plan may be made subject to the approval of a majority of the votes cast at a meeting of the shareholders of the Company or by a majority of votes cast by disinterested shareholders at a meeting of shareholders of the Company. If shareholder approval is required, any Options granted under this Plan prior to such time will not be exercisable or binding on the Company unless and until such shareholder approval is obtained.

9.2 Amendment of Option or Plan

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

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

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

ARTICLE 10
CONDITIONS PRECEDENT TO ISSUANCE OF OPTIONS AND SHARES

10.1 Compliance with Laws

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

10.2 Obligation to Obtain Regulatory Approvals

In administering this Plan, the Committee will seek any Regulatory Approvals which may be required. The Committee will not permit any Options to be granted without first obtaining the necessary Regulatory Approvals unless such Options are granted conditional upon such Regulatory Approvals being obtained. The Committee will make all filings required with the Regulatory Authorities in respect of the Plan and each grant of Options hereunder. No Option granted will be exercisable or binding on the Company unless and until all necessary Regulatory Approvals have been obtained. The Committee shall be entitled to amend this Plan and the Options granted hereunder in order to secure any necessary Regulatory Approvals and such amendments will not require the consent of the Option Holders under section [9.2](#).

10.3 Inability to Obtain Regulatory Approvals

The Company shall not be liable with respect to the failure to complete any transaction related to this Plan, including the exercise of Options or the lawful issuance and sale of any Shares pursuant to such Options, if the Company was unable to obtain Regulatory Approval from any applicable Regulatory Authority, which Regulatory Approval is deemed by the Committee to be necessary to complete such transaction.

10.4 Withholding Tax Requirements

Upon exercise of an Option, the Option Holder shall, upon notification of the amount due and prior to the delivery of the certificates representing the Shares, pay to the Company amounts necessary to satisfy applicable federal and provincial withholding tax requirements and, if applicable, Canada Pension Plan contributions, in such amount as determined by the Company, or shall otherwise make arrangements satisfactory to the Company for such requirements. In order to implement this provision, the Company or any related corporation shall have the right to retain and withhold from any payment of cash or Shares under this Plan the amount of taxes and, if applicable, Canada Pension Plan contributions, in such amount as determined by the Company, to be withheld or otherwise deducted and paid with respect to such payment. At its discretion, the Company may require an Option Holder receiving Shares to reimburse the Company for any such taxes and Canada Pension Plan contributions required to be withheld by the Company and withhold any distribution to the Option Holder in whole or in part until the Company is so reimbursed. In lieu thereof, the Company shall have the right to withhold from any other cash amounts due or to become due from the Company to the Option Holder an amount equal to such taxes and, if applicable, Canada Pension Plan contributions as determined by the Company. The Company may also retain and withhold or the Option Holder may elect, subject to approval by the Company at its sole discretion, to have the Company retain and withhold a number of Shares having a market value of not less than the amount of such taxes and, if applicable, Canada Pension Plan contributions, as determined by the Company, required to be withheld by the Company to reimburse the Company for any such taxes and cancel (in whole or in part) any such Shares so withheld.

ARTICLE 11
ADJUSTMENTS AND TERMINATION

11.1 Termination of Plan

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

11.2 No Grant During Suspension of Plan

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

11.3 Alteration in Capital Structure

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

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

For purposes of this section [11.3](#), and without limitation, neither:

- (c) the issuance of additional securities of the Company in exchange for adequate consideration (including services); nor
- (d) the conversion of outstanding securities of the Company into Shares shall be deemed to be material alterations of the capital structure of the Company.

Any adjustment made to any Options pursuant to this section [11.3](#) shall not be considered an amendment requiring the Option Holder's consent for the purposes of section [9.2](#).

11.4 Triggering Events

Subject to the Company complying with section [11.5](#) and any necessary Regulatory Approvals and notwithstanding any other provisions of this Plan or any Option Certificate, the Committee may, without the consent of the Option Holder or Holders in question:

- (a) cause all or a portion of any of the Options granted under the Plan to terminate upon the occurrence of a Triggering Event; or
- (b) cause all or a portion of any of the Options granted under the Plan to be exchanged for incentive stock options of another corporation upon the occurrence of a Triggering Event in such ratio and at such exercise price as the Committee deems appropriate, acting reasonably.

Such termination or exchange shall not be considered an amendment requiring the Option Holder's consent for the purpose of section [9.2](#).

11.5 Notice of Termination by Triggering Event

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

11.6 Determinations to be Made By Committee

Adjustments and determinations under this [ARTICLE 11](#) shall be made by the Committee, whose decisions as to what adjustments or determination shall be made, and the extent thereof, shall be final, binding, and conclusive.

11.7 Options Granted to U.S. Residents or Citizens

The Options and the Shares issuable upon exercise of the Options have not been registered under the *United States Securities Act of 1933*, as amended (the “**U.S. Securities Act**”) or any applicable securities law of any state of the United States and may not be granted to, or exercised by or on behalf of, any person in the United States, any U.S. person or any person acting for the account or benefit of a U.S. person or person in the United States unless exempt from the registration requirements of the U.S. Securities Act and any applicable securities law of any state of the United States. The Options granted, and the Shares issued upon exercise of Options, in the United States, to or by or on behalf of a U.S. person or any person acting for the account or benefit of a U.S. person or person in the United States will bear a legend restricting the transfer and exercise of such Options and Shares unless such offer, sale, pledge or transfer is pursuant to an exemption from the U.S. Securities Act and in accordance with any applicable securities laws of any state of the United States. “United States” and “U.S. person” are as defined in Regulation S under the U.S. Securities Act.

Any Option granted under the Plan to an Option Holder who is a citizen or resident of the United States (including its territories, possessions and all areas subject to the jurisdiction) (a “**U.S. Option Holder**”) may be an incentive stock option (an “**ISO**”) within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, of the United States (the “Code”), but only if so designated by the Company in the agreement evidencing such Option, and only to the extent such option qualifies as an ISO under this [section 11.7](#). No more than 5,000,000 Shares may be granted under Options intended to be ISOs, subject to adjustment as provided in section 11.3. No provision of this Plan, as it may be applied to a U.S. Option Holder with respect to Options which are designated as ISOs, shall be construed so as to be inconsistent with any provision of Section 422 of the Code. Grants of Options to U.S. Option Holders pursuant to this Plan which are not designated as or otherwise do not qualify as ISOs will be treated as non- statutory stock options for U.S. federal tax purposes. The Exercise Price for Shares under each Option granted to a U.S. Option Holder pursuant to this Plan shall be not less than 100% of the Market Value of such Shares at the time granted, (unless such Option is granted pursuant to an assumption or substitution for another option in a manner satisfying the provisions of Sections 409A and 424(a) of the Code). Options will be granted and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Code Section 409A, except as otherwise determined in the sole discretion of the Administrator. The Plan and each Option Agreement under the Plan is intended to meet the requirements of Code Section 409A and will be construed and interpreted in accordance with such intent, except as otherwise determined in the sole discretion of the Administrator. Notwithstanding any provision of the Plan to the contrary, in the event that the Administrator determines that any this Plan or any Option hereunder may be subject to Section 409A of the Code and related Treasury Regulations and other interpretive guidance issued thereunder, the Administrator may adopt such amendments to the Plan and the applicable agreement or adopt other policies and procedures (including amendments, policies, and procedures with retroactive effect), or take any other actions, that the Administrator determines are necessary or appropriate to (a) exempt the Option from section 409A of the Code and/or preserve the intended tax treatment of the benefits provided with respect to the Option, or (b) comply with the requirements of Section 409A of the Code and related Treasury Regulations and other interpretive guidance thereunder and thereby avoid the application of any penalty taxes under such section.

Notwithstanding anything in this Plan contained to the contrary, the following provisions shall apply to ISOs granted to each U.S. Option Holder:

- (a) ISOs shall only be granted to individual U.S. Option Holders who are, at the time of grant, employees of the Company (within the meaning of the Code). Any director of the Company who is a U.S. Option Holder shall be ineligible to vote upon the granting of such Option;
- (b) the aggregate Market Value (determined as of the time an ISO is granted) of the Shares subject to ISOs exercisable for the first time by a U.S. Option Holder during any calendar year under this Plan and all other Company stock option plans, within the meaning of Section 422 of the Code, shall not exceed US\$100,000. To the extent that this US\$100,000 limit is exceeded, such Options will be treated as non-statutory stock options. For purposes of this paragraph, (i) ISOs will be taken into

account in the order in which they were granted and (ii) the calculation will be performed in accordance with Code Section 422 and Treasury Regulations promulgated thereunder.

- (c) if any U.S. Option Holder to whom an ISO is to be granted under the Plan at the time of the grant of such ISO is the owner of shares possessing more than 10% of the total combined voting power of all classes of shares of the Company, then the following special provisions shall be applicable to the ISO granted to such individual:
 - (i) the Exercise Price (per Share) subject to such ISO shall not be less than 110% of the Market Value of one Share at the time of grant; and
 - (ii) for the purposes of this paragraph only, the exercise period shall not exceed 5 years from the date of grant;
- (d) no ISO may be granted hereunder to a U.S. Option Holder following the expiration of 10 years after the date on which this Plan is adopted by the Company or the date on which the Plan is approved by the shareholders of the Company, whichever is earlier;
- (e) no Option granted U.S. Option Holder under the Plan shall be treated as an ISO unless the Plan shall have been approved by the shareholders of the Company within 12 months following the date of its adoption by the Board;
- (f) Options shall lose their qualification as ISOs if any leave of absence exceeds 3 months, unless reemployment upon expiration is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then 6 months following the first day of such leave, any ISO held by a U.S. Option Holder will cease to be treated as an ISO and will be treated for tax purposes as a non-statutory stock option;
- (g) no ISO shall be transferable by a U.S. Option Holder other than by will or the laws of descent and distribution; and
- (h) during the lifetime of the original grantee of an ISO, such ISO may not be exercised by anyone other than such grantee.

SCHEDULE "A"

[Include the following Exchange hold period for stock options granted to: (i) directors, officers and promoters;

(ii) over 10% shareholders; and (iii) any Option Holder if the exercise price of the stock options granted is based on less than Market Price.]

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

[For Options issued in the United States or to, or for the account or benefit of U.S. Persons: THIS OPTION AND THE SHARES ISSUABLE UPON EXERCISE OF THIS OPTION HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY ACCEPTING THESE SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH RULE 144 OF THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF (C) AND (D), THE SELLER FURNISHES TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY TO SUCH EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.]

HAPBEE TECHNOLOGIES, INC. STOCK OPTION PLAN

OPTION CERTIFICATE

This Option Certificate is issued pursuant to the provisions of the Stock Option Plan (the "Plan") of Hapbee Technologies, Inc. (the "Company") and evidences that ____ [Name of Option Holder] is the holder (the "Option Holder") of an option (the "Option") to purchase up to ____ subordinate voting shares (the "Shares") in the capital of the Company at a purchase price of Cdn.\$ _____ per Share (the "Exercise Price"). This Option may be exercised at any time and from time to time from and including the following Grant Date through to and including up to 5:00 p.m. local time in Vancouver, British Columbia (the "Expiry Time") on ___, subject to the provisions of the Plan (the "Expiry Date"). The Grant Date of this Option is _____.

[Include the following for Options issued in the United States or to, or for the account or benefit of U.S. Persons:]

[Type of Option: [Incentive Stock Option] [Non-statutory Stock Option]]

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

This Option Certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This Option Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the

Company shall prevail. This Option is also subject to the terms and conditions contained in the schedules, if any, attached hereto.

[Include the following Exchange hold period for stock options granted to: (i) directors, officers and promoters; (ii) over 10% shareholders; and (iii) any Option Holder if the exercise price of the stock options granted is based on less than Market Price.]

[Any share certificates issued pursuant to an exercise of the Option before _ [date four months and one day after Grant Date] will contain the following legend: “Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until _____[date four months and one day after Grant Date].”]

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

“THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY ACCEPTING THESE SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATIONS UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH RULE 144 OF THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF (C) AND (D), THE SELLER FURNISHES TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY TO SUCH EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.”

This Option was granted to the Option Holder in his or her capacity as a bona fide Director, Officer, Employee or Consultant of the Company (**circle appropriate relationship with the Company**), and shall continue in effect should his or her status change and he or she continue in a new capacity as a Director, Officer, Employee or Consultant of the Company

HAPBEE TECHNOLOGIES, INC.

Authorized Signatory

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

By signing this Option Certificate, the undersigned also provides its express written consent to:

- (i) the disclosure of Personal Information (as defined below) by the Company to the TSX Venture Exchange (the “**Exchange**”) with respect to any and all forms required to be filed by the Company with the Exchange with respect to the grant of this Option; and
- (j) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6A of the Corporate Finance Manual of the Exchange, or as otherwise identified by the Exchange, from time to time.

“Personal Information” means any information about an identifiable individual, and includes the information contained in the Form 4G – Summary Form – Incentive Stock Options to be filed by the Company with the Exchange.

Signature of Option Holder:

_____ Date signed: _____
Signature

Print Name

Address

OPTION CERTIFICATE – SCHEDULE

[Complete the following additional terms and any other special terms, if applicable, or remove the inapplicable terms or this schedule entirely.]

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

1. The Options will not be exercisable unless and until they have vested and then only to the extent that they have vested. The Options will vest in accordance with the following:
 - (a) _____ Shares (____%) will vest and be exercisable on or after the Grant Date;
 - (b) _____ additional Shares (____%) will vest and be exercisable on or after _____ [date];
 - (c) _____ additional Shares (____%) will vest and be exercisable on or after _____ [date];
and
 - (d) _____ additional Shares (____%) will vest and be exercisable on or after _____ [date];
2. Upon the Option Holder ceasing to hold a position with the Company, other than as a result of the events set out in paragraphs 5.4(a) or 5.4(b) of the Plan, the Expiry Date of the Option shall be _____ [Insert date desired that is longer or shorter than the standard 30 days as set out in the Plan] following the date the Option Holder ceases to hold such position.

SCHEDULE "B"
HAPBEE TECHNOLOGIES, INC. STOCK OPTION PLAN

NOTICE OF EXERCISE OF OPTION

TO: Hapbee Technologies, Inc. (the "**Company**")

The undersigned hereby irrevocably exercises stock options (the "**Options**") of the Company previously granted to the undersigned on _____, and as such subscribes for _____ subordinate voting shares (the "**Shares**") of the Company at a price of \$ _____ Share for a total purchase price of \$ _____ (the "**Exercise Price**").

The undersigned encloses herewith a cheque, bank draft or money order or has transmitted good same day funds by wire or other lawful money of Canada payable to or to the order of the Company in payment of the Exercise Price.

The undersigned hereby directs that the Shares subscribed for be registered and delivered as follows:

(Name – please print)

(Account Number (if applicable))

(Address – including postal code)

The undersigned acknowledges the Option is not validly exercised unless this Notice is completed in strict compliance with this form and delivered to the required address with the required payment prior to 5:00 p.m. local time in Vancouver, B.C. on the Expiry Date of the Option.

Dated: _____

Name: _____

Signature: _____

Address: _____

SCHEDULE "B"

RSU PLAN

HAPBEE TECHNOLOGIES, INC.
RESTRICTED STOCK UNIT PLAN

PART 1
GENERAL PROVISIONS

Establishment and Purpose

1.1 The Company hereby establishes a restricted stock unit plan known as the “Hapbee Restricted Stock Unit Plan”.

1.2 The purpose of this Plan (defined below) is to allow for certain discretionary bonuses and similar awards as an incentive and reward for selected Eligible Persons related to the achievement of long-term financial and strategic objectives of the Company and the resulting increases in shareholder value. This Plan is intended to promote a greater alignment of interests between the shareholders of the Company and the selected Eligible Persons by providing an opportunity to participate in increases in the value of the Company.

Definitions

1.3 In this Plan:

- (a) **Affiliate** of any Person means a Person who would be an affiliated entity of such first mentioned Person for purposes of National Instrument 45-106 *Prospectus Exemptions* as of the date of this Hapbee Restricted Stock Unit Plan;
- (b) **Applicable Withholding Tax** has the meaning set forth in [§4.7](#);
- (c) **Award** means an agreement evidencing the grant of a Restricted Stock Unit;
- (d) **Award Payout** means the applicable Stock issuance or cash payment in respect of a vested Restricted Stock Unit pursuant and subject to the terms and conditions of this Plan and the applicable Award;
- (e) **Blackout Period** means the period of time when, pursuant to any policies of the Company or any resolution of the Board, any Shares may not be traded by certain persons as designated by the Company, including a holder of any Restricted Stock Unit;
- (f) **Board** means the Board of Directors of the Company;
- (g) **Change of Control** means:
 - (i) any Merger and Acquisition Transaction in which voting securities of the Company possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities are to be transferred to a Person or Persons (other than any of its Affiliates) different from the Persons holding those securities immediately prior to such transaction and the composition of the Board following such transaction is to be such that such directors prior to the transaction constitute less than fifty percent (50%) of the directors of the Company following the transaction;
 - (ii) any Merger or Acquisition Transaction, directly or indirectly, by any Person or related group of Persons (other than the Company or a Person that directly or indirectly controls, is controlled by, or is under common control with, the Company and other than by any or its Affiliates) involving a change in the beneficial ownership of voting securities of the Company possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities;

- (iii) any acquisition, directly or indirectly, by a Person or related group of Persons of the right to appoint a majority of the directors of the Company or otherwise directly or indirectly control the management, affairs and business of the Company (other than any or its Affiliates);
- (iv) any Merger or Acquisition Transaction involving the disposition of all or substantially all of the assets of the Company; and
- (v) a complete liquidation or dissolution of the Company;

provided however, that a Change in Control shall not be deemed to have occurred if such Change in Control results solely from the issuance, in connection with a *bona fide* financing or series of financings by the Company or any of its Affiliates, of voting securities of the Company or any of its Affiliates or any rights to acquire voting securities of the Company or any of its Affiliates which are convertible into voting securities;

(h) **Committee** means the Compensation Committee of the Board, consisting of not less than three directors, to whom the authority of the Board is delegated in accordance [with §1.5](#);

(i) **Company** means Hapbee Technologies, Inc. and includes any successor company thereto;

(j) **Compression Ratio** means 100, or such other compression ratio that is in effect at the relevant time in relation to the Multiple Voting Shares;

(k) **Consultant** means, in relation to the Company, an individual or Consultant Company, other than an employee of the Company, that:

- (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to an Affiliate of the Company, other than services provided in relation to a distribution of securities;
- (ii) provides the services under a written contract between the Company or the Affiliate and the individual or the Consultant Company;
- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate of the Company; and
- (iv) has a relationship with the Company or an Affiliate of the Company that enable the individual to be knowledgeable about the business and affairs of the Company;

(l) **Consultant Company** means for an individual Consultant, a company or partnership of which the individual is an employee, shareholder or partner;

(m) **Director** means a member of the Board or of the board of directors of a Related Entity;

(n) **Eligible Person** means any person who is a Director, Employee, Officer or Consultant;

(o) **Employee** means an employee of the Company or of a Related Entity;

(p) **Expiry Date** means December 31 of the third calendar year after the Grant Date, or such earlier date as may be established by the Board in respect of an Award at the time of grant of the Award;

(q) **Fair Market Value** means, as at a particular date, for the purpose of calculating the applicable Vesting Date Value and Award Payout,

- (i) if the Shares are listed on the TSXV, the greater of: (i) the weighted average of the trading price per Share on the TSXV for the last five trading days ending on that date; and (ii) the closing price of the Shares on the day before that date,
 - (ii) if the Shares are listed on the TSX, the volume weighted average price per Share traded on the TSX over the last five trading days preceding that date,
 - (iii) if the Shares are not listed on the TSX or the TSXV, the value established by the Board based on the volume weighted average price per Share traded on any other public exchange on which the Shares are listed over the same period, or
 - (iv) if the Shares are not listed on any public exchange, the value per Share established by the Board based on its determination of the fair value of a Share;
- (r) **Grant Date** means the date of grant of any Restricted Stock Unit;
- (s) **IFRS** means the International Financial Reporting Standards as adopted by the Accounting Standards Board of Canada;
- (t) **Insider** means: (i) a Director or Officer of the Company; (ii) a Director or Officer of a company that is an Insider or Related Entity of the Company; (iii) a person that beneficially owns or controls, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company; and (iv) the Company itself if it holds any of its own securities;
- (u) **Merger and Acquisition Transaction** means:
- (i) any merger or consolidation;
 - (ii) any acquisition;
 - (iii) any amalgamation;
 - (iv) any offer for Shares which if successful would entitle the offeror to acquire all of the voting securities of the Company; or
 - (v) any arrangement or other scheme of reorganization;
- (v) **Multiple Voting Share** means a multiple voting share in the capital of the Company as from time to time constituted;
- (w) **Officer** means an individual who is an officer of the Company or of a Related Entity as an appointee of the Board or the board of directors of the Related Entity, as the case may be;
- (x) **Person** means an individual, body corporate, partnership, joint venture, limited liability company or trust and the heirs, beneficiaries, executors, legal representatives or administrators of an individual;
- (y) **Plan** means this Hapbee Restricted Stock Unit Plan, as amended from time to time;
- (z) **Recipient** means an Eligible Person who may be granted Restricted Stock Units from time to time under this Plan;
- (aa) **Related Entity** means a person that is controlled by the Company. For the purposes of this Plan, a person (first person) is considered to control another person (second person) if the first person, directly or indirectly, has the power to direct the management and policies of the second person by virtue of
- (i) ownership of or direction over voting securities in the second person,

- (ii) a written agreement or indenture,
 - (iii) being the general partner or controlling the general partner of the second person, or
 - (iv) being a trustee of the second person;
- (bb) **Required Approvals** has the meaning contained [in §1.7](#);
- (cc) **Restricted Period** means the period of time: (i) during a Black Out Period; and (ii) within five Business Days following the end of a Black Out Period;
- (dd) **Restricted Stock Unit** means a right granted under this Plan to receive the Award Payout on the terms contained in this Plan as more particularly described in [§4.1](#);
- (ee) **Retirement** means, with respect to a Recipient, the early or normal retirement of the Recipient within the meaning of the pension plan of the Company for salaried employees, whether or not such Recipient is a member of that pension plan, or, if the Company does not have such a plan, the date on which the Recipient reaches age 65;
- (ff) **Securities Act** means the *Securities Act*, R.S.B.C. 1996, c. 418, as amended from time to time;
- (gg) **Share** means a subordinate voting share in the capital of the Company as from time to time constituted;
- (hh) **Share Base** means the total of (i) the number of Shares, and (ii) the number of Multiple Voting Shares multiplied by the Compression Ratio, that are outstanding at the relevant time;
- (ii) **Share Compensation Arrangement** means any share option, share option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to Directors, Officers or Employees of the Company;
- (jj) **Shareholder Approval** means approval by the shareholders of the Company shareholders in accordance with the rules of the Stock Exchange;
- (kk) **Stock Exchange** means the TSX, the TSXV, or any other stock exchange on which the Shares are then listed for trading, as applicable;
- (ll) **Termination** means, with respect to a Recipient, that the Recipient has ceased to be an Eligible Person, other than as a result of Retirement, and has ceased to fulfill any other role as employee or officer of the Company or any Related Entity, including as a result of termination of employment, resignation from employment, removal as an officer, death or Total Disability;
- (mm) **Total Disability** means, with respect to a Recipient, that, solely because of disease or injury, within the meaning of the long-term disability plan of the Company, the Recipient is deemed by a qualified physician selected by the Company to be unable to work at any occupation which the Recipient is reasonably qualified to perform;
- (nn) **Trigger Date** means, with respect to a Restricted Stock Unit, the date set by the Board at the time of grant, and if no date is set by the Board, then December 1 of the third calendar year following the Grant Date of the Restricted Stock Unit, as such may be amended in accordance with [§3.6](#);
- (oo) **TSX** means The Toronto Stock Exchange;
- (pp) **TSXV** means the TSX Venture Exchange; and
- (qq) **Vesting Date Value** means the notional value, as at a particular date, of the Fair Market Value of one Share.

Administration

1.4 The Board will, in its sole and absolute discretion, but taking into account relevant corporate, securities and tax laws,

- (a) interpret and administer this Plan,
- (b) establish, amend and rescind any rules and regulations relating to this Plan, and
- (c) make any other determinations that the Board deems necessary or appropriate for the administration of this Plan.

The Board may correct any defect or any omission or reconcile any inconsistency in this Plan in the manner and to the extent the Board deems, in its sole and absolute discretion, necessary or appropriate. Any decision of the Board in the interpretation and administration of this Plan will be final, conclusive and binding on all parties concerned. All expenses of administration of this Plan will be borne by the Company.

Delegation to Committee

1.5 All of the powers exercisable hereunder by the Board may, to the extent permitted by law and as determined by a resolution of the Board, be delegated to a Committee including, without limiting the generality of the foregoing, those referred to under [§1.4](#).

Incorporation of Terms of Plan

1.6 Subject to specific variations approved by the Board all terms and conditions set out herein will be incorporated into and form part of each Restricted Stock Unit granted under this Plan.

Effective Date

1.7 This Plan will be effective on August 12, 2020. The Board may, in its discretion, at any time, and from time to time, issue Restricted Stock Units to Eligible Persons as it determines appropriate under this Plan. However, any such issued Restricted Stock Units may not be paid out in Shares in any event until receipt of the necessary Shareholder Approval of the Company, the TSX or TSXV, and any other regulatory bodies (the “**Required Approvals**”).

Shares Reserved

1.8 The aggregate number of Shares available for issuance from treasury under this Plan, subject to adjustment pursuant to [§3.9](#), shall be 11,969,785 Shares (being 10% of the Share Base as at the date of amendment of this Plan). Any Share which was reserved for issuance pursuant to a Restricted Stock Unit, which Restricted Stock Unit has been cancelled or terminated in accordance with the terms of the Plan without being paid out as provided for in [Part 4](#) shall also be terminated or cancelled and will no longer be available under the Plan.

PART 2

LIMITATIONS ON RESTRICTED STOCK UNITS TO ANY ONE PERSON AND TO INSIDERS

2.1 Unless disinterested Shareholder Approval is obtained (or unless permitted otherwise by the rules of the Stock Exchange):

- (a) the maximum number of Shares which may be reserved for issuance to Insiders (as a group) under the Plan, together with any other Share Compensation Arrangement, may not exceed 10% of the issued Shares;

- (b) the maximum number of Restricted Stock Units that may be granted to Insiders (as a group) under the Plan, together with any other Share Compensation Arrangement, within a 12-month period, may not exceed 10% of the issued Shares calculated on the Grant Date;
- (c) subject to §1.9(e), the maximum number of Restricted Stock Units that may be granted to any one Eligible Person under the Plan, together with any other Share Compensation Arrangement, within a 12-month period, may not exceed 5% of the issued Shares calculated on the Grant Date;
- (d) subject to §1.9(e), the maximum number of Restricted Stock Units that may be granted to a Consultant, within a 12-month period, may not result in a number of Restricted Stock Units exceeding 2% of the number of Shares outstanding at the Grant Date, together with any other Share Compensation Arrangement, without the prior consent of the TSXV; and
- (e) grants of Restricted Stock Units under the Plan to any one Eligible Person may not exceed 1% of the issued Shares at the Grant Date and may not, in aggregate, exceed 2% of the issued Shares, within a 12-month period.

PART 3

AWARDS UNDER THIS PLAN

Recipients

3.1 Only Eligible Persons are eligible to participate in this Plan and receive one or more Restricted Stock Units. Restricted Stock Units that may be granted hereunder to a particular Eligible Person in a calendar year will (subject to any applicable terms and conditions) represent a right to a bonus or similar award to be received for services rendered by such Eligible Person to the Company or a Related Entity, as the case may be, in the Company's or the Related Entity's fiscal year ending in, or coincident with, such calendar year, as determined by the Board in its discretion.

Grant

3.2 The Board may, in its discretion, at any time, and from time to time, grant Restricted Stock Units to Eligible Persons as it determines is appropriate, subject to the limitations set out in this Plan. In making such grants the Board may, in its sole discretion but subject to [§3.4\(b\)\(ii\)](#), in addition to Performance Conditions set out below, impose such conditions on the vesting of the Awards as it sees fit, including imposing a vesting period on grants of Restricted Stock Units.

Performance Conditions

3.3 At the time a grant of a Restricted Stock Unit is made, the Board may, in its sole discretion, establish such performance conditions for the vesting of Restricted Stock Units as may be specified by the Committee in the Award (the "**Performance Conditions**"). The Board may use such business criteria and other measures of performance as it may deem appropriate in establishing any Performance Conditions, and may exercise its discretion to reduce the amounts payable under any Award subject to Performance Conditions. The Board may determine that an Award shall vest in whole or in part upon achievement of any one performance condition or that two or more Performance Conditions must be achieved prior to the vesting of an Award. Performance Conditions may differ for Awards granted to any one Grantee or to different Grantees.

Vesting

3.4 Except as provided in this Plan, Restricted Stock Units issued under this Plan will vest on the date (the "**Vesting Date**") that is the later of:

- (a) the Trigger Date; and

(b) the date upon which the relevant Performance Condition or other vesting condition set out in the Award has been satisfied,

provided that

- (i) Restricted Stock Units shall only vest on the Trigger Date to the extent that the Performance Conditions or other vesting conditions set out in an Award have been satisfied on or before the Trigger Date;
- (ii) if the [date in §3.4\(a\)](#) or [§3.4\(b\)](#) occurs during a Restricted Period, the Vesting Date shall be [extended to a date](#) which is the earlier of: (i) one business day following the end of such Restricted Period; and (ii) the Expiry Date; and
- (iii) no Restricted Stock Unit will remain outstanding for any period which exceeds the Expiry Date of such Restricted Stock Unit.

Forfeiture and Cancellation upon Expiry Date

3.5 Restricted Stock Units which do not vest on or before the Expiry Date of such Restricted Stock Unit will be automatically cancelled, without further act or formality and without compensation.

Amendment of Trigger Date

3.6 The Board of Directors may, at any time after a grant of a Restricted Stock Unit, accelerate the Trigger Date of such Restricted Stock Unit.

Account

3.7 Restricted Stock Units issued pursuant to this Plan (including fractional Restricted Stock Units, computed to three digits) will be credited to a notional account maintained for each Recipient by the Company for the purposes of facilitating the determination of amounts that may become payable hereunder. A written confirmation of the balance in each Recipient's account will be sent by the Company to the Recipient upon request of the Recipient.

Dividend Equivalents

3.8 On any date on which a cash dividend is paid on Shares, a Recipient's account will be credited with the number and type of Restricted Stock Units (including fractional Restricted Stock Units, computed to three digits) calculated by

- (a) multiplying the amount of the dividend per Share by the aggregate number of Restricted Stock Units that were credited to the Eligible Person's account as of the record date for payment of the dividend, and
- (b) dividing the amount obtained in [§3.8\(a\)](#) by the Fair Market Value on the date on which the dividend is paid.

Adjustments and Reorganizations

3.9 In the event of any dividend paid in shares, share subdivision, combination or exchange of shares, merger, consolidation, spin-off or other distribution of Company assets to shareholders, or any other change in the capital of the Company affecting Shares, the Board, in its sole and absolute discretion, will make, with respect to the number of Restricted Stock Units outstanding under this Plan, any proportionate adjustments as it considers appropriate to reflect that change.

Notice and Acknowledgement

3.10 No certificates will be issued with respect to the Restricted Stock Units issued under this Plan. Each Eligible Person will, prior to being granted any Restricted Stock Units, deliver to the Company a signed acknowledgement substantially in the form of Schedule “A” to this Plan.

PART 4

PAYMENTS UNDER THIS PLAN

Payment of Restricted Stock Units

4.1 Subject to the terms of this Plan and, in particular, [§4.7](#) of this Plan, the Company, in its discretion and as may be determined by the Board of Directors, will pay out vested Restricted Stock Units issued under this Plan and credited to the account of a Recipient by paying or issuing (net of any Applicable Withholding Tax) to such Recipient, on or subsequent to the Trigger Date but no later than the Expiry Date of such Vested Restricted Stock Unit, an Award Payout of either:

- (a) subject to receipt of the Required Approvals, one Share for such whole vested Restricted Stock Unit. Fractional Shares shall not be issued and where a Recipient would be entitled to receive a fractional Share in respect of any fractional vested Restricted Stock Unit, the Company shall pay to such Recipient, in lieu of such fractional Share, cash equal to the Vesting Date Value as at the Trigger Date of such fractional Share. Each Share issued by the Company pursuant to this Plan shall be issued as fully paid and non-assessable, or
- (b) a cash amount equal to the Vesting Date Value as at the Trigger Date of such vested Restricted Stock Unit.

Limitation on Issuance of Shares to Insiders

4.2 Notwithstanding anything in this Plan, the Company shall not issue Shares under this Plan to any Eligible Person who is an Insider of the Company where such issuance would result in:

- (a) the total number of Shares issuable at any time under this Plan to Insiders, or when combined with all other Shares issuable to Insiders under any other equity compensation arrangements then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Company on a non-diluted basis; and
- (b) the total number of Shares that may be issued to Insiders during any one year period under this Plan, or when combined with all other Shares issued to Insiders under any other equity compensation arrangements then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Company on a non diluted basis.

Where the Company is precluded by this [§4.2](#) from issuing Shares to an Insider of the Company, the Company will pay to the relevant Insider a cash Award Payout in an amount equal to the Vesting Date Value as at the Trigger Date of the Restricted Stock Unit.

Experts and Advisors

4.3 The Board may engage such experts (“**Experts**”) and advisors as it considers appropriate, including compensation or human resources experts or advisors, to provide advice and assistance in determining the amounts to be paid under this Plan and other amounts and values to be determined hereunder or in respect of this Plan including, without limitation, those related to a particular Fair Market Value.

Cancellation on Termination for Cause, Retirement or Voluntary Resignation

4.4 Unless the Board at any time otherwise determines, all unvested Restricted Stock Units held by any Recipient and all rights in respect thereof will be automatically cancelled, without further act or formality and without

compensation, immediately in the event of a Termination arising from the termination of employment or removal from service by the Company or a Related Entity for cause, Retirement of the Recipient or the voluntary resignation by the Recipient. In situations where the Board exercises its discretion under this §4.4, in no case shall the Restricted Stock Units, subject to such discretion, be valid beyond one year from the date of Termination.

Total Disability, Death and Termination without Cause

4.5 Unless the Board at any time otherwise determines, if a Recipient ceases to be an Eligible Person for any of the following reasons, unvested Restricted Stock Units will immediately vest on the date the Recipient ceases to be an Eligible Person:

- (a) death or Total Disability of a Recipient;
- (b) the Termination of employment or removal from service by the Company or a Related Entity without cause; and
- (c) the Termination of employment by the Recipient other than by way of Retirement of the Recipient or voluntary resignation by the Recipient.

In situations where the Board exercises its discretion under this §4.5, in no case shall the Restricted Stock Units, subject to such discretion, be valid beyond one year from the date of Termination.

Change of Control

4.6 In the event of a Change of Control, all Restricted Stock Units credited to an account of a Recipient that have not otherwise previously been cancelled pursuant to the terms of the Plan shall vest on the date on which the Change of Control occurs (the “**Change of Control Date**”). Within thirty (30) days after the Change of Control Date, but in no event later than the Expiry Date, the Participant shall receive a cash payment equal in amount to: (a) the number of Restricted Stock Units that vested on the Change of Control Date; multiplied by (b) the Fair Market Value on the Change of Control Date, net of any withholding taxes and other source deductions required by law to be withheld by the Company.

Tax Matters and Applicable Withholding Tax

4.7 The Company does not assume any responsibility for or in respect of the tax consequences of the receipt by Recipients of Restricted Stock Units, or payments received by Recipients pursuant to this Plan. The Company or relevant Related Entity, as applicable, is authorized to deduct such taxes and other amounts as it may be required or permitted by law to withhold (“**Applicable Withholding Tax**”), in such manner (including, without limitation, by selling Shares otherwise issuable to Recipients, on such terms as the Company determines) as it determines so as to ensure that it will be able to comply with the applicable provisions of any federal, provincial, state or local law relating to the withholding of tax or other required deductions, or the remittance of tax or other obligations. The Company or relevant Related Entity, as applicable, may require Recipients, as a condition of receiving amounts to be paid to them under this Plan, to deliver undertakings to, or indemnities in favour of, the Company or Related Entity, as applicable, respecting the payment by such Recipients of applicable income or other taxes.

PART 5

MISCELLANEOUS

Compliance with Applicable Laws

5.1 The issuance by the Company of any Restricted Stock Units and its obligation to make any payments hereunder is subject to compliance with all applicable laws. As a condition of participating in this Plan, each Recipient agrees to comply with all such applicable laws and agrees to furnish to the Company all information and undertakings as may be required to permit compliance with such applicable laws. The Company will have no obligation under this Plan, or otherwise, to grant any Restricted Stock Unit or make any payment under this Plan in violation of any applicable laws.

Awards to Insiders

5.2 All Awards issued to Insiders will include a legend stipulating that the Award is subject to a four-month hold period commencing the Grant Date, as required by the TSXV.

Non-Transferability

5.3 Restricted Stock Units and all other rights, benefits or interests in this Plan are non-transferable and may not be pledged or assigned or encumbered in any way and are not subject to attachment or garnishment, except that if a Recipient dies the legal representatives of the Recipient will be entitled to receive the amount of any payment otherwise payable to the Recipient hereunder in accordance with the provisions hereof.

No Right to Service

5.4 Neither participation in this Plan nor any action under this Plan will be construed to give any Eligible Person or Recipient a right to be retained in the service or to continue in the employment of the Company or any Related Entity, or affect in any way the right of the Company or any Related Entity to terminate his or her employment at any time.

Successors and Assigns

5.5 This Plan will enure to the benefit of and be binding upon the respective legal representatives of the Eligible Person.

Plan Amendment

5.6 Subject to all necessary approvals of the TSXV, the Board may amend this Plan as it deems necessary or appropriate, subject to the requirements of applicable laws, but no amendment will, without the consent of the Recipient or unless required by law, adversely affect the rights of a Recipient with respect to Restricted Stock Units to which the Recipient is then entitled under this Plan.

Plan Termination

5.7 The Board may terminate this Plan at any time, but no termination will, without the consent of the Recipient or unless required by law, adversely affect the rights of a Recipient with respect to Restricted Stock Units to which the Recipient is then entitled under this Plan. In no event will a termination of this Plan accelerate the vesting of Restricted Stock Units or the time at which a Recipient would otherwise be entitled to receive any payment in respect of Restricted Stock Units hereunder.

Governing Law

5.8 This Plan and all matters to which reference is made in this Plan will be governed by and construed in accordance with the laws of British Columbia and the federal laws of Canada applicable therein.

Reorganization of the Company

5.9 The existence of this Plan or Restricted Stock Units will not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or to create or issue any bonds, debentures, Shares or other securities of the Company or to amend or modify the rights and conditions attaching thereto or to effect the dissolution or liquidation of the Company, or any amalgamation, combination, merger or consolidation involving the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

No Shareholder Rights

5.10 Restricted Stock Units are not considered to be Shares or securities of the Company, and a Recipient who is issued Restricted Stock Units will not, as such, be entitled to receive notice of or to attend any shareholders' meeting of the Company, nor entitled to exercise voting rights or any other rights attaching to the ownership of Shares or other securities of the Company, and will not be considered the owner of Shares by virtue of such issuance of Restricted Stock Units.

No Other Benefit

5.11 No amount will be paid to, or in respect of, a Recipient under this Plan to compensate for a downward fluctuation in the Fair Market Value or price of a Share, nor will any other form of benefit be conferred upon, or in respect of, a Recipient for such purpose.

Unfunded Plan

5.12 For greater certainty, this Plan will be an unfunded plan, including for tax purposes and for purposes of the *Employee Retirement Income Security Act* (United States). Any Recipient to which Restricted Stock Units are credited to his or her account or holding Restricted Stock Units or related accruals under this Plan will have the status of a general unsecured creditor of the Company with respect to any relevant rights that may arise thereunder.

SCHEDULE "A"

FORM OF RESTRICTED STOCK UNIT AGREEMENT

Hapbee Technologies, Inc. (the "**Company**") hereby confirms the grant to the undersigned Recipient of Restricted Stock Units ("**Units**") described in the table below pursuant to the Company's Restricted Stock Unit Plan (the "**Plan**"), a copy of which Plan has been provided to the undersigned Recipient.

No. of Units	Trigger Date	Expiry Date

[include any specific/additional vesting period or Performance Conditions]

The Company and the undersigned Recipient hereby confirm that the undersigned Recipient is a bona fide Employee or Consultant as the case may be.

DATED _____, 20____.

HAPBEE TECHNOLOGIES, INC.

Per: _____
Authorized Signatory

The undersigned hereby accepts such grant, acknowledges being a Recipient under the Plan, agrees to be bound by the provisions thereof and agrees that the Plan will be effective as an agreement between the Company and the undersigned with respect to the Units granted or otherwise issued to it.

DATED _____, 20____.

Witness (Signature)

Name (please print)

Address

City, Province

Occupation

Recipient's Signature

Name of Recipient (print)

SCHEDULE "C"

AUDIT COMMITTEE CHARTER



HAPBEE TECHNOLOGIES, INC.

AUDIT COMMITTEE CHARTER

PURPOSE

Hapbee Technologies, Inc. (the “**Company**”) shall appoint an audit committee (the “**Committee**”) to assist the board of directors (the “**Board**”) of the Company in fulfilling its responsibilities of oversight and supervision of the accounting and financial reporting practices and procedures on behalf of the Company and its direct and indirect subsidiaries, the adequacy of internal accounting controls and procedures, and the quality and integrity of the financial statements of the Company. In addition, the Committee is responsible for overseeing the audits of the financial statements of the Company, for directing the auditors’ examination of specific areas, for the selection of the independent external auditors of the Company and for the approval of all non-audit services for which the auditors of the Company may be engaged.

I. STRUCTURE AND OPERATIONS

The Committee shall be composed of at least three members, each of whom shall be a director of the Company, and at least a majority of which shall not be executive officers, employees, or control persons of the Company or any of the Company’s associates or affiliates. In addition, the Committee shall endeavor to include a majority of members who meet the standard of “independence” as defined in National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”).

Each member of the Committee shall satisfy, or work towards satisfying, the “financial literacy” requirement of NI 52-110, by having the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that can reasonably be expected to be raised by the financial statements of the Company.

The members of the Committee shall be annually appointed by the Board and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. The members of the Committee may be removed, with or without cause, by a majority of the Board.

II. CHAIR OF THE COMMITTEE

Unless the Board elects a Chair of the Committee, the members of the Committee shall designate a Chair by the majority vote of the full Committee membership.

The Chair of the Committee shall:

- (a) Call and conduct the meetings of the Committee;
- (b) Be entitled to vote to resolve any ties;
- (c) Prepare and forward to members of the Committee the agenda for each meeting of the Committee, and include, in the agenda, any items proposed for inclusion in the agenda by any member of the Committee;
- (d) Review with the Chief Financial Officer (“**CFO**”) and the auditors for the Company any matters referred to the Chair by the CFO or the auditors of the Company;

- (e) Appoint a secretary, who need not be a member of the Committee, to take minutes of the meetings of the Committee; and
- (f) Act in a manner such that the Committee meetings are conducted in an efficient, effective and focused manner.

III. MEETINGS

The Committee shall meet at least quarterly or more frequently as circumstances dictate. As part of its goal to foster open communication, the Committee shall periodically meet with management and the external auditors in separate sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately. The Committee may meet privately with outside counsel of its choosing and the CFO of the Company, as necessary. In addition, the Committee shall meet with the external auditors and management quarterly to review the Company's financial statements in a manner consistent with that outlined in this Charter.

The Committee may invite to its meetings any partners of the Company, management and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

A majority of the Committee members, but not less than two, shall constitute a quorum. A majority of members present at any meeting at which a quorum is present may act on behalf of the Committee. The Committee may meet by telephone or videoconference and may take action by unanimous written consent with respect to matters that may be acted upon without a formal meeting.

The Committee shall maintain minutes or other records of meetings and activities of the Committee.

Notice of the time and place of every meeting shall be given in writing or electronic communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting provided however, that a member may in any manner waive a notice of a meeting. Attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

IV. RESPONSIBILITIES, DUTIES AND AUTHORITY

The following functions shall be the common recurring activities of the Committee in carrying out its responsibilities outlined in this Charter. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal and other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of this Committee.

The Committee in discharging its oversight role is empowered to investigate any matter of interest or concern that the Committee deems appropriate. In this regard, the Committee shall have the authority to retain outside counsel, accounting or other advisors for this purpose, including authority to approve the fees payable to such advisors and other terms of retention. In addition, the Committee shall have the authority to communicate directly with both external and internal auditors of the Company.

The Committee shall be given full access to the Board, management, employees and others, directly and indirectly responsible for financial reporting, and external auditors, as necessary, to carry out these responsibilities. While acting within the scope of this stated purpose, the Committee shall have all the authority of the Board.

The Committee shall be responsible for assessing the range of financial and other risks to the business and affairs of the Company that the Board shall focus on, and make recommendations to the Board about how appropriate responsibilities for continuing to identify, monitor and manage these risks are to be delegated. The Committee shall review and discuss with management and the internal and external auditors all major financial risk exposures and the steps management has taken to monitor/control those exposures. In addition, the Committee shall encourage continuous improvement of, and foster adherence to, the Company's financial policies, procedures and practices at all

levels in the organization; and provide an avenue of communication among the external auditors, management and the Board.

Absent actual knowledge to the contrary (which shall promptly reported to the Board), each member of the Committee shall be entitled to rely on: (i) the integrity of those persons or organizations within and outside the Company from which it receives information; (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations; and (iii) representations made by management and the external auditors, as to any information technology, internal audit and other non-audit services provided by the external auditors to the Company and its subsidiaries.

V. SPECIFIC RESPONSIBILITIES AND ACTIVITIES

A. Document Reports/Reviews

1. *Annual Financial Statements.* The Committee shall review with management and the external auditors, both together and separately, prior to public dissemination:

- (a) the annual audited consolidated financial statements;
- (b) the external auditors' review of the annual consolidated financial statements and their report;
- (c) any significant changes that were required in the external audit plan;
- (d) any significant issues raised with management during the course of the audit, including any restrictions on the scope of activities or access to information; and
- (e) those matters related to the conduct of the audit that are required to be discussed under generally accepted auditing standards applicable to the Company.

Following completion of the matters contemplated above and in Section [15](#), the Committee shall make a recommendation to the Board with respect to the approval of the annual financial statements with such changes contemplated and further recommended, as the Committee considers necessary.

2. *Interim Financial Statements.* The Committee shall review with management and may review with the external auditors, both together and separately, prior to public dissemination, the interim unaudited consolidated financial statements of the Company, including to the extent the Committee considers appropriate, a discussion with the external auditors of those matters required to be discussed under generally accepted auditing standards applicable to the Company.

3. *Management's Discussion and Analysis.* The Committee shall review with management and the external auditors, both together and separately prior to public dissemination, the annual Management's Discussion and Analysis of Financial Condition and Results of Operations ("**MD&A**") and the Committee shall review with management and may review with the external auditors, interim MD&A.

4. *Approval of Annual MD&A, Interim Financial Statements and Interim MD&A.* The Committee shall make a recommendation to the Board with respect to the approval of the annual MD&A with such changes contemplated and further recommended by the Committee as the Committee considers necessary. In addition, the Committee shall approve the interim financial statements and interim MD&A of the Company, if the Board has delegated such function to the Committee. If the Committee has not been delegated this function, the Committee shall make a recommendation to the Board with respect to the approval of the interim financial statements and interim MD&A with such changes contemplated and further recommended as the Committee considers necessary.

5. *Press Releases.* With respect to press releases by the Company:

- (a) The Committee shall review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.

- (b) The Committee shall review with management, prior to public dissemination, the annual and interim earnings press releases (paying particular attention to the use of any “pro forma” or “adjusted non-IFRS” information) as well as any financial information and earnings guidance provided to analysts and rating agencies.
- (c) The Committee shall be satisfied that adequate procedures are in place for the review of the Company’s public disclosure of financial information extracted or derived from the Company’s financial statements, other than public disclosure referred to in Section V.A.4 of this Charter, and periodically assess the adequacy of those procedures.

6. *Reports and Regulatory Returns.* The Committee shall review and discuss with management, and the external auditors to the extent the Committee deems appropriate, such reports and regulatory returns of the Company as may be specified by law.

7. *Other Financial Information.* The Committee shall review the financial information included in any prospectus, annual information form or information circular with management and, at the discretion of the Committee, the external auditors, both together and separately, prior to public dissemination, and shall make a recommendation to the Board with respect to the approval of such prospectus, annual information form or information circular with such changes contemplated and further recommended as the Committee considers necessary.

B. Financial Reporting Processes

8. *Establishment and Assessment of Procedures.* The Committee shall satisfy itself that adequate procedures are in place for the review of the public disclosure of financial information extracted or derived from the financial statements of the Company and assess the adequacy of these procedures annually.

9. *Application of Accounting Principles.* The Committee shall assure itself that the external auditors are satisfied that the accounting estimates and judgements made by management, and their selection of accounting principles reflect an appropriate application of such accounting principles.

10. *Practices and Policies.* The Committee shall review with management and the external auditors, together and separately, the principal accounting practices and policies of the Company.

C. External Auditors

11. *Oversight and Responsibility.* In respect of the external auditors of the Company:

- (a) The Committee, in its capacity as a committee of the Board, shall be directly responsible for, or if required by Canadian law shall make recommendations to the Board with respect to, the appointment, compensation, retention and oversight of the work of the external auditors engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditors regarding financial reporting.
- (b) The Committee is directly responsible for overseeing the work of the external auditors engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditors regarding financial reporting.

12. *Reporting.* The external auditors shall report directly to the Committee and are ultimately accountable to the Committee.

13. *Annual Audit Plan.* The Committee shall review with the external auditors and management, together and separately, the overall scope of the annual audit plan and the resources the external auditors will devote to the audit. The Committee shall annually review and approve the fees to be paid to the external auditors with respect to the annual audit.

14. *Non-Audit Services.*

- (a) “Non-audit services” means all services performed by the external auditors other than audit services. The Committee shall pre-approve all non-audit services to be provided to the Company or its subsidiaries by the Company’s external auditor and permit all non-audit services, other than non-audit services where:
 - (i) the aggregate amount of all such non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the Company’s external auditor during the fiscal year in which the services are provided;
 - (ii) the Company or its subsidiary, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
 - (iii) the services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals had been delegated by the Committee.
- (b) The Committee may delegate to one or more members of the Committee the authority to grant such pre-approvals for non-audited services. The decisions of such member(s) regarding approval of “non-audit” services shall be reported by such member(s) to the full Committee at its first scheduled meeting following such pre-approval.
- (c) The Committee shall adopt specific policies and procedures for the engagement of the non-audit services if:
 - (i) the pre-approval policies and procedures are detailed as to the particular services;
 - (ii) the Committee is informed of each non-audit service; and
 - (iii) the procedures do not include delegation of the Committee’s responsibilities to management.

15. *Independence Review.* The Committee shall review and assess the qualifications, performance and independence of the external auditors, including the requirements relating to such independence of the law governing the Company. At least annually, the Committee shall receive from the external auditors, a formal written statement delineating all relationships between the Company the external auditors, actively engage in a dialogue with the external auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditor, and, if necessary, recommend that the Board takes appropriate action to satisfy themselves of the external auditors’ independence and accountability to the Committee. In evaluating the performance of the external auditors, the Audit Committee shall evaluate the performance of the external auditors’ lead partner, and shall ensure the rotation of lead partners as required by law.

D. Internal Controls.

Management shall be required to provide the Committee, at least annually, a report on internal controls, including reasonable assurance that such controls are adequate to facilitate reliable and timely financial information. The Committee shall also review and follow-up on any areas of internal control weakness identified by the external auditors with the auditors and management.

E. Reports to Board

16. *Reports.* In addition to such specific reports contemplated elsewhere in this Charter, the Committee shall report regularly to the Board regarding such matters, including:

- (a) with respect to any issues that arise with respect to the quality or integrity of the financial statements of the Company, compliance with legal or regulatory requirements by the Company, or the performance and independence of the external auditors of the Company;
- (b) following meetings of the Committee; and
- (c) with respect to such other matters as are relevant to the Committee's discharge of its responsibilities.

17. *Recommendations.* In addition to such specific recommendations contemplated elsewhere in this Charter, the Committee shall provide such recommendations as the Committee may deem appropriate. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make such report.

F. Whistle Blowing

18. *Procedures.* The Committee shall establish procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

19. *Notice to Employees.*

- (a) To comply with the above, the Committee shall ensure each of the Company and its subsidiaries advises all employees, by way of a written code of business conduct and ethics (the "**Code**"), or if such Code has not yet been adopted by the respective board, by way of a written or electronic notice, that any employee who reasonably believes that questionable accounting, internal accounting controls, or auditing matters have been employed by the Company or their external auditors is strongly encouraged to report such concerns by way of communication directly to the Chair. Matters referred may be done so anonymously and in confidence.
- (b) None of the Company or its subsidiaries shall take or allow any reprisal against any employee for, in good faith, reporting questionable accounting, internal accounting, or auditing matters. Any such reprisal shall itself be considered a very serious breach of this policy.
- (c) All reported violations shall be investigated by the Committee following rules of procedure and process as shall be recommended by outside counsel.

G. General

20. *Access to Advisers and Funding.* The Committee shall have the authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties. The Company shall provide appropriate funding, as determined by the Committee, for payment of (a) compensation to any external auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (b) compensation to any advisers employed by the Committee; and (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

21. *Hiring of Partners and Employees of External Auditors.* The Committee shall annually review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

22. *Forward Agenda.* The Committee may annually develop a calendar of activities or forward agenda to be undertaken by the Committee for each ensuing year and to submit the calendar/agenda in the appropriate format to the Board of Directors following each annual general meeting of shareholders.

23. *Annual Performance Evaluation.* The Committee shall perform a review and evaluation, annually, of the performance of the Committee and its members, including a review of the compliance of the Committee with this Charter. In addition, the Committee shall evaluate, annually, the adequacy of this Charter and recommend any proposed changes to the Board.

24. *Related Party Transactions.* The Committee shall annually review transactions involving directors and officers, including a review of travel expenses and entertainment expenses, related party transactions and any conflicts of interests.

25. *General.* The Committee shall perform such other duties and exercise such powers as may, from time to time, be assigned or vested in the Committee by the Board, and such other functions as may be required of an audit committee by law, regulations or applicable stock exchange rules.

This Charter was approved by the Board on June 25, 2020.