

# MINDCURE

## MIND CURE HEALTH INC.

### NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS - and - NOTICE THAT PROXY MATERIALS ARE AVAILABLE ONLINE

You are receiving this notification as Mind Cure Health Inc. (the “**Company**”) has decided to use the notice and access model for delivery of meeting materials for its 2021 Annual General and Special Meeting (“**Meeting**”) to its shareholders. This Notice of Meeting is prepared under the notice-and-access rules that came into effect February 11, 2013 under National Instrument 54-101 “*Communication with Beneficial Owners of Securities of a Reporting Issuer*”. Under notice and access, shareholders will receive a proxy or voting instruction form enabling them to vote at the Meeting. However, instead of a paper copy of the management information circular of the Company dated July 26, 2021 (the “**Information Circular**”), shareholders receive this notice with information on how they may access such materials electronically. The use of this alternative means of delivery is more environmentally responsible as it will help reduce paper use and also will reduce the cost of printing and mailing materials to shareholders. In relation to the Meeting, all shareholders will receive the required documentation under the notice-and-access provisions, which will not include a paper copy of the Information Circular. The Company will not use procedures known as ‘stratification’ in relation to the use of notice-and-access provisions. Stratification occurs when a reporting using the notice-and-access provisions provides a paper copy of the Information Circular to some shareholders with this notice package.

#### Meeting Date and Location

**WHEN:** Tuesday, September 7, 2021 at 9:00 a.m. (Pacific time)

**WHERE:** Via Teleconference at 1-877-407-2991 or 201-389-0925 (Meeting Number: 13721396)

#### **SHAREHOLDERS WILL BE ASKED TO CONSIDER AND/OR VOTE ON THE FOLLOWING MATTERS:**

1. To receive the financial statements of the Corporation for the fiscal year ended May 31, 2021, including the auditor's report thereon;
2. To elect five directors to serve on the Company’s Board of Directors until the 2022 Annual Meeting of Shareholders;
3. To reappoint Davidson & Company LLP as the auditors of the Company for the ensuing year and authorizing the directors to fix the auditors’ remuneration;
4. To consider and, if deemed advisable, approve, with or without variation, an ordinary resolution ratifying, confirming and approving the Advance Notice Policy of the Company, as more particularly described in the Information Circular;
5. To consider and, if deemed advisable, approve, with or without variation, an ordinary resolution ratifying, confirming and approving a 2021 long-term incentive plan of the Company, as more particularly described in the Information Circular; and
6. To transact such other business as may be properly brought before the Meeting.

In response to COVID-19 and in order to mitigate potential risks to the health and safety of its shareholders, employees, communities and other stakeholders, **the Meeting will be held in virtual only format**, which will be conducted via telephone conference. You will not be able to attend the Meeting in person.

**Shareholders are reminded to view the information circular for the meeting prior to voting.** Please refer to the section titled “Business to be Transacted at the Meeting” in the Information Circular for more information on the above matters.

### **Website Where Shareholder Materials are Posted**

Electronic copies of the Information Circular and the Company’s audited financial statements, can be found and downloaded from the Company’s profile on [www.sedar.com](http://www.sedar.com) and on the Company’s website at: <https://www.mindcure.com/annual-general-meeting>.

### **Paper Copies of Shareholder Materials**

Any shareholder who wishes to receive a printed paper copy of the Information Circular may request a copy from the Company at 170 - 422 Richards Street, Vancouver, British Columbia V6B 2Z4, by calling 1-888-593-8995 or by e-mail at [investors@mindcure.com](mailto:investors@mindcure.com). If a shareholder requests a printed copy of the Information Circular prior to the date of the Meeting, the Company will send a printed paper copy of the information circular to the requesting shareholder at no cost to them within three business days of the request. If a shareholder requests a printed paper copy of the information circular after the date of the Meeting, the Company will send printed paper copies of the information circular to requesting shareholders at no cost to them within ten calendar days of their request. A shareholder may also contact the Company at the contact number or address above to request and receive a copy of the Company's financial statements and MD&A.

In order to allow for reasonable time to be allotted for a shareholder to receive and review a paper copy of the Information Circular prior to the proxy deadline, any shareholder wishing to request a paper copy of the information circular as described above, should ensure such request is received before August 30, 2021.

### **Voting**

Only registered shareholders at the close of business on July 20, 2021 are entitled to receive notice of and vote at the Meeting. Registered shareholders who are unable to attend the Meeting are requested to read the notes included in the form of proxy and then to complete, date, sign and mail the enclosed form of proxy, or to complete the proxy by telephone or the internet, in accordance with the instructions set out below. Completed proxies must be received by 9:00 a.m. (Vancouver time) on September 2, 2021, or two business days preceding the date of any adjournment or postponement of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

INTERNET: [www.investorvote.com](http://www.investorvote.com)

TELEPHONE: 1-877-732-VOTE (8683) North America Toll Free  
1-312-588-4290 (International) Direct  
Or as indicated on the Proxy or Voting Instruction Form

MAIL: Computershare Investor Services Inc., Proxy Dept.  
100 University Avenue, 8<sup>th</sup> Floor  
Toronto, Ontario M5J 2Y1 CANADA

If you are a non-registered (beneficial) shareholder, you will have received this Notice of Meeting and a voting instruction form. Non-registered shareholders are requested to read the instructions included in the

voting instruction form enclosed and then to complete the voting instruction form in accordance with the instructions, and by the deadline, set out therein.

Shareholders with questions about notice-and-access can email the Company at [investors@mindcure.com](mailto:investors@mindcure.com) or call Computershare toll free at 1-800-564-6253.

DATED at Vancouver, British Columbia, this 26<sup>th</sup> day of July, 2021.

**By Order of the Board of Directors**

*“Kelsey Ramsden”*

Kelsey Ramsden  
President, Chief Executive Officer and Director

## MIND CURE HEALTH INC.

### MANAGEMENT INFORMATION CIRCULAR

#### FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON SEPTEMBER 7, 2021

#### SOLICITATION OF PROXIES

This Management Information Circular ("**Information Circular**") is furnished in connection with the solicitation of proxies by the management of **Mind Cure Health Inc.** (the "**Company**") for use at the annual general and special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") of the Company.

The Meeting will be held by live audio teleconference by dialing toll-free 1-877-407-2991 or 201-389-0925 (Meeting Number: 13721396). The Meeting will begin at 9:00 a.m. (Vancouver time) on September 7, 2021 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 July 26, 2021, unless otherwise specifically stated.

The Company will use the Notice-and-Access Provisions (as defined below) to conduct the solicitation of proxies in connection with the Meeting. Proxies may also be solicited by telephone, facsimile, email or in person by directors, officers and employees of the Company who will not be additionally compensated therefor. The costs of soliciting proxies will be borne by the Company and brokers, nominees or other persons holding Common Shares in their names for others shall be reimbursed for their reasonable charges and expenses in forwarding proxies and proxy material to the beneficial owners of such Common Shares, except as otherwise provided herein.

#### NOTICE-AND-ACCESS

The Company has elected to deliver the materials in respect of the Meeting pursuant to the notice-and-access provisions ("**Notice-and-Access Provisions**") concerning the delivery of proxy-related materials to shareholders found in section 9.1.1 of National Instrument 51-102 – Continuous Disclosure Obligations ("**NI 51-102**"), in the case of registered shareholders, and section 2.7.1 of National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer ("**NI 54-101**"), in the case of beneficial shareholders. The Notice-and-Access Provisions are a set of rules that reduce the volume of proxy-related materials that must be physically mailed to shareholders by allowing issuers to deliver meeting materials to shareholders electronically by providing shareholders with access to these materials online.

The use of the Notice-and-Access Provisions reduces paper waste and mailing costs to the Company. In order for the Company to utilize the Notice-and-Access Provisions to deliver proxy-related materials by posting the Information Circular (and if applicable, other materials) electronically on a website that is not SEDAR, the Company must send a notice to Shareholders, including Beneficial Shareholders, indicating that the proxy-related materials have been posted and explaining how a Shareholder can access them or obtain a paper copy of those materials from the Company.

In accordance with the Notice-and-Access Provisions, a notice and a form of proxy or voting instruction form has been sent to all Shareholders informing them that this Information Circular is available online and explaining how this Information Circular may be accessed, in addition to outlining relevant dates and matters to be discussed at the Meeting. This Information Circular has been posted in full on the Company's website at <https://www.mindcure.com/annual-general-meeting> and under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

The Company will send proxy-related materials directly to non-objecting Beneficial Shareholders, through the services of its transfer agent, Computershare Investor Services Inc. The Company does not intend to pay for the Intermediary to deliver to objecting Beneficial Shareholders the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* of NI 54-101 unless the Intermediary assumes the cost of delivery.

Any Shareholder who wishes to receive a printed paper copy of the Information Circular may request a copy from the Company at 170 - 422 Richards Street, Vancouver, British Columbia V6B 2Z4, by calling toll-free 1-888-593-8995 or by e-mail at [investors@mindcure.com](mailto:investors@mindcure.com). In order to ensure that a paper copy of the Information Circular can be delivered to a requesting Shareholder in time for such Shareholder to review the Information Circular and return a form of proxy or voting instruction form prior to the deadline to receive proxies, it is strongly suggested that Shareholders ensure their request is received no later than August 30, 2021.

All Shareholders may call 1-800-564-6253 in order to obtain additional information regarding the Notice-and-Access Provisions.

## APPOINTMENT AND REVOCATION OF PROXIES

The information in this section applies to Shareholders who hold Common 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 Common 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 Common 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., Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;

(ii) by facsimile to 1-866-249-7775; or (iii) by telephone at 1-866-732-8683, by no later than 9:00 a.m. (Vancouver time) on September 2, 2021, 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 on the internet at [www.investorvote.com](http://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 COMMON SHARES**

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name. Shareholders who do not hold their Common 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 Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name in the Company's records. Such Common 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). Common 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 Common 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 Common 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 Common 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](http://www.proxyvote.com) to vote the Common Shares held by the Beneficial Shareholder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common

Shares to be represented at the Meeting. A Beneficial Shareholder receiving a voting instruction form cannot use that voting instruction form to vote Common 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 Common Shares voted.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common 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 Common Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Common 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 Common Shares in advance of the Meeting in accordance with the procedures and instructions received from Broadridge or other applicable intermediary. Beneficial Shareholders may listen to the Meeting using the live audioconferencing facilities described in this Information Circular.

### **VOTING OF PROXIES**

All Common 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 Common 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 AND PRINCIPAL HOLDERS THEREOF

The board of directors of the Company (the “**Board**”) has fixed July 20, 2021 as the record date for the meeting (the “**Record Date**”). Shareholders at the close of business on the Record Date are entitled to receive notice of, and to vote at, the Meeting or at any adjournments or postponements thereof on the basis of one vote for each Common Share held. As of the Record Date, there were 93,714,903 Common Shares issued and outstanding and entitled to vote at the Meeting in person or by proxy.

To the knowledge of the Company’s directors or executive officers, no person beneficially owns, controls, or directs, directly or indirectly, more than 10% of the issued and outstanding Common Shares as of the date of this Information Circular.

### BUSINESS TO BE TRANSACTED AT THE MEETING

The following business will be transacted at the Meeting:

#### A. Receive the Financial Statements

The audited financial statements of the Company for the year ended May 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](http://www.sedar.com).

#### B. Election of Directors

At the Meeting, a board of five 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). 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.

Pursuant to the Advance Notice Policy (defined below) adopted by the board of directors of the Company on June 1, 2021 and discussed in further detail below, any additional director nominations for the Meeting must be received by the Company in compliance with the Advance Notice Policy no later than the close of business on August 8, 2021.

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 Common 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 Residence	Position Held With Company	Director Since	Principal Occupation for the Previous Five Years	Common Shares Beneficially Owned Directly or Indirectly
<b>Kelsey Ramsden</b> London, Ontario, Canada	Director, President and CEO	September 2020	Chief Operating Officer at Mind Cure Health Inc. President at Belvedere Place Development Lecturer at Ivey Business School at Western University	1,406,433
<b>Philip Tapley</b> <sup>(2)</sup> Surrey, British Columbia, Canada	Chair of the Board, Director	March 2020	Chief Executive Officer at Mind Cure Health Inc. President and Director at Geppetto Holdings Chief Marketing Officer and Chief Information Officer at Westland insurance Group Ltd	1,750,000
<b>Robert Hill</b> <sup>(1)(2)(3)</sup> West Vancouver, British Columbia, Canada	Director	February 2021	Partner at Restructur Advisors Chief Financial Officer at ImmunoFlex Chief Financial Officer at Emerald Health Group VP, Finance & Business Development at Haywood Securities	Nil
<b>Jason Pamer</b> <sup>(2)(3)</sup> Vancouver, British Columbia, Canada	Director	May 2020	Owner at 1022 Business Group SVP Operations and Ecommerce at Digital Shelf Space Inc.	750,000
<b>Larissa Chaikowsky</b> <sup>(3)</sup> Chicago, Illinois, USA	Director	April 2021	Board Member, Capital Markets Corporation at BMO Financial Group Chief Operating Officer, US Wealth Management at BMO Financial Group US Chief Human Resources Officer at BMO Financial Group	Nil

**Notes:**

- (1) Chair of the Audit Committee.
- (2) Member of the Audit Committee.
- (3) Member of the C&GC (defined below).

***Biographies of Director Nominees***

*Kelsey Ramsden, President, CEO & Director*

Ms. Ramsden has over 15 years of experience founding, scaling, and operating innovative companies across Canada and the Caribbean. She has built multiple 8-figure businesses from the

ground up and has twice been named Canada's Top Female Entrepreneur. She also serves on the Entrepreneurship Council for the University of Western Ontario. Ms. Ramsden holds an MBA from the Richard Ivey School of Business at the University of Western Ontario, and is an accomplished keynote speaker.

*Philip Tapley, Founder, Director & Chairman*

Mr. Tapley has over 25 years of experience driving transformational change in highly regulated industries. Most recently, he served as the Chief Marketing Officer and Chief Information Officer at Westland Insurance and has held a variety of other leadership positions within the financial services industry. He is experienced at bringing innovative and disruptive technologies to market, having founded iProcess Solutions, a pioneer in the insurance technology space. Mr. Tapley has over 15 years of experience in senior executive roles and directorships on company boards, extensive experience preparing, reviewing and evaluating financial statements and forecasts for multiple companies and holds an MBA from Simon Fraser University.

*Robert Hill, Director*

Mr. Hill is an experienced Chief Financial Officer and corporate director of public and private companies and not for profit organizations. He has over 25 years of experience contributing to the growth and successful development of organizations in Canada, the USA, and Japan. Mr. Hill is an exceptional team builder and is experienced in delivering strategically sound acquisitions, financings, and reorganizations. He has led and advised companies in strategy development, corporate governance, Canadian and U.S. securities disclosure requirements, and stock exchange listings. He obtained his Bachelor of Science degree from the University of British Columbia and has been a Chartered Professional Accountant for over 20 years, and lives and works in Vancouver, British Columbia.

*Jason Pamer, Director*

Mr. Pamer has over 20 years of experience managing operations and product development in the technology and consumer products industries. He has led start-up companies through concept to launch and has also managed strategy and development at large enterprise software companies. His expertise extends into e-commerce, where he has led operations across digital media, health and medical cannabis. Mr. Pamer has extensive experience preparing, analyzing and evaluating financial statements in executive level roles at multiple public companies. He received an Executive MBA from Simon Fraser University.

*Larissa Chaikowsky, Director*

Ms. Chaikowsky is the Chief Operating Officer for the U.S. Wealth Management business at BMO. She leads the National Office Teams and oversees the planning, development and implementation of product and service strategies for BMO Financial Group's U.S. Wealth businesses. Prior to this role, she was the U.S. Chief Human Resources Officer for BMO Financial Group where she oversaw the strategic and operational governance processes of the U.S. HR organization. She executed enterprise HR overseeing and coordinating human resources related matters as they pertain to: U.S. regulatory agencies, and U.S. mergers and acquisitions. Ms. Chaikowsky had a leadership role with the Human Resources Committee of the BMO Financial

Corp board of Directors and the Benefits Investment Committee. She also chaired the U.S. Compensation Oversight Committee and the U.S. Benefits Administration Committee.

During her fifteen-year tenure with BMO, Ms. Chaikowsky has held several senior positions that have played a role in helping redefine the BMO brand and improving the business practices of Technology and Operations, Human Resources and Corporate Strategy. She received her Bachelor of International Business and Relations from the Sprott School of Business and holds an MBA from the Richard Ivey School of Business.

### **Corporate Cease Trade Orders or Bankruptcies**

No proposed director is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that: (i) was subject to a cease trade or similar order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to a cease trade or similar order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No proposed director is, as at the date of this Information Circular, or has been within 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.

For the purposes of the preceding paragraphs, “**order**” means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, and which, in each case, was in effect for a period of more than 30 consecutive days.

### **Individual Bankruptcies**

No proposed director has, within the past ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### **Penalties or Sanctions**

No proposed director of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

### **C. Reappointment of Auditors**

On April 29, 2020, Davidson & Company LLP (“**Davidson**”) was appointed as auditor of the Company. At the Meeting, Shareholders will be requested to again reappoint Davidson 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 Davidson 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. Confirmation and Approval of Advance Notice Policy**

The Board has adopted an advance notice policy (the “**Advance Notice Policy**”), as publicly disclosed on July 12, 2021. A copy of the Advance Notice Policy is attached to this Information Circular as Schedule “B”. In order for the Advance Notice Policy to remain in effect following termination of the Meeting, the Advance Notice Policy must be ratified, confirmed and approved at the Meeting, as set forth more fully below.

#### ***Purpose of the Advance Notice Policy***

The Board is committed to: (i) facilitating an orderly and efficient annual general or, where the need arises, special meeting process; (ii) ensuring that all Shareholders receive adequate notice of the director nominations and sufficient information with respect to all nominees; and (iii) allowing Shareholders to register an informed vote.

The purpose of the Advance Notice Policy is to provide shareholders, directors and management of the Company with direction on the nomination of directors. This Policy is the framework by which the Company seeks to fix a deadline by which holders of record of Common Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

#### ***Terms of the Advance Notice Policy***

The following is a summary of the Advance Notice Policy and is qualified in its entirety by the full text of the Advance Notice Policy, a copy of which is attached as Schedule “B”.

Subject only to the *Business Corporations Act* (British Columbia) (the “**Act**”), only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the Board may be made at any annual meeting of shareholders, or at any special meeting of shareholders (but only if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting):

- (a) by or at the direction of the Board or an authorized officer of the Company, including pursuant to a notice of meeting;

- (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act; or
- (c) by any person (a “**Nominating Shareholder**”):
  - (i) who, at the close of business on the date of the giving of the notice provided in the Advance Notice Policy and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and
  - (ii) who complies with the notice procedures set forth in the Advance Notice Policy.

In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given (i) timely notice thereof in proper written form as set forth in the Advance Notice Policy to the Corporate Secretary of the Company at the principal executive offices of the Company in accordance with the Advance Notice Policy and (ii) the representation and agreement with respect to each candidate for nomination as required by, and within the time period specified in the Advance Notice Policy.

To be timely, a Nominating Shareholder’s notice to the Corporate Secretary of the Company must be made:

- (a) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 40 days after the date (the “**Notice Date**”) on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the tenth day following the Notice Date; and
- (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the fifteenth day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement with respect to timely notice.

To be eligible to be a candidate for election as a director of the Company and to be duly nominated, a candidate must be nominated in the manner prescribed in the Advance Notice Policy and the candidate for nomination, whether nominated by the Board or otherwise, must have previously delivered to the Corporate Secretary of the Company at the principal executive offices of the Company, not less than five days prior to the date of the Meeting of Shareholders, a written representation and agreement (in form provided by the Company) that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in

effect during such person's term in office as a director (and, if requested by any candidate for nomination, the Corporate Secretary of the Company shall provide to such candidate for nomination all such policies and guidelines then in effect).

No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of the Advance Notice Policy. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

### ***Shareholder Approval***

If the Advance Notice Policy is approved at the Meeting, the Advance Notice Policy will continue to be effective and in full force and effect in accordance with its terms and conditions beyond the termination of the Meeting. Thereafter, the Advance Notice Policy will be subject to annual review by the Board and will be updated to the extent needed to reflect changes required by securities regulatory agencies or securities exchanges, or so as to meet industry standards.

If the Advance Notice Policy is not approved at the Meeting, the Advance Notice Policy will terminate and be of no further force or effect from and after the termination of the Meeting.

At the Meeting, the Shareholders will be asked to approve the following by ordinary resolution (the "**Advance Notice Policy Resolution**"):

"BE IT RESOLVED, as an ordinary resolution of the holders of common shares of the Company, that:

1. the advance notice policy (the "**Advance Notice Policy**") of the Company as set forth in Schedule "B" to the management information circular of the Company dated July 26, 2021, be and is hereby ratified, confirmed and approved;
2. the Compensation and Governance Committee of the board of directors of the Company be authorized in its absolute discretion to administer the Advance Notice Policy and amend or modify the Advance Notice Policy in accordance with its terms and conditions to the extent needed to reflect changes required by securities regulatory agencies or stock exchanges, so as to meet industry standards, or as otherwise determined to be in the best interests of the Company; and
3. any one director or officer of the Company is hereby authorized, for and on behalf of the Company, to execute and, if appropriate, deliver all other documents and instruments and do all other things as in the opinion of such director or officer may be necessary or advisable to implement this resolution and the matters 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 Advance Notice Policy Resolution must be approved by at least a majority of the votes cast by the Shareholders present in person or represented by proxy at the Meeting. **The Board believes that the Advance Notice Policy is in the best interests of the Company and unanimously recommends that Shareholders vote in favour of the Advance Notice Policy Resolution. The**

**persons named in the enclosed form of proxy, if not expressly directed to the contrary, will vote such proxies in favour of the Advance Notice Policy Resolution.**

**E. Approval of 2021 Long-Term Incentive Plan**

At the Meeting, disinterested Shareholders will be asked to consider, and, if deemed advisable, to pass with or without variation, an ordinary resolution (the "**2021 Long-Term Incentive Plan Resolution**") to approve and adopt a new Long-Term Incentive Plan (the "**2021 Long-Term Incentive Plan**"), proposed to be adopted in addition to the current stock option plan of the Company (the "**Prior Plan**"), and authorize and approve awards thereunder.

The 2021 Long-Term Incentive Plan was approved by the Board on July 26, 2021, subject to, and effective upon, Shareholder approval. Although Shareholder approval is not required pursuant to the policies of the Exchange, the Board wishes to obtain maximum flexibility with respect to granting securities under the 2021 Long-Term Incentive Plan, and therefore the Board has directed that the 2021 Long-Term Incentive Plan be submitted for disinterested approval by the Shareholders.

National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**") provides exemptions from the requirement to prepare and file a prospectus in connection with a distribution of securities. As the Company is listed on the Exchange, the Company is classified as an "unlisted reporting issuer" for purposes of the exemption provided in Section 2.24 of NI 45-106 for distributions of securities to employees, executive officers, directors and consultants of the Company (the "**Exemption**"). NI 45-106 restricts the use of the Exemption by "unlisted reporting issuers" such as the Company unless the Company obtains Shareholder approval. Specifically, NI 45-106 provides that the Exemption does not apply to a distribution to an employee or consultant of the "unlisted reporting issuer" who is an investor relations person of the issuer, an associated consultant of the issuer, an executive officer of the issuer, a director of the issuer, or a permitted assign of those persons if, after the distribution:

- (a) the number of securities, calculated on a fully diluted basis, reserved for issuance under options granted to: (i) related persons, exceeds 10% of the outstanding securities of the issuer, or (ii) a related person, exceeds 5% of the outstanding securities of the issuer, or
- (b) the number of securities, calculated on a fully diluted basis, issued within 12 months to (i) related persons, exceeds 10% of the outstanding securities of the issuer, or (ii) a related person and the associates of the related person, exceeds 5% of the outstanding securities of the issuer.

The Company must obtain approval of the Shareholders other than votes attaching to securities beneficially owned by related persons to whom securities may be issued as compensation or under that 2021 Long-Term Incentive Plan. The term "related person" is defined in NI 45-106 and generally refers to a director or executive officer of the issuer or of a related entity of the issuer, an associate of a director or executive officer of the issuer or of a related entity of the issuer, or a permitted assign of a director or executive officer of the issuer or of a related entity of the issuer. The term "permitted assign" includes a spouse of the person.

In accordance with the requirements of NI 45-106, the Board wishes to provide the following information with respect to the Long-Term Incentive Plan so that the Shareholders may form a reasoned judgment concerning the Long-Term Incentive Plan.

## ***Background and Purpose***

On May 31, 2020, the Board approved the Prior Plan, which was subsequently approved by the Shareholders on the same day. Since then, the Company has undertaken a review of its equity compensation plans and determined additional methods of equity compensation would be beneficial to align the interests of Participants with those of the Company and its Shareholders.

A summary of certain terms of the 2021 Long-Term Incentive Plan is set out below, is not complete and is qualified in its entirety by the full text of the 2021 Long-Term Incentive Plan. A copy of the 2021 Long-Term Incentive Plan is attached as Schedule "C" hereto and Shareholders are urged to carefully review the 2021 Long-Term Incentive Plan. All defined terms contained in the below summary have the meaning ascribed to them in the 2021 Long-Term Incentive Plan.

## ***Eligibility, Purpose and Administration***

Employees, Directors and Consultants of the Company and its Affiliates will be eligible to participate in the 2021 Long-Term Incentive Plan. The purpose of the 2021 Long-Term Incentive Plan is to advance the interests of the Company and its shareholders by providing to Participants a performance incentive for continued and improved services with the Company and its Affiliates.

The Board or a committee authorized by the Board will be responsible for administering the 2021 Long-Term Incentive Plan. The Board will have full and exclusive discretionary power to interpret the terms and the intent of the 2021 Long-Term Incentive Plan and any Award Agreement or other agreement in connection with the 2021 Long-Term Incentive Plan, to determine eligibility for Awards, and to adopt such rules, regulations and guidelines for administering the 2021 Long-Term Incentive Plan as the Board may deem necessary. The Board has authorized the Compensation and Governance Committee to administer the 2021 Long-Term Incentive Plan on its behalf and the Committee has wide ranging authority and powers with respect to the administration of the 2021 Long-Term Incentive Plan.

The 2021 Long-Term Incentive Plan will permit grant of Options, Stock Appreciation Rights, Restricted Share Awards, Restricted Share Unit Awards, Other Share-Based Awards, Performance Awards or any other right, interest or option relating to Shares or other property (including cash) granted pursuant to the provisions of the 2021 Long-Term Incentive Plan to eligible Participants.

Upon approval of the 2021 Long-Term Incentive Plan by the Shareholders of the Company, the Prior Plan will immediately terminate, no new options will be granted under the Prior Plan and any options issued and outstanding under the Prior Plan will continue to be governed by the terms of the Prior Plan. If the Shareholders of the Company do not approve the 2021 Long-Term Incentive Plan at a Meeting, the Prior Plan will be deemed not to have been terminated and all options issued thereunder will remain subject to the terms thereof. See "*Statement of Executive Compensation – Prior Plan*" for a description of the Prior Plan.

## ***Common Shares Issuable Pursuant to the 2021 Long-Term Incentive Plan***

As of the effective date of the 2021 Long-Term Incentive Plan, and subject to certain adjustment as provided in the 2021 Long-Term Incentive Plan, the maximum number of Shares issuable upon the exercise or redemption and settlement of all Awards granted under the 2021 Long-Term Incentive Plan, the Prior Plan and outside these plans, shall not exceed 20% of the issued and outstanding Shares of the Company at the time of granting of the Award. Additionally, the

Company shall comply with applicable securities laws and Exchange rules in issuing securities under the 2021 Long-Term Incentive Plan to individual Participants.

As at the date hereof, there were 10,565,000 options issued and outstanding under the Prior Plan, exercisable for 10,565,000 Common Shares representing approximately 11.3% of the Common Shares issued and outstanding as at the date of this Information Circular, of which 4,350,000 Options are held by insiders, representing approximately 4.6% of the Common Shares issued and outstanding as at the date of this Information Circular. Accordingly, the Company will have room under the 2021 Long-Term Incentive Plan to issue Awards representing an additional 8,177,980 Common Shares to Participants, representing approximately 8.7% of the current issued and outstanding Common Shares.

### ***Types of Stock Awards Authorized by the 2021 Long-Term Incentive Plan***

#### *Options*

Options may be granted to Participants either alone or in addition to other Awards granted under the 2021 Long-Term Incentive Plan. All Options shall be evidenced by an Award Agreement in such form and containing such terms and conditions as the Committee shall determine which are not inconsistent with the provisions of the 2021 Long-Term Incentive Plan.

Other than in connection with Substitute Awards, the exercise price per each Share purchasable under any Option granted pursuant to this Article shall not be less than 100% of the Fair Market Value of one Share on the date of grant of such Option. The term of each Option shall be fixed by the Committee in its sole discretion; provided that no Option shall be exercisable after the expiration of ten years from the date the Option is granted, except in the event of death or disability. Unless otherwise provided in an Award Agreement, full payment of such exercise price shall be made at the time of exercise and shall be made in cash only (including certified cheque or wire transfer of immediately available funds)

In its sole discretion, the Committee may, at the time of the grant of an Option, provide that the Shares to be issued upon an Option's exercise shall be in the form of Restricted Shares or other similar securities.

#### *Stock Appreciation Rights*

The Committee may grant Stock Appreciation Rights in tandem with all or part of any Option granted under the 2021 Long-Term Incentive Plan or at any subsequent time during the term of such Option, (b) in tandem with all or part of any Award (other than an Option) granted under the 2021 Long-Term Incentive Plan or at any subsequent time during the term of such Award, or (c) without regard to any Option or other Award in each case upon such terms and conditions as the Committee may establish in its sole discretion.

Stock Appreciation Rights shall be subject to such terms and conditions, not inconsistent with the provisions of the 2021 Long-Term Incentive Plan, as shall be determined from time to time by the Committee as of the date of grant, including (i) when Stock Appreciation Rights vest and become

exercisable and terms of exercise (ii) such other terms and conditions on the exercise of any Stock Appreciation Right, as it shall deem appropriate.

#### *Restricted Shares and Restricted Share Units*

Awards of Restricted Shares and Restricted Share Units may be granted to Participants, either alone or in addition to other Awards granted under the 2021 Long-Term Incentive Plan, and such Restricted Share Awards and Restricted Share Unit Awards shall also be available as a form of payment of Performance Awards and other earned cash-based incentive compensation. The Committee has absolute discretion to determine whether any consideration (other than services) is to be received by the Company or any Affiliate as a condition precedent to the grant of Restricted Share or Restricted Share Units, subject to such minimum consideration as may be required by applicable law and Exchange Rules.

The terms of any Restricted Share Award or Restricted Share Unit Award granted under the 2021 Long-Term Incentive Plan shall be set forth in an Award Agreement which shall contain provisions determined by the Committee and not inconsistent with the 2021 Long-Term Incentive Plan. Unless otherwise provided in the Award Agreement, beginning on the date of grant of the Restricted Share Award and subject to execution of an Award Agreement, the Participant shall become a shareholder of the Company with respect to all Shares subject to the Award Agreement and shall have all of the rights of a shareholder, including the right to vote such Shares and the right to receive distributions made with respect to such Shares, except as otherwise provided in this Plan.

A Participant who holds a Restricted Share Unit Award shall only have those rights specifically provided for in the Award Agreement; provided, however, in no event shall the Participant have voting rights with respect to such Award. Any Shares or any other property distributed as a dividend or otherwise with respect to any Restricted Share Award or Restricted Share Unit Award as to which the restrictions have not yet lapsed shall be subject to the same restrictions as such Restricted Share Award or Restricted Share Unit Award.

#### *Other Share-Based Awards*

Other Share-Based Awards of Shares and other Awards that are valued in whole or in part by reference to, or are otherwise based on, Shares or other property, including deferred share units, may be granted to Participants either alone or in addition to other Awards granted under the 2021 Long-Term Incentive Plan. Other Share-Based Awards shall also be available as a form of payment for other Awards granted under the 2021 Long-Term Incentive Plan and other earned cash-based compensation.

The terms of Other Share-Based Awards granted under the 2021 Long-Term Incentive Plan shall be set forth in an Award Agreement which shall contain provisions determined by the Committee and not inconsistent with the 2021 Long-Term Incentive Plan. Except as may be provided in an Award Agreement, Other Share-Based Awards may be paid in cash, Shares, other property, or any combination thereof, in the sole discretion of the Committee. Other Share-Based Awards may be paid in a lump sum or in installments or, in accordance with procedures established by the Committee, on a deferred basis.

Directors may, if determined by the Board, receive Other Share-Based Awards in the form of deferred share units in lieu of all or a portion of their annual compensation. In addition, if

determined by the Board, Directors may elect to receive Other Share-Based Awards in the form of deferred share units in lieu of all or a portion of their Board committee compensation or annual meeting fees. The Committee shall, in its absolute discretion, establish such rules and procedures as it deems appropriate for such elections and for payment in deferred share units, or other Awards, as the case may be.

### *Performance Awards*

Performance Awards, as determined by the Committee in its sole discretion, may be granted to Participants, for no consideration or for such minimum consideration as may be required by applicable law, either alone or in addition to other Awards granted under the 2021 Long-Term Incentive Plan. The performance goals for Performance Awards to be achieved for each Performance Period shall be conclusively determined by the Committee and may be based upon such criteria as determined by the Committee in its discretion.

The terms of any Performance Award granted under the 2021 Long-Term Incentive Plan shall be set forth in an Award Agreement (or, if applicable, in a resolution duly adopted by the Committee) which shall contain provisions determined by the Committee and not inconsistent with the 2021 Long-Term Incentive Plan, including whether such Awards shall have Dividend Equivalents. The performance criteria to be achieved during any Performance Period and the length of the Performance Period shall be determined by the Committee upon the grant of each Performance Award. The amount of the Award to be distributed shall be conclusively determined by the Committee.

Except as provided in the 2021 Long-Term Incentive Plan or by the Committee, Performance Awards will be distributed only after the end of the relevant Performance Period. Performance Awards may be paid in cash, Shares, other property, or any combination thereof, in the sole discretion of the Committee. Performance Awards may be paid in a lump sum or in installments following the close of the Performance Period or, in accordance with procedures established by the Committee, on a deferred basis.

### *Cessation of Awards*

Upon a Participant ceasing to be an Eligible Person for a reason provided below, then, subject to the terms of the 2021 Long-Term Incentive Plan and any applicable Award Agreement:

- (i) if for Cause, any vested or unvested Award granted to such Participant shall terminate automatically and become void immediately;
- (ii) as a result of his or her employment or service relationship with the Company or an Affiliate being terminated without Cause: (i) any unvested Award granted to such Participant shall terminate and become void immediately and (ii) any vested Award granted to such Participant may be exercised by such Participant or redeemed and settled by the Company. Unless otherwise determined by the Committee, in its sole discretion, such Award shall only be exercisable or redeemable within the earlier of 90 days after the Termination Date, or the expiry date of the Award set forth in the Award Agreement, after which the Award will expire;
- (iii) as a result of his or her resignation from the Company or an Affiliate: (i) each unvested Award granted to such Participant shall terminate and become void immediately upon

resignation and (ii) each vested Award granted to such Participant will cease to be exercisable or redeemable on the earlier of 90 days following the Termination Date and the expiry date of the Award set forth in the Award Agreement, after which the Award will expire;

- (iv) by reason of retirement or permanent disability: (i) any unvested Award shall terminate and become void immediately, and (ii) any vested Award will cease to be exercisable or redeemable on the earlier of the 90 days from the date of retirement or the date on which the Participant ceases his or her employment or service relationship with the Company or any Affiliate by reason of permanent disability, and the expiry date of the Award set forth in the Award Agreement, after which the Award will expire;
- (v) by reason of death, any vested Award granted to such Participant may be exercised by the liquidator, executor or administrator, as the case may be, of the estate of the Participant for that number of Shares which such Participant was entitled to acquire under the respective Award on the date of such Participant's death. Such Vested Awards shall only be exercisable or redeemable within twelve months after the Participant's death or prior to the expiration of the original term of the Award whichever occurs earlier;
- (vi) by reason of electing a voluntary leave of absence of more than twelve months, including maternity and paternity leaves, the Board may determine, at its sole discretion but subject to applicable laws, that such Participant's participation in the 2021 Long-Term Incentive Plan shall be terminated, provided that all vested Awards granted to the Participant shall remain outstanding and in effect until the applicable exercise or redemption date, or an earlier date determined by the Board at its sole discretion; or
- (vii) if engaged primarily to provide Investor Relations Activities, as a result of his or her relationship with the Company or an Affiliate being terminated without Cause (i) any unvested Award granted to such Participant shall terminate and become void immediately and (ii) any vested Award granted to such Participant may be exercised by such Participant or redeemed and settled by the Company. Unless otherwise determined by the Board, in its sole discretion, such Award shall only be exercisable or redeemable within the earlier of 90 days after the Termination Date, or the expiry date of the Award set forth in the Award Agreement, after which the Award will expire.

### ***Change of Control***

In the event of a Change of Control, notwithstanding any other provision of the 2021 Long-Term Incentive Plan, the Board will take one or more of the following actions with respect to Awards, contingent upon the closing or completion of the Change of Control:

- (i) arrange for the surviving corporation or acquiring corporation (or its parent company) to assume or continue the Award or to substitute a similar award;
- (ii) arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Shares issued pursuant to the Award to the surviving corporation or acquiring corporation;
- (iii) accelerate the vesting, subject to Exchange approval, if required, in whole or in part, of an Award;

- (iv) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company with respect to the Award;
- (v) cancel or arrange for the cancellation of an Award, to the extent not vested or not exercised prior to the effective time of the Change of Control, in exchange for no consideration or such consideration, if any, as the Board, in its sole discretion, may consider appropriate; or
- (vi) cancel or arrange for the cancellation of an Award, to the extent not vested or not exercised prior to the effective time of the Change of Control, in exchange for a payment, in such form as may be determined by the Board in accordance with the 2021 Long-Term Incentive Plan. In addition, any escrow, holdback, earnout or similar provisions in the definitive agreement for the Change of Control may apply to such payment to the holder of the Award to the same extent and in the same manner as such provisions apply to the holders of Shares.

#### ***Amendment and Termination of the 2021 Long-Term Incentive Plan***

The Board may suspend or terminate the 2021 Long-Term Incentive Plan at any time, or from time to time amend or revise the terms of the 2021 Long-Term Incentive Plan or any granted Award without the consent of a Participant, provided that such suspension, termination, amendment or revision shall (i) not materially adversely alter or impair the rights of a Participant, without the consent of such Participant, except as permitted by the provisions of the 2021 Long-Term Incentive Plan, (ii) be in compliance with applicable law, and (iii) be subject to shareholder approval, including Disinterested Shareholder Approval if applicable, where required by law or the requirements of the Exchange, provided that the Committee may, from time to time, in its absolute discretion and without approval of the shareholders of the Company make the certain amendments to the 2021 Long-Term Incentive Plan in connection with vesting and assignability provisions, the effect of termination of a Participants employment, amendments necessary to comply with law and administration of the 2021 Long-Term Incentive Plan, as well as certain other amendments as set forth in the 2021 Long-Term Incentive Plan.

Notwithstanding the above, the Board shall be required to obtain shareholder approval or Disinterested Shareholder Approval, if required, to make certain amendments, including amendments relating to increasing the number of shares issuable under the 2021 Long-Term Incentive Plan, exercise prices, expiry dates and amendments proposed to the 2021 Long-Term Incentive Plan.

#### ***Adjustments***

In the event of any merger, plan of arrangement, amalgamation, reorganization, consolidation, recapitalization, dividend or distribution (whether in cash, shares or other property, other than a regular cash dividend), stock split, reverse stock split, spin-off or similar transaction or other change in corporate structure affecting the Shares or the value thereof, such adjustments and other substitutions shall be made to the 2021 Long-Term Incentive Plan and to Awards in a manner the Committee deems equitable or appropriate taking into consideration the accounting and tax consequences, including such adjustments in the aggregate number, class and kind of securities that may be delivered under the 2021 Long-Term Incentive Plan and, in the aggregate or to any Participant, in the number, class, kind and option or exercise price of securities subject to outstanding Awards granted under the 2021 Long-Term Incentive Plan (including, if the Committee deems appropriate, the substitution of similar options to purchase the shares of, or other

awards denominated in the shares of, another company); provided, however, that the number of Shares subject to any Award shall always be a whole number.

### ***Award Agreements***

Each Award Agreement shall either be (a) in writing in a form approved by the Committee and executed by the Company by an officer duly authorized to act on its behalf, or (b) an electronic notice in a form approved by the Committee and recorded by the Company (or its designee) in an electronic recordkeeping system used for the purpose of tracking one or more types of Awards as the Committee may provide.

### ***Tax Withholding***

Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the 2021 Long-Term Incentive Plan shall be made net of such withholdings, including in respect of applicable taxes and source deductions, as the Company determines. It is the responsibility of each Participant to complete and file any tax returns which may be required within the periods specified in applicable laws as a result of the Participant's participation in the 2021 Long-Term Incentive Plan.

### ***Clawback***

Notwithstanding any other provisions in this Plan, any Award which is subject to recovery under any law, government regulation or stock exchange listing requirement or any policy adopted by the Company, will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation, stock exchange listing requirement or policy.

### **Shareholder Approval**

At the Meeting, disinterested Shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution approving and adopting the 2021 Long-Term Incentive Plan and Awards thereunder, which must be approved by at least a majority of the votes cast by disinterested Shareholders represented in person or by proxy at the Meeting who vote in respect of the 2021 Long-Term Incentive Plan resolution.

As of the date of this Information Circular, to the Company's knowledge, a total of 3,946,433 Common Shares are held by officers and directors of the Company and will not be included for the purpose of determining whether Shareholder approval of the 2021 Long-Term Incentive Plan has been obtained.

If the Shareholders of the Company do not approve the 2021 Long-Term Incentive Plan at the Meeting, the Company will continue to use the Prior Plan to make awards to participants under the Prior Plan. However, the Company believes this may have a detrimental effect on the ability of the Company to attract, retain and motivate qualified individuals to its management team.

Shareholders will be asked at the Meeting to pass, with or without variation, the 2021 Long-Term Incentive Plan Resolution as follows:

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

1. The 2021 Long-Term Incentive Plan of the Company attached as Schedule "C" 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 Exchange Rules.
2. The Compensation and Governance Committee of the Board is hereby authorized to administer the Company's incentive plans 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 2021 Long-Term Incentive Plan is in the best interest of the Company and its Shareholders. The Board UNANIMOUSLY recommends that disinterested Shareholders vote "FOR" the 2021 Long-Term Incentive Plan Resolution. Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the adoption of the 2021 Long-Term Incentive Plan Resolution.**

#### STATEMENT OF EXECUTIVE COMPENSATION

The purpose of this Statement of Executive Compensation is to provide information about the Company's philosophy, objectives and processes regarding executive compensation. This disclosure is intended to communicate the compensation provided to each of the (i) Chief Executive Officer ("CEO"), (ii) the Chief Financial Officer ("CFO"), and (iii) highest compensated executive officer of the Company (other than the CEO and CFO) whose individual total compensation was more than \$150,000 for the year ended May 31, 2021 (together with the CEO and CFO, the "Named Executive Officers" or "NEOs") and (iv) the directors of the Company.

During the fiscal year ended May 31, 2021, the Named Executive Officers of the Company were: (i) Philip Tapley, President and CEO (resigned December 31, 2020), (ii) Kelsey Ramsden, CEO, (iii) Stephen Inouye, CFO (resigned April 12, 2021), and (iv) Michael Wolfe, CFO. In addition, Ryan Hartwell resigned as Chief Scientific Officer of the Company effective June 4, 2021 and is included as an NEO given payments paid to him by the Company.

## 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 ended May 31, 2021 and 2020:

Table of compensation excluding compensation securities							
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
<i>Kelsey Ramsden</i> President, CEO and Director <sup>(1)</sup>	2021	\$204,700	\$Nil	\$Nil	\$Nil	\$Nil	\$204,700
	2020	N/A	N/A	N/A	N/A	N/A	N/A
<i>Philip Tapley</i> President, CEO (resigned), Director and Chair <sup>(2)</sup>	2021	\$120,000	\$Nil	\$Nil	\$Nil	\$Nil	\$120,000
	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
<i>Michael Wolfe</i> CFO <sup>(3)</sup>	2021	\$30,449	\$Nil	\$Nil	\$Nil	\$Nil	\$30,449
	2020	N/A	N/A	N/A	N/A	N/A	N/A
<i>Stephen Inouye</i> Director and CFO (resigned) <sup>(4)</sup>	2021	\$116,750	\$Nil	\$Nil	\$Nil	\$Nil	\$116,750
	2020	\$3,500	\$Nil	\$Nil	\$Nil	\$Nil	\$3,500
<i>Robert Hill</i> Director and Corporate Secretary <sup>(5)</sup>	2021	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2020	N/A	N/A	N/A	N/A	N/A	N/A
<i>Terese Gieselman</i> Corporate Secretary and Director (resigned) <sup>(6)</sup>	2021	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
<i>Ryan Hartwell</i> CSO (resigned) <sup>(7)</sup>	2021	\$163,132	\$Nil	\$Nil	\$Nil	\$Nil	\$163,132
	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
<i>Jason Pamer</i> Director	2021	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
<i>Larissa Chaikowsky</i> Director <sup>(8)</sup>	2021	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2020	N/A	N/A	N/A	N/A	N/A	N/A

### Notes:

- (1) Ms. Ramsden was appointed the COO and a director of the Company from September 28, 2020. On December 1, 2020, Ms. Ramsden was appointed as President and CEO of the Company, at which time she resigned from her position as COO. Ms. Ramsden did not receive any compensation for her role as a director.
- (2) Mr. Tapley was appointed as Chairman, President and CEO of the Company on May 31, 2020, and resigned as President and CEO of the Company on December 1, 2020. Mr. Tapley has controlling interests in Geppetto Consulting Inc. to which \$120,000 was paid by the Company. Mr. Tapley did not receive any compensation for his role as a director.
- (3) Mr. Wolfe was appointed CFO of the Company on April 19, 2021, following the resignation of Mr. Inouye.
- (4) Mr. Inouye was appointed as CFO of the Company on May 31, 2020 and resigned from his position as CFO and a director of the Company on April 16, 2021. Mr. Inouye has controlling interests in SDI Consulting Inc., to which \$116,750 (2020 - \$3,500) was paid by the Company. Mr. Inouye did not receive any compensation for his role as a director.
- (5) Mr. Hill was appointed as a director of the Company on February 18, 2021 upon the resignation of Ms. Gieselman on February 17, 2021. Mr. Hill did not receive any compensation for his role as a director.
- (6) Ms. Gieselman resigned from her position as the Corporate Secretary and a director of the Company on February 17, 2021. Ms. Gieselman did not receive any compensation for her role as a director.
- (7) Mr. Hartwell was appointed as Chief Scientific Officer of the Company on January 29, 2021 and resigned from his position of Chief Scientific Officer on June 4, 2021. Mr. Hartwell has controlling interests in OhmIX Services Ltd., to which \$114,578 was paid to by the Company.
- (8) Ms. Chaikowsky was appointed a director of the Company on April 16, 2021 following the resignation of Mr. Inouye as a director.

## Stock options and other compensation securities

The following table sets forth information with respect to all compensation securities granted or issued to the Company's Named Executive Officers and directors by the Company in the most

recently completed financial year for services provided or to be provided, directly or indirectly, to the Company:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(4)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
<i>Kelsey Ramsden</i> President, CEO and Director	Shares	96,000 (0.10%) <sup>(3)</sup>	Sep 28, 2020	\$0.80	\$0.80	\$0.395	N/A
	Options	200,000 <sup>(1)</sup> 1,300,000 <sup>(1)</sup> 1,000,000 <sup>(2)</sup> (2.67%) <sup>(3)</sup>	Sep 20, 2020	\$0.25	\$0.20 <sup>(7)</sup>	\$0.395	Sep 20, 2025
	Options	500,000 <sup>(1)</sup> (0.27%) <sup>(3)</sup>	Nov 30, 2020	\$0.63	\$0.63	\$0.395	Nov 30, 2025
<i>Philip Tapley</i> President, CEO (resigned), Director and Chair	Options	250,000 <sup>(1)</sup> (0.27%) <sup>(3)</sup>	Jun 10, 2020	\$0.20	\$0.20 <sup>(7)</sup>	\$0.395	Jun 10, 2025
<i>Michael Wolfe</i> CFO	Options	350,000 <sup>(5)</sup> (0.37%) <sup>(3)</sup>	Apr 19, 2021	\$0.60	\$0.365	\$0.395	Apr 19, 2026
<i>Stephen Inouye</i> CFO and Director (resigned)	Options	250,000 <sup>(1)</sup> (0.27%) <sup>(3)</sup>	Jun 10, 2020	\$0.20	\$0.20 <sup>(7)</sup>	\$0.395	Jun 10, 2025
	Options	45,000 <sup>(1)</sup> (0.05%) <sup>(3)</sup>	Feb 10, 2021	\$0.74	\$0.74	\$0.395	Feb 10, 2026
<i>Robert Hill</i> Director and Corporate Secretary	Options	250,000 <sup>(1)</sup> (0.27%) <sup>(3)</sup>	Feb 18, 2021	\$0.60	\$0.60	\$0.395	Feb 18, 2026
<i>Terese Gieselman</i> Corporate Secretary and Director (resigned)	Options	250,000 <sup>(1)</sup> (0.27%) <sup>(3)</sup>	Jun 10, 2020	\$0.20	\$0.20 <sup>(7)</sup>	\$0.395	Jun 10, 2025
<i>Ryan Hartwell</i> CSO (resigned)	Options	250,000 <sup>(6)</sup> (0.27%) <sup>(3)</sup>	Jun 10, 2020	\$0.20	\$0.20 <sup>(7)</sup>	\$0.395	Jun 10, 2025
	Options	500,000 <sup>(1)</sup> (0.53%) <sup>(3)</sup>	Nov 9, 2020	\$0.64	\$0.64	\$0.395	Nov 9, 2025
<i>Jason Pamer</i> Director	Options	250,000 <sup>(1)</sup> (0.27%) <sup>(3)</sup>	Jun 10, 2020	\$0.20	\$0.20 <sup>(7)</sup>	\$0.395	Jun 10, 2025
<i>Larissa Chaikowsky</i> Director	Options	250,000 <sup>(1)</sup> (0.27%) <sup>(3)</sup>	Apr 16, 2021	\$0.60	\$0.38	\$0.395	Apr 16, 2026

**Notes:**

- (1) All options vested in full on the date of grant.
- (2) Options vest in four equal amounts, each being 250,000 options, on each of the following dates: March 20, 2021, September 20, 2021, March 20, 2022 and September 20, 2022.
- (3) Based on 93,661,597 Common Shares issued and outstanding as at May 31, 2021.
- (4) Each option is exercisable into one Common Share.
- (5) Options vest in four equal amounts, each being 87,500 options, on each of the following dates: October 19, 2021, April 19, 2022, October 19, 2022 and April 19, 2023.
- (6) Options vested on January 29, 2021.
- (7) Price per common share for most recently completed financing prior to the date the Common Shares commenced trading on the Exchange.

None of the above options have been exercised.

## **2021 Long-Term Incentive Plan**

The Company is seeking to obtain approval from the Shareholders at the Meeting of the 2021 Long-Term Incentive Plan. For more information and a summary of the 2021 Long-Term Incentive Plan, please see "*Business to be Transacted at the Meeting – Approval of the 2021 Long-Term Incentive Plan*". Upon approval of the 2021 Long-Term Incentive Plan, all awards granted under the Company's Prior Plan will continue to be governed by the Prior Plan and all awards granted thereafter will be governed by the 2021 Long-Term Incentive Plan.

## **2020 Stock Option Plan**

A summary of certain terms of the Prior Plan is set out below, is not complete and is qualified in its entirety by the full text of the Prior Plan. A copy of the Prior Plan is attached as Schedule "D" hereto and Shareholders are urged to carefully review the Prior Plan. All defined terms contained in the below summary have the meaning ascribed to them in the Prior Plan.

The Prior Plan was adopted by the Company and approved by the shareholders of the Company on May 31, 2020. The purpose of the Prior Plan is to promote the interests of the Company by: (a) furnishing certain directors, officers, employees or consultants of the Company or an affiliate of the Company with greater incentive to further develop and promote the business and financial success of the Company; (b) furthering the identity of interests of persons to whom options may be granted with those of the shareholders of the Company generally through share ownership in the Company; and (c) assisting the Company in attracting, retaining and motivating its directors, officers, employees and consultants. The Prior Plan was a "rolling" plan that provides for, subject to the requirements of rules and regulations of all regulatory authorities to which the Company is subject (including any stock exchange or other organized market on which the Common Shares are listed or posted for trading), the aggregate number of Common Shares in respect of which options may be granted pursuant to the 2021 Long-Term Incentive Plan shall not exceed 20% of the issued and outstanding Common Shares.

Options may be granted under the Prior Plan to such officers, directors, employees, and consultants, of the Company and its affiliates, if any, as the Board may from time to time designate. The exercise price of options will be determined by the Board, but may not be less than the greater of: (a) the fair market value of the Common Shares at the time of grant, as determined by the Board, in its sole discretion; and (b) the lowest price permitted under the applicable rules and regulations of all regulatory authorities to which the Company is subject (including any stock exchange or other organized market on which the Common Shares are listed or posted for trading). In addition, the Board determined the time or times when options would be granted, vest and be exercisable and could determine when it is appropriate to accelerate when options otherwise subject to vesting may be exercised. The Prior Plan provides that, unless disinterest shareholder approval is obtained, the 2021 Long-Term Incentive Plan will not result in or allow at any time: (i) the number of Common Shares reserved for issuance pursuant to options granted to directors or officers exceeding 10% of the outstanding Common Shares at the time of granting the options; (ii) the issuance to directors or officers, within a one year period, of a number of Common Shares exceeding 10% of the outstanding Common Shares at the time of the granting of the option; or (iii) the issuance to any one director or executive officer, within a 12 month period, of a number of Common Shares exceeding 5% of the outstanding Common Shares at the time of granting the options.

Subject to earlier termination in the event of dismissal for cause, termination other than for cause, or in the event of death, all options granted under the Prior Plan will expire not later than the date that is the earlier of: (i) ten years from the date that such options are granted; and (ii) the latest date permitted under the applicable rules and regulations of all regulatory authorities to which the Company is subject (including any stock exchange or other organized market on which the Common Shares are listed or posted for trading). Options granted under the Prior Plan are not transferable or assignable other than by will or other testamentary instrument, pursuant to the laws of succession or by a committee or duly appointed committee by reason that the holder is incapable, by reason of physical or mental infirmity, of managing their affairs.

### **Agent's Options**

In connection with the Company's initial public offering that closed on September 17, 2020 and the Company's bought deal public offering that closed on February 10, 2021, as of the date hereof, there are: (i) 515,177 options granted to the agents exercisable at a price of \$0.25 per share until September 17, 2022; and (ii) 2,050,041 options granted to the agents exercisable at a price of \$0.60 per share until February 10, 2026.

### **Employment Agreements, Termination and Change of Control Benefits**

The Company currently has employment agreements in place with the current Named Executive Officers. The employment agreements provide for, among other things, the continuation of the employment for an indefinite term, subject to termination as provided for in the employment agreements.

*Kelsey Ramsden, President, CEO and Director*

A formal employment agreement is in place between the Company and Ms. Ramsden. The employment agreement is for an indefinite term. Subject to limited exceptions, it contains non-competition, non-solicitation and confidentiality covenants in favour of the Company which apply during the term of employment and will continue for a specified period of time after termination.

During the term of the employment agreement, the Company is entitled to terminate the employment of Ms. Ramsden without cause by providing her with written notice and paying Ms. Ramsden a lump sum amount equal to 12 months' her base salary, plus continued coverage under the Company's insurance benefits plan, if any until the earlier of 12 months after termination or Ms. Ramsden becoming eligible to receive health insurance benefits from any other employer. The termination amount for Ms. Ramsden if terminated without cause on May 31, 2021 would have been approximately \$300,000.

If the employment of Ms. Ramsden is terminated for cause, Ms. Ramsden will not be entitled to any notice and will not be entitled to any compensation or benefits beyond the date of termination.

If Ms. Ramsden resigns, she must first provide the Company with at least 90 days' prior written notice. The Company may elect to waive the notice period at any time after Ms. Ramsden has given notice of her resignation. Ms. Ramsden will be entitled to receive her base salary for the remainder of the notice period, as well as any benefits she remains eligible for.

If there is a change of control, Ms. Ramsden may, at her option where good reason exists within 12 months following a change of control, terminate her employment by giving appropriate notice

and receive compensation equivalent to that from termination without cause noted above. The employment agreement defines a “change in control” as: (1) the sale of all or substantially all of the assets of the Company to an unrelated person or entity; (2) a merger, reorganization, or consolidation involving the Company in which the shares of voting stock outstanding immediately prior to the transaction represent or are converted into or exchanged for securities of the surviving or resulting entity that, immediately upon completion of the transaction, represent less than 51% of the outstanding voting power of the surviving or resulting entity; (3) the acquisition of all or a majority of the outstanding voting stock of the Company in a single transaction or a series of related transactions by a person or group of persons; or (4) any other acquisition of the business of the Company, as determined by the Board; but any public offering by the Company, or another capital raising event, or a merger effected solely to change the Company’s domicile does not constitute a change in control. The termination amount for Ms. Ramsden if terminated with good reason in connection with a change of control on May 31, 2021 would have been approximately \$300,000.

In the event Ms. Ramsden is terminated without cause or resigns for good reason following a change in control, all her stock options and other stock-based awards held shall immediately accelerate, vest, and become fully exercisable or non-forfeitable immediately prior to the date of termination.

Ms. Ramsden has entered into a Confidentiality and Assignment of Inventions Agreement with the Company.

*Michael Wolfe, CFO*

A formal employment agreement is in place between the Company and Mr. Wolfe. The employment agreement is for an indefinite term. Subject to limited exceptions, it contains non-competition, non-solicitation and confidentiality covenants in favour of the Company which apply during the term of employment and will continue for a specified period of time after termination.

During the term of the employment agreement, the Company is entitled to terminate the employment of Mr. Wolfe without cause by providing him with written notice and paying Mr. Wolfe a lump sum amount equal to the greater of 6 months’ his base salary, plus 1 month per year of service to a maximum of 12 months or the minimum statutory requirements under applicable laws, plus the greater of , plus continued coverage under the Company’s insurance benefits plan, if any until the earlier of 3 months after termination or Mr. Wolfe becoming eligible to receive health insurance benefits from any other employer. The termination amount for Mr. Wolfe if terminated without cause on May 31, 2021 would have been approximately \$125,000.

If the employment of Mr. Wolfe is terminated for cause, Mr. Wolfe will not be entitled to any notice and will not be entitled to any compensation or benefits beyond the date of termination.

If Mr. Wolfe resigns, he must first provide the Company with at least 21 days’ prior written notice. The Company may elect to waive the notice period at any time after Mr. Wolfe has given notice of his resignation. Mr. Wolfe will be entitled to receive his base salary for the remainder of the notice period, as well as any benefits he remains eligible for.

If there is a change of control, Mr. Wolfe may, at his option where good reason exists within 12 months following a change of control, terminate his employment by giving appropriate notice and receive compensation equivalent to that from termination without cause noted above. The

employment agreement defines a “change in control” as: (1) the sale of all or substantially all of the assets of the Company to an unrelated person or entity; (2) a merger, reorganization, or consolidation involving the Company in which the shares of voting stock outstanding immediately prior to the transaction represent or are converted into or exchanged for securities of the surviving or resulting entity that, immediately upon completion of the transaction, represent less than 51% of the outstanding voting power of the surviving or resulting entity; (3) the acquisition of all or a majority of the outstanding voting stock of the Company in a single transaction or a series of related transactions by a person or group of persons; or (4) any other acquisition of the business of the Company, as determined by the Board; but any public offering by the Company, or another capital raising event, or a merger effected solely to change the Company’s domicile does not constitute a change in control. The termination amount for Mr. Wolfe if terminated with good reason in connection with a change of control on May 31, 2021 would have been approximately \$125,000.

In the event Mr. Wolfe is terminated without cause or resigns for good reason following a change in control, all his stock options and other stock-based awards held shall immediately accelerate, vest, and become fully exercisable or non-forfeitable immediately prior to the date of termination.

Mr. Wolfe has entered into a Confidentiality and Assignment of Inventions Agreement with the Company.

## **Oversight and Description of Director and Named Executive Officer Compensation**

### ***Compensation Philosophy and Objectives***

The Company's compensation policies and programs are designed to be competitive with industry peers and to recognize and reward executive performance consistent with the success of the Company's business. These policies and programs are intended to motivate, attract and retain capable and experienced individuals who will contribute to the success of the Company. The Board, with input from the Compensation and Governance Committee, reviews the adequacy of remuneration for its senior executives by evaluating their performance in light of the Company's goals and objectives, and by comparing with other reporting issuers of similar size in the same industry.

The Board considers a variety of factors when determining both compensation policies and programs and individual compensation levels. These factors include the long-range interests of the Company and Shareholders, overall financial and operating performance of the Company and the Board's assessment of each executive's individual performance and contribution toward meeting the Company’s corporate objectives.

### ***Determination of Compensation***

#### ***Compensation and Governance Committee***

The Board established a Compensation and Governance Committee (the “C&GC”) in June 2021 to assist in fulfilling the Board’s executive compensation oversight responsibilities. The C&GC is comprised of three independent directors, being Larissa Chaikowsky, Jason Pamer and Robert Hill. Each member of the C&GC has the relevant competence and skills to make informed decisions on the suitability of the Company’s compensation policies and practices. In addition, the

C&GC members' diverse backgrounds bring to the committee a wide variety of perspectives in executing the Company's philosophy and objectives with respect to compensation.

The C&GC is responsible for reviewing and making recommendations to the Board regarding the compensation for the Chief Executive Officer and other senior executive officers of the Company. The C&GC seeks to ensure that the Company's compensation goals and objectives, as applied to the actual compensation paid to the Company's executive officers, are aligned with the Company's overall business objectives and Shareholder interests. The C&GC is also responsible for reviewing the executive compensation disclosure before the Company discloses this information publicly.

See "*Statement of Corporate Governance Practices*" for more information about the C&GC.

### ***Elements of Executive Compensation***

The executive compensation program of the Company consists of three principal components: fixed compensation, short-term incentive compensation and long-term incentive compensation.

#### *Fixed Compensation*

Fixed compensation in the form of base salary is designed to provide income certainty and to attract and retain executives and is therefore based on the assessment of a number of factors such as current competitive market conditions, compensation levels within similarly situated companies to the Company and factors particular to the executive, including individual performance, the scope of the executive's role with the Company and retention considerations.

As part of the executive compensation review and design process, the C&GC reviewed a peer group to benchmark compensation of its NEOs and directors. The companies forming part of the peer group identified by the Company are deemed to reflect the financial situation of the Company as a publicly listed organization and to have a complexity of operations and technologies comparable to the Company. The peer group consists of all publicly traded companies, and a mix of technology companies and non-technology companies. The peer group will be reviewed regularly to ensure the criteria and constituents remain appropriate.

#### *Short-Term Incentive Compensation*

In addition to base salary, the Company may award executives with short term incentive awards in the form of an annual bonus. Annual bonuses are intended to provide short-term incentives to executives and to reward them for their yearly individual contribution and performance of certain corporate and personal objectives in the context of overall annual corporate performance. In some instances, the amount may be pre-established and based on certain financial, budgetary or other targets established by the Company. At this time the C&GC has not established any performance criteria or goals.

#### *Long-Term Incentive Compensation*

Long-term incentive compensation may be provided through the grant of stock options pursuant to the Prior Plan and will consist of Awards under the 2021 Long-Term Incentive Plan going forward. The Company adopted these incentive plans to attract, secure, retain, incentivize and reward the services of Participants who are expected to contribute significantly to the success of the Company and its Shareholders and, in general, to further the best interests of the Company, the Participants and its Shareholders.

The size of Award grants to Named Executive Officers is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long-term contribution to the Company will be crucial to its long-term success. Previous grants are taken into account when considering new grants.

***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 incentive stock options to purchase common shares in the capital of the Company in accordance with the policies of the Canadian Securities Exchange (the “Exchange”).

Except as disclosed in this Information Circular, there were no significant changes to the Company’s compensation policies during or after the most recently completed financial year that could or would have affected the Named Executive Officers compensation.

**SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets forth information relating to the Company’s equity compensation plan as at May 31, 2021. The Company has implemented a Stock Option Plan and is proposing the approval of the 2021 Long-term Incentive Plan at the Meeting:

<b>Plan Category</b>	<b>Number of Common Shares to be issued upon exercise of outstanding Options</b>	<b>Weighted-average exercise price of outstanding Options</b>	<b>Number of Common Shares remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)</b>
Equity compensation plans approved by Shareholders – Stock Option Plan	10,215,000	\$0.41	8,517,319 <sup>(1)</sup>
Equity compensation plans not approved by Shareholders	Nil	N/A	Nil
<b>Total</b>	10,215,000	\$0.41	8,517,319 <sup>(1)</sup>

Note:

(1) Based on 93,661,597 Common Shares issued and outstanding as at May 31, 2021.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No director, proposed director, executive officer, nor any of their respective associates or affiliates, or other management of the Company is or has been indebted to the Company or its subsidiaries since the beginning of the Company's most recently completed financial year.

**AUDIT COMMITTEE**

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.

### ***Audit Committee Charter***

The full text of the Company's Audit Committee Charter is attached as Schedule "A" hereto.

### ***Composition of the Audit Committee***

The following persons are members of the Audit Committee:

<b>Member</b>	<b>Independence</b>	<b>Financial Literacy</b>
Robert Hill	Independent	Financially Literate
Philip Tapley	Not Independent	Financially Literate
Jason Pamer	Independent	Financially Literate

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship, which could, in the Board's reasonable opinion, interfere with the exercise of a member's independent judgement.

A member of the Audit Committee is considered "financially literate" if he or she has the ability to read and understand a set of financial statements presenting a breadth and level of complexity of accounting issues generally comparable to the breadth and complexity of issues one can reasonably expect to be raised by the Company.

In accordance with section 6.1.1(3) of NI 52-110 relating to the composition of the audit committee for venture issuers, a majority of the members of the Audit Committee are not executive officers, employees or control persons of the Company.

### ***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 of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

### ***Reliance on Exemptions in NI 52-110 regarding De Minimis Non-audit Services or on a Regulatory Order Generally***

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit), the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), the exemption in subsection 6.1.1(5) (*Events Outside of Control of Member*), the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*) or an exemption from NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

### ***Pre-Approval Policies and Procedures***

The Company has adopted specific policies and procedures for the engagement of non-audit services in its Audit Committee Charter. Pursuant to Section 14 of the Audit Committee Charter, all non-audit services (being all services other than "audit services" (as such term is defined in NI 52-110) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the Audit Committee. The Audit Committee may delegate to one or more independent members of the Audit Committee the authority to pre-approve non-audit services, provided any non-audit services approved in this manner must be presented to the Audit Committee at its next scheduled meeting. The Audit 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 Audit Committee or by one or more of its members to whom authority to grant such approvals had been delegated by the Audit Committee.

### ***External Auditor Service Fees***

The Audit Committee has reviewed the nature and amount of the non-audit services provided by the Company's current auditor, Davidson to the Company to ensure auditor independence. Fees incurred with Davidson, for audit and non-audit services since inception of the Company on May 6, 2020 are outlined in the following table:

<b>Financial Year Ended</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
May 31, 2021	\$37,500	-	\$6,500	\$37,500
May 31, 2020	\$19,500	-	-	-

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.
- (5) Audit Fees and Tax Fees for the financial year ended May 31, 2021 are estimates.

### ***Reliance on Exemptions in NI 52-110 regarding Audit Committee Composition & Reporting Obligations***

Since the Company is a "venture issuer" as defined in NI 52-110, it relies on the exemption contained in section 6.1 of NI 52-110 from the requirements of Part 3 Composition of the Audit Committee (as described in "*Composition of the Audit Committee*" above) and Part 5 Reporting Obligations of NI 52-110 (which requires certain prescribed disclosure about the Audit Committee in this Information Circular).

## **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

Set out below is a description of the Company's current corporate governance practices and other information relating to the Board, per National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and related disclosure requirements.

The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Company. Set forth below is a brief discussion of the Company's approach to corporate governance.

### **Board of Directors**

The Board facilitates its exercise of independent supervision over management through the participation of directors. Currently, the Board has five directors of whom three are independent within the meaning of National Instrument 52-110 – *Audit Committees*. The Board members are Kelsey Ramsden, Philip Tapley, Jason Pamer, Robert Hill and Larissa Chaikowsky.

Jason Pamer, Robert Hill and Larissa Chaikowsky are independent directors in that they do not have a direct or indirect material relationship with the Company which could, in the view of the Board, reasonably interfere with the exercise of the director's independent judgment. Kelsey Ramsden is not considered independent as she is the Chief Executive Officer of the Company. Philip Tapley is not considered independent as he is actively involved in Company matters.

Philip Tapley is the Chair of the Board. His role and responsibilities include, but are not limited to: (i) providing leadership to the Board; (ii) chairing Board meetings; (iii) ensuring the duties and responsibilities of the Board's committees are carried out in accordance with the charters of such

committees; and (iv) working with senior executives of the Company to discharge the duties of the Board.

### **Directorships**

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

### **Board Mandate**

The Board is responsible for supervising the management of the business and affairs of the Company and is expected to focus on guidance and strategic oversight with a view to increasing shareholder value.

### **Orientation and Continuing Education**

Due to the size of the Company's Board, no formal program currently exists for the orientation of new directors, but new directors have orientation on an informal and ad hoc basis that includes meetings with management on business directions, operational issues and financial aspects of the Company. The Chair also meets with new directors to review and explain the role of the Board, its committees, and the expectations of each individual in their role as a director.

Management updates the Board on a regular basis regarding the business and activities of the Company to ensure that the directors have the necessary knowledge to meet their obligations as directors. No formal continuing education program currently exists for the directors of the Company; however, the Company encourages directors to attend, enroll or participate in courses and/or seminars dealing with financial literacy, corporate governance and related matters. Each director of the Company has the responsibility for ensuring that they maintain the skill and knowledge necessary to meet their obligations as a director.

### **Ethical Business Conduct**

The Company is committed to conducting its business and affairs with honesty, integrity and in accordance with the highest ethical and legal standards. These standards can only be achieved by the Company adhering to the values and principles of conduct established by the Company. The Board has adopted a Code of Business Conduct and Ethics (the "**Code**") which applies to every director, officer, employee, consultant and contractor (the "**Representatives**") of the Company in the conduct of their business.

Each Representative is required to adhere to the Company's commitment to conduct its business and affairs in a lawful and ethical manner. All such persons are encouraged to talk to appropriate personnel within the Company when in doubt about the best course of action in a particular situation and to report any breach or suspected breach of law, this Code or any of the Company's corporate policies. The Company prohibits retaliatory action against any officer or employee who, in good faith, reports a possible violation. It is unacceptable to file a report knowing it to be false.

### **Conflicts of Interest**

Representatives, in discharging their duties, shall act honestly and in good faith with a view to the best interests of the Company and avoid situations involving a conflict, or potential conflict,

between their personal, family or business interests, and the interests of the Company, and shall promptly disclose any such conflict, or potential conflict, to the Company.

When faced with a conflict, it is required that business judgment of responsible persons, uninfluenced by considerations other than the best interests of the Company, will be exercised. Pursuant to the Business Corporations Act (BC), any officer or director of the Company with a conflict of interest must disclose the nature and extent of such conflict to the Board and recuse themselves from a matter that materially conflicts with that individual's duty as a director or senior officer of the Company.

### **Protection and Proper Use of Assets**

All Representatives shall deal with the Company's assets, including all data, information (confidential or otherwise), records, material, facilities and equipment, with the strictest integrity and with due regard to the interests of shareholders and all other stakeholders. The Company's assets may not be used for personal gain or benefit. In addition, all Representatives must act in a manner to protect such assets from loss, damage, misuse, theft and waste and ensure that such assets are used only for legitimate business purposes.

### **Confidentiality**

Information is a key asset of the Company. It is the Company's policy to ensure that its proprietary and confidential information, including proprietary and confidential information that has been entrusted to the Company by others, is adequately safeguarded. All confidential information, including information about Mind Cure's business, assets, opportunities, suppliers and competitors should be properly protected from advertent or inadvertent disclosure.

### **Compliance with Laws, Rules and Regulations**

All Representatives, in discharging their duties, shall comply with the laws, rules and regulations of the jurisdictions where they carry out their duties to the Company and all jurisdictions where the Company conducts its business activities, as well as the Code and all corporate policies adopted by the Company.

### **Compensation and Governance Committee**

The C&GC of the Board consists of Larissa Chaikowsky (Chair), Robert Hill and Jason Pamer.

The C&GC of the Board is composed of entirely independent directors and oversees compensation and governance matters for the Board. The Committee reviews with the Board on an annual basis the current composition of the Board with a view to ensuring that the members of the Board have the independence, expertise, experience, personal qualities and ability to make the necessary time commitment to the Company in light of the opportunities and risks facing the Company.

The C&GC proposes to the Board nominees they believe to be qualified to be directors and, in doing so, considers both the opportunities and risks facing the Company and the independence, expertise, experience, personal qualities and ability to make the necessary time commitment of a proposed nominee in order to add value to the Company.

The Board is responsible for developing and implementing a program for assessing the effectiveness of the individual directors, the Board and its committees, including considering the experience and expertise of members against the needs of each committee and the Board. The C&GC conducts an annual evaluation of the Board's effectiveness and reports the results of the evaluation to the Chair of the Board and the Board.

The C&GC considers the form and amount of compensation for directors and the Chair of the Board and recommends any changes to the Board for consideration. The C&GC periodically reviews such compensation, taking into consideration such factors as time commitment, compensation at comparable public corporations and responsibilities to ensure such compensation is reasonable, competitive, aligns the interests of directors with those of shareholders and is consistent with the time commitment, risks and responsibilities involved in being an effective director.

The C&GC also oversees the compensation of executive officers and, among other things: (i) establishes and administers policies with respect to the compensation of executive officers of the Company, (ii) ensures compensation policies and practices properly reflect duties and are competitive, (iii) reviews compensation levels annually, (iv) reviews, and oversee the administration by management of the Company's general compensation and benefit programs and assesses the extent to which the programs are meeting their intended objectives, (v) reviews and approves the corporate goals and objectives relevant to the compensation of the CEO annually and in the context of the Company's strategic plan and assesses the performance of the CEO and determines the appropriate level of performance compensation bonus, and (vi) reviews annually the objectives set by the CEO for executive officers in the context of the Company's strategic plan and, in concert with the CEO, reviews the performance assessment of individual executive officers and determine their levels of performance compensation and targets.

### **Audit Committee**

The Audit Committee of the Board consists of Robert Hill (Chair), Philip Tapley and Jason Pamer. Additional information on the Audit Committee is provided above under the heading "*Audit Committee*".

### **Other Committees**

The Audit Committee and the Compensation and Governance Committee are the only standing committees of the Board of the Company.

### **Director Term Limits and Other Mechanisms of Board Renewal**

The Board has not adopted a formal policy relating to term limits or other mechanisms of board renewal because it has not felt that such mechanisms are appropriate given the Company's size and stage of development. The Board is of the opinion that term limits may disadvantage the Company through the loss of beneficial contributions of its directors.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as described herein, to the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company, or any associate or affiliate of any informed person or proposed

director, had any material interest in any transaction since the commencement of the most recently completed financial year of the Company which has materially affected or would materially affect the Company or any of its subsidiaries.

#### **OTHER BUSINESS**

Management of the Company is not aware of any other business to come before the Meeting other than as set forth in the Notice of Meeting. If any other business properly comes before the Meeting, it is the intention of the persons named in the form of proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is contained in the Company's consolidated financial statements and management's discussion and analysis for the year ended May 31, 2021 available on SEDAR. In addition, securityholders may obtain copies of the Company's financial statements and management's discussion and analysis by contacting the Company in writing at #170, 422 Richards Street, Vancouver, British Columbia V6B 2Z4 or by e-mail at [investors@mindcure.com](mailto:investors@mindcure.com).

#### **APPROVAL BY BOARD OF DIRECTORS**

The Board has approved the contents and distribution of this Information Circular.

DATED at Vancouver, British Columbia, this 26<sup>th</sup> day of July, 2021.

#### **By Order of the Board of Directors**

*“Kelsey Ramsden”*

Kelsey Ramsden  
President, Chief Executive Officer and Director

## SCHEDULE "A"

# MINDCURE

## MIND CURE HEALTH INC.

### AUDIT COMMITTEE CHARTER

#### PURPOSE

Mind Cure Health 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 comprised of at least three members, each of whom shall be a director of the Company, and at least a majority of which shall meet the independence requirements of 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 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 May 31, 2020.**

## SCHEDULE "B"

### MIND CURE HEALTH INC. (the "Company")

#### ADVANCE NOTICE POLICY

##### INTRODUCTION

The Company is committed to: (i) facilitating an orderly and efficient annual general or, where the need arises, special meeting, process; (ii) ensuring that all shareholders receive adequate notice of the director nominations and sufficient information with respect to all nominees; and (iii) allowing shareholders to register an informed vote.

The purpose of this Advance Notice Policy (this "**Policy**") is to provide shareholders, directors and management of the Company with direction on the nomination of directors. This Policy is the framework by which the Company seeks to fix a deadline by which holders of record of common shares of the Company must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

It is the position of the Company that this Policy is beneficial to shareholders and other stakeholders. This Policy will be subject to an annual review, and will reflect changes as required by securities regulatory agencies or stock exchanges, or so as to meet industry standards.

##### NOMINATION OF DIRECTORS

1. Subject only to the *Business Corporations Act* (British Columbia) (the "**Act**"), only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board of directors of the Company (the "**Board**") may be made at any annual meeting of shareholders, or at any special meeting of shareholders (but only if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting):
  - (a) by or at the direction of the Board or an authorized officer of the Company, including pursuant to a notice of meeting;
  - (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act; or
  - (c) by any person (a "**Nominating Shareholder**"):
    - (i) who, at the close of business on the date of the giving of the notice provided for below in this Policy and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and
    - (ii) who complies with the notice procedures set forth below in this Policy.
2. In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given (i) timely notice thereof in proper written form to the Corporate Secretary of the Company at the principal executive offices of the Company in

accordance with this Policy and (ii) the representation and agreement with respect to each candidate for nomination as required by, and within the time period specified in Section 5 of this Policy.

3. To be timely under Section 2(i) of this Policy, a Nominating Shareholder's notice to the Corporate Secretary of the Company must be made:
- (a) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 40 days after the date (the "Notice Date") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the tenth (10th) day following the Notice Date; and
  - (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this Section 3.

4. To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Company, under Section 2(i) of this Policy must set forth:
- (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a Director:
    - (i) the name, age, business address and residence address of the person;
    - (ii) the principal occupation or employment of the person;
    - (iii) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the Meeting of Shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
    - (iv) a statement as to whether such person would be "independent" of the Company (within the meaning of sections 1.4 and 1.5 of National Instrument 52-110 – Audit Committees of the Canadian Securities Administrators, as such provisions may be amended from time to time) if elected as a Director at such meeting and the reasons and basis for such determination; and
    - (v) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
  - (b) as to the Nominating Shareholder giving the notice:
    - (i) any information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of

proxies for election of directors pursuant to the Act and Applicable Securities Laws, and

- (ii) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the Nominating Shareholder as of the record date for the Meeting of Shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice.
5. To be eligible to be a candidate for election as a director of the Company and to be duly nominated, a candidate must be nominated in the manner prescribed in this Policy and the candidate for nomination, whether nominated by the Board or otherwise, must have previously delivered to the Corporate Secretary of the Company at the principal executive offices of the Company, not less than 5 days prior to the date of the Meeting of Shareholders, a written representation and agreement (in form provided by the Company) that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director (and, if requested by any candidate for nomination, the Corporate Secretary of the Company shall provide to such candidate for nomination all such policies and guidelines then in effect).
  6. No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Policy; provided, however, that nothing in this Policy shall be deemed to preclude discussion by a shareholder (as distinct from nominating directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
  7. For purposes of this Policy:
    - (a) “**Affiliate**”, when used to indicate a relationship with a person, shall mean a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified person;
    - (b) “**Applicable Securities Laws**” means the *Securities Act* (British Columbia) and the equivalent legislation in the other provinces and in the territories of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each of the applicable provinces and territories of Canada;
    - (c) “**Associate**”, when used to indicate a relationship with a specified person, shall mean (A) any corporation or trust of which such person owns beneficially, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of such corporation or trust for the time being outstanding, (B) any partner of that person, (C) 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, (D) a spouse of such

specified person, (E) any person of either sex with whom such specified person is living in conjugal relationship outside marriage or (F) any relative of such specified person or of a person mentioned in clauses (D) or (E) of this definition if that relative has the same residence as the specified person;

- (d) “**Derivatives Contract**” shall mean a contract between two parties (the “**Receiving Party**” and the “**Counterparty**”) that is designed to expose the Receiving Party to economic benefits and risks that correspond substantially to the ownership by the Receiving Party of a number of shares in the capital of the Company or securities convertible into such shares specified or referenced in such contract (the number corresponding to such economic benefits and risks, the “**Notional Securities**”), regardless of whether obligations under such contract are required or permitted to be settled through the delivery of cash, shares in the capital of the Company or securities convertible into such shares or other property, without regard to any short position under the same or any other Derivatives Contract. For the avoidance of doubt, interests in broad-based index options, broad-based index futures and broad-based publicly traded market baskets of stocks approved for trading by the appropriate governmental authority shall not be deemed to be Derivatives Contracts;
- (e) “**Meeting of Shareholders**” shall mean such annual shareholders meeting or special shareholders meeting, whether general or not, at which one or more persons are nominated for election to the Board by a Nominating Shareholder;
- (f) “**owned beneficially**” or “**owns beneficially**” means, in connection with the ownership of shares in the capital of the Company by a person, (A) any such shares as to which such person or any of such person’s Affiliates or Associates owns at law or in equity, or has the right to acquire or become the owner at law or in equity, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, upon the exercise of any conversion right, exchange right or purchase right attaching to any securities, or pursuant to any agreement, arrangement, pledge or understanding whether or not in writing; (B) any such shares as to which such person or any of such person’s Affiliates or Associates has the right to vote, or the right to direct the voting, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, pursuant to any agreement, arrangement, pledge or understanding whether or not in writing; (C) any such shares which are beneficially owned, directly or indirectly, by a Counterparty (or any of such Counterparty’s Affiliates or Associates) under any Derivatives Contract (without regard to any short or similar position under the same or any other Derivatives Contract) to which such person or any of such person’s Affiliates or Associates is a Receiving Party; provided, however that the number of shares that a person owns beneficially pursuant to this clause (C) in connection with a particular Derivatives Contract shall not exceed the number of Notional Securities with respect to such Derivatives Contract; provided, further, that the number of securities owned beneficially by each Counterparty (including their respective Affiliates and Associates) under a Derivatives Contract shall for purposes of this clause be deemed to include all securities that are owned beneficially, directly or indirectly, by any other Counterparty (or any of such other Counterparty’s Affiliates or Associates) under any Derivatives Contract to which such first Counterparty (or any of such first Counterparty’s Affiliates or Associates) is a Receiving Party and this proviso shall be applied to successive

Counterparties as appropriate; and (D) any such shares which are owned beneficially within the meaning of this definition by any other person with whom such person is acting jointly or in concert with respect to the Company or any of its securities; and

- (g) “**public announcement**” shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company or its agents under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com).
8. Notwithstanding any other provision to this Policy, notice or any delivery given to the Corporate Secretary of the Company pursuant to this Policy may only be given by personal delivery, facsimile transmission or by email (provided that the Corporate Secretary of the Company has stipulated an email address for purposes of this notice, at such email address as stipulated from time to time), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Corporate Secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.
9. In no event shall any adjournment or postponement of a Meeting of Shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder’s notice as described in Section 3 of this Policy or the delivery of a representation and agreement as described in Section 5 of this Policy.

#### **EFFECTIVE DATE**

This Policy was approved by the Board on **June 1, 2021** and is and shall be effective and in full force and effect in accordance with its terms and conditions from and after such date.

#### **GOVERNING LAW**

This Policy shall be interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable in that province.

Dated: June 1, 2021

Approved by: Board of Directors

## SCHEDULE "C"

### MIND CURE HEALTH INC.

#### LONG-TERM INCENTIVE PLAN

##### 1. PURPOSE OF THE PLAN

The purpose of this Long-Term Incentive Plan is to advance the interests of Mind Cure Health Inc. (the "Company") and its shareholders by providing to Participants a performance incentive for continued and improved services with the Company and its Affiliates.

##### 2. DEFINITIONS

Where used herein or in any amendments hereto or in any communication required or permitted to be given hereunder, the following terms shall have the following meanings, unless the context otherwise requires:

(a) "*Affiliate*" shall have the meaning ascribed to such term in NI 45-106.

(b) "*Award*" shall mean any Option, Stock Appreciation Right, Restricted Share Award, Restricted Share Unit Award, Other Share-Based Award, Performance Award or any other right, interest or option relating to Shares or other property (including cash) granted pursuant to the provisions of the Plan.

(c) "*Award Agreement*" shall mean any written agreement or other document evidencing an Award.

(d) "*Black-Out Period*" shall mean a period of time when, pursuant to the policies of the Company (including the Company's insider trading policy), securities of the Company may not be traded by certain Persons designated by the Company.

(e) "*Board*" shall mean the board of directors of the Company.

(f) "*Cause*" shall mean such conduct which permits the Company or an Affiliate to terminate a person without notice, payment in lieu of notice or severance pay, whether arising under statute, contract or at law.

(g) "*Change of Control*" shall have the meaning set out in Section 11.3.

(h) "*Committee*" shall mean the Compensation and Governance Committee of the Board.

(i) "*Consultant*" shall have the meaning ascribed to such term in NI 45-106.

(j) "*Director*" shall mean a director of the Company or an Affiliate.

(k) "*Disinterested Shareholder Approval*" shall mean approval of a matter by a majority of the votes cast by shareholders of the Company at the meeting of shareholders other than votes cast by those shareholders required to be excluded in respect of the matter pursuant to applicable laws or Exchange Rules.

- (l) “*Dividend Equivalent*” shall have the meaning set out in Section 12.10
- (m) “*Eligible Person*” shall mean a Person who is a Director, Employee or Consultant.
- (n) “*Employee*” shall mean:
  - (A) an individual who is considered an employee of the Company or an Affiliate under the *Income Tax Act* (Canada) or other applicable tax laws,
  - (B) an individual who works full-time for the Company or an Affiliate providing services normally provided by an employee and who is subject to the same control and direction by the Company or such Affiliate over the details and methods of work, as an employee of the Company or such Affiliate, but for whom income tax deductions are not made at source, or
  - (C) an individual who works for the Company or an Affiliate 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 such Affiliate over the details and methods of work as an employee of the Company or such Affiliate, but for whom income tax deductions are not made at source.
- (o) “*Exchange*” shall mean the Canadian Securities Exchange or, if the Shares are no longer listed for trading on the Canadian Securities Exchange, such other primary exchange or quotation system on which the Shares are listed or quoted for trading.
- (p) “*Exchange Rules*” shall mean the rules and policies of the Exchange, as amended from time to time.
- (q) “*Fair Market Value*” shall mean, with respect to Shares as of any date, (i) the closing price of the Shares as reported on the Exchange on such date or, if there is no closing price on that date, then on the last preceding date on which such a closing price was reported; (ii) if the Shares are not listed on any Canadian or U.S. national securities exchange but are quoted in an inter-dealer quotation system on a last sale basis, the final sale price of the Shares reported on the inter-dealer quotation system for such date, or, if there is no such sale on such date, then on the last preceding date on which a sale was reported; or (iii) if the Shares are neither listed on a Canadian or U.S. national securities exchange nor quoted on an inter-dealer quotation system on a last sale basis, the amount determined by the Committee to be the fair market value of the Shares as determined by the Committee in its sole discretion. The Fair Market Value of any property other than Shares shall mean the market value of such property determined by such methods or procedures as shall be established from time to time by the Committee.
- (r) “*Incumbent Board*” shall have the meaning set out in Section 11.3(d).
- (s) “*Insider*” shall have the meaning ascribed to such term in the Securities Act.
- (t) “*Investor Relations Activities*” shall have the meaning ascribed to such term in the Securities Act.

(u) “*Management Company Employee*” shall mean an individual employed by a Person providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a Person providing Investor Relations Activities to the Company.

(v) “*NI 45-106*” shall mean National Instrument 45-106 *Prospectus Exemptions* of the Canadian Securities Administrators, as the same may be amended or replaced from time to time.

(w) “*Option*” shall mean the right to purchase Shares at a stated price and for a specified time period as determined by the Committee in its sole discretion.

(x) “*Other Share-Based Awards*” shall have meaning set out in Section 8.1.

(y) “*Participant*” shall mean an Employee, Director or Consultant that is eligible to participate in the Plan.

(z) “*Performance Award*” shall mean an Award of Performance Cash, Performance Shares or Performance Units granted to a Participant pursuant to Article 9.

(aa) “*Performance Cash*” shall mean a right granted to a Participant to receive a payment in the form of cash, the payment of which is contingent upon achieving certain performance goals established by the Committee in its sole discretion.

(bb) “*Performance Period*” shall mean the time period established by the Committee during which the performance goals specified by the Committee with respect to a Performance Award are to be measured.

(cc) “*Performance Share*” shall mean a right granted to a Participant to receive a payment in the form of Shares, the payment of which is contingent upon achieving certain performance goals established by the Committee in its sole discretion.

(dd) “*Performance Unit*” shall mean a right granted to a Participant to receive a payment in the form of Shares, cash, or a combination thereof, the payment of which is contingent upon achieving certain performance goals established by the Committee in its sole discretion.

(ee) “*Permitted Assignee*” shall have the meaning set out in Section 12.4.

(ff) “*Person*” shall mean any individual, firm, partnership, limited partnership, limited liability company or partnership, unlimited liability company, association, trust, trustee, executor, administrator, legal or personal representative, government, governmental body, entity or authority, group, body corporate, corporation, unincorporated organization or association or any other entity, whether or not having legal personality, and any of the foregoing in any derivative, representative or fiduciary capacity and pronouns have a similar extended meaning;

(gg) “*Prior Plan*” shall mean the Company’s Incentive Stock Option Plan effective May 31, 2020.

(hh) “*Restricted Share*” shall mean a Share issued to a Participant pursuant to Article 7 that is subject to certain restrictions, as the Committee shall determine in its sole discretion.

(ii) “*Restricted Share Unit*” shall mean a unit granted to a Participant to receive Shares or their cash equivalent, or a combination thereof, upon the satisfaction of certain restrictions as determined by the Committee in its sole discretion.

(jj) “*Securities Act*” means the *Securities Act* (British Columbia), as amended.

(kk) “*Shares*” shall mean the common shares in the capital of the Company.

(ll) “*Stock Appreciation Right*” shall mean a right granted to a Participant pursuant to Article 6.

(mm) “*Subsidiary*” shall have the meaning ascribed to such term in the Securities Act.

(nn) “*Substitute Awards*” shall mean Awards granted by the Company under the Plan in substitution for other awards, including but not limited to, Awards made to engage new Employees, Awards made in connection with a Change of Control, or Awards otherwise made in substitution for Awards granted under the Plan in the discretion of the Committee.

(oo) “*Tax Act*” means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time.

(pp) “*Termination Date*” means (i) in the event of a Participant’s resignation, the date on which such Participant ceases to be an Employee, Director or Consultant of the Company or an Affiliate and (ii) in the event of the termination of the Participant’s employment, or position as Director or Consultant, the effective date of the termination as specified in the notice of termination provided to the Participant by the Company or an Affiliate, as the case may be.

(qq) “*Vesting Period*” shall mean the period of time specified by the Committee during which vesting restrictions for an Award are applicable.

## **2.2 Interpretation.**

(a) Whenever the Committee is to exercise discretion or authority in the administration of the terms and conditions of this Plan, the term “discretion” or “authority” means the sole and absolute discretion or authority of the Committee.

(b) The provision of a table of contents, the division of this Plan into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect the interpretation of this Plan.

(c) In this Plan, words importing the singular shall include the plural, and vice versa and words importing any gender include any other gender.

(d) The words “including”, “includes” and “include” and any derivatives of such words mean “including (or includes or include) without limitation”. As used herein, the expressions

“Article”, “Section” and other subdivision followed by a number, mean and refer to the specified Article, Section or other subdivision of this Plan, respectively.

(e) Unless otherwise specified in the Award Agreement, all references to money amounts are to Canadian currency.

(f) For purposes of this Plan, the legal representatives of a Participant shall only include the administrator, the executor or the liquidator of the Participant’s estate or will.

(g) If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Plan, then the first day of the period is not counted, but the day of its expiry is counted.

### **3. SHARES SUBJECT TO THE PLAN**

#### **3.1** *Number of Shares.*

(a) As of the effective date of the Plan, and subject to adjustment as provided in Section 12.3, the maximum number of Shares issuable upon the exercise or redemption and settlement of all Awards granted under the Plan, together with the number of Shares issuable under outstanding awards granted otherwise than under the Plan, shall not exceed 20% of the issued and outstanding Shares of the Company at the time of granting of the Award. Additionally, the Company shall comply with applicable securities laws and Exchange rules in issuing securities under the Plan to individual Participants.

(b) If any Award expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of such Award expired or terminated shall again be available for the purposes of the Plan.

(c) Awards may not be granted unless and until the Awards have been allocated to specific Persons, and then, once allocated, a minimum Fair Market Value can be established.

(d) No Award that can be settled in Shares issued from treasury may be granted if such grant would have the effect of causing the total number of Shares subject to such Award to exceed the above-noted total numbers of Shares reserved for issuance pursuant to the settlement of all Awards.

**3.2** *Character of Shares.* Any Shares issued hereunder may consist, in whole or in part, of authorized and unissued shares, treasury shares or shares purchased in the open market or otherwise.

### **4. ELIGIBILITY AND ADMINISTRATION**

#### **4.1** *Participation in the Plan.*

(a) The Company makes no representation or warranty as to the future market value of the Shares or with respect to any income tax matters affecting any Participant resulting from the grant of an Award or otherwise in respect of participation under the Plan. Neither the Company,

nor any of its directors, officers, employees, shareholders, consultants or agents shall be liable for anything done or omitted to be done by such Person or any other Person with respect to the price, time, quantity or other conditions and circumstances of the issuance of Shares hereunder, or in any other manner related to the Plan. For greater certainty, no amount will be paid to, or in respect of, a Participant under the Plan or pursuant to any other arrangement, and no additional Awards will be granted to such Participant to compensate for a downward fluctuation in the price of the Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Company and its Subsidiaries do not assume and shall not have responsibility for the income or other tax consequences resulting to any Participant and each Participant is advised to consult with his or her own tax advisors.

(b) Participants (and their legal representatives) shall have no legal or equitable right, claim, or interest in any specific property or asset of the Company or any of its Subsidiaries. No asset of the Company or any of its Subsidiaries shall be held in any way as collateral security for the fulfillment of the obligations of the Company or any of its Subsidiaries under this Plan. Unless otherwise determined by the Committee, this Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Awards under this Plan, such rights (unless otherwise determined by the Committee) shall be no greater than the rights of an unsecured creditor of the Company.

(c) Unless otherwise determined by the Committee, the Company shall not offer financial assistance to any Participant in regard to the exercise of any Award granted under this Plan.

(d) It is the responsibility of the Participant to complete and file any tax returns which may be required within the periods specified in applicable laws as a result of the Participant's participation in the Plan. Neither the Corporation nor any Affiliate shall be held responsible for any tax consequences to a Participant as a result of the Participant's participation in the Plan and the Participant shall indemnify and save harmless the Corporation and its Affiliates from and against any and all loss, liability, damage, penalty or expense (including legal expense), which may be asserted against the Corporation or its Affiliates or which the Corporation or its Affiliates may suffer or incur arising out of, resulting from, or relating in any manner whatsoever to any tax liability in connection therewith.

**4.2** *Eligibility.* Awards may be granted to Eligible Persons in accordance with the terms of the Plan.

**4.3** Administration.

(a) The Plan shall be administered by the Committee. The Committee shall have full power and authority, subject to the provisions of the Plan and subject to such orders or resolutions not inconsistent with the provisions of the Plan as may from time to time be adopted by the Board, to:

- a) select the Employees, Directors and Consultants to whom Awards may from time to time be granted hereunder;

- b) determine the type or types of Awards to be granted to each Participant hereunder;
- c) determine the number of Shares (or dollar value) to be covered by each Award granted hereunder;
- d) determine the terms and conditions, not inconsistent with the provisions of the Plan, of any Award granted hereunder;
- e) determine whether, to what extent and under what circumstances Awards may be settled in cash, Shares or other property;
- f) determine whether, to what extent, and under what circumstances cash, Shares, other property and other amounts payable with respect to an Award made under the Plan shall be deferred either automatically or at the election of the Participant;
- g) determine whether, to what extent and under what circumstances any Award shall be canceled or suspended, or vesting terms or other restrictions waived or accelerated;
- h) interpret and administer the Plan and any instrument or agreement entered into under or in connection with the Plan, including any Award Agreement;
- i) correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award in the manner and to the extent that the Committee shall deem desirable to carry it into effect;
- j) establish such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of the Plan;
- k) determine whether any Award, other than an Option or Stock Appreciation Right, will have Dividend Equivalents;
- l) adopt such rules or regulations and vary the terms of this Plan and any grant hereunder as it considers necessary to address tax or other requirements of any applicable jurisdiction;
- m) amend the terms of any Award Agreement, subject to and in accordance with Section 12.2; and
- n) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan.

(b) Decisions of the Committee shall be final, conclusive and binding on all persons or entities, including the Company, any Participant, and any Affiliate. A majority of the members of the Committee may determine its actions, including fixing the time and place of its meetings.

Notwithstanding the foregoing, any action or determination by the Committee specifically affecting or relating to an Award to a Director shall require the prior approval of the full Board.

(c) To the extent not inconsistent with applicable law or Exchange Rules, the Committee may authorize one or more executive officers to do one or more of the following with respect to Employees who are not directors or executive officers of the Company (A) designate Employees to be recipients of Awards, (B) determine the number of Shares subject to such Awards to be received by such Employees and (C) cancel or suspend Awards to such Employees; provided that (x) any resolution of the Committee authorizing such officer(s) must specify the total number of Shares subject to Awards that such officer(s) may so award and (y) the Committee may not authorize any officer to designate himself or herself as the recipient of an Award.

## **5. OPTIONS**

**5.1** *Grant.* Options may be granted hereunder to Participants either alone or in addition to other Awards granted under the Plan. Any Option shall be subject to the terms and conditions of this Article and to such additional terms and conditions, not inconsistent with the provisions of the Plan, as the Committee shall deem desirable.

**5.2** *Award Agreements.* All Options shall be evidenced by an Award Agreement in such form and containing such terms and conditions as the Committee shall determine which are not inconsistent with the provisions of the Plan. The terms and conditions of Options need not be the same with respect to each Participant. Granting an Option pursuant to the Plan shall impose no obligation on the recipient to exercise such Option. Any individual who is granted an Option pursuant to this Article may hold more than one Option granted pursuant to the Plan at the same time.

**5.3** *Exercise Price.* Other than in connection with Substitute Awards, the exercise price per each Share purchasable under any Option granted pursuant to this Article shall not be less than 100% of the Fair Market Value of one Share on the date of grant of such Option. Other than pursuant to Section 12.2, the Committee shall not without the approval of the Company's shareholders, including Disinterested Shareholder Approval, if required: (a) lower the exercise price per Share of an Option after it is granted, (b) cancel an Option when the exercise price per Share exceeds the Fair Market Value of a Share in exchange for cash or another Award (other than in connection with a Change in Control as defined in Section 11.3), or (c) take any other action with respect to an Option that would be treated as a repricing under Exchange Rules.

**5.4** *Option Term.* The term of each Option shall be fixed by the Committee in its sole discretion; provided that no Option shall be exercisable after the expiration of ten years from the date the Option is granted, except in the event of death or disability. Notwithstanding the foregoing, in the event that on the last business day of the term of an Option (i) the exercise of the Option is prohibited by applicable law or (ii) Shares may not be purchased or sold by the holder of such Option due to a Black-Out Period or a "lock-up" agreement undertaken in connection with an issuance of securities by the Company, the term of the Option shall be extended until the date 10 days following the end of the legal prohibition, black-out period or lock-up agreement.

**5.5** *Exercise of Options.*

(a) The Award Agreement shall specify when Options vest and become exercisable. Vested Options granted under the Plan shall be exercised by the Participant (or by a Permitted Assignee thereof or the Participant's executors, administrators, guardian or legal representative, to the extent provided in an Award Agreement) as to all or part of the Shares covered thereby, by giving notice of exercise to the Company or its designated agent, specifying the number of Shares to be purchased. The notice of exercise shall be in such form, made in such manner, and shall comply with such other requirements consistent with the provisions of the Plan as the Committee may prescribe from time to time.

(b) Unless otherwise provided in an Award Agreement, full payment of such exercise price shall be made at the time of exercise and shall be made in cash only (including certified cheque or wire transfer of immediately available funds). The notice of exercise, accompanied by such payment and any additional payment required by Section 13.2, shall be delivered to the Company at its principal business office or such other office as the Committee may from time to time direct, and shall be in such form, containing such further provisions consistent with the provisions of the Plan, as the Committee may from time to time prescribe. In no event may any Option granted hereunder be exercised for a fraction of a Share.

**5.6** *Form of Settlement.* In its sole discretion, the Committee may, at the time of the grant of an Option, provide that the Shares to be issued upon an Option's exercise shall be in the form of Restricted Shares or other similar securities.

## **6. STOCK APPRECIATION RIGHTS**

**6.1** *Grant.* The Committee may grant Stock Appreciation Rights (a) in tandem with all or part of any Option granted under the Plan or at any subsequent time during the term of such Option, (b) in tandem with all or part of any Award (other than an Option) granted under the Plan or at any subsequent time during the term of such Award, or (c) without regard to any Option or other Award in each case upon such terms and conditions as the Committee may establish in its sole discretion.

**6.2** *Terms and Conditions.* Stock Appreciation Rights shall be subject to such terms and conditions, not inconsistent with the provisions of the Plan, as shall be determined from time to time by the Committee as of the date of grant, including the following:

(a) When Stock Appreciation Rights vest and become exercisable.

(b) Upon the exercise of a Stock Appreciation Right, the holder shall have the right to receive from the Company an amount equal to the excess of (i) the Fair Market Value of a Share on the date of exercise (or such amount less than such Fair Market Value as the Committee shall so determine at any time during a specified period before the date of exercise) over (ii) the grant price of the Stock Appreciation Right.

(c) The Committee shall determine in its sole discretion whether payment on exercise of a Stock Appreciation Right shall be made in cash, in whole Shares or other property, or any combination thereof.

(d) The terms and conditions of Stock Appreciation Rights need not be the same with respect to each Participant.

(e) The Committee may impose such other terms and conditions on the exercise of any Stock Appreciation Right, as it shall deem appropriate. A Stock Appreciation Right shall (i) have a grant price per Share of not less than the Fair Market Value of a Share on the date of grant or, if applicable, on the date of grant of an Option with respect to a Stock Appreciation Right granted in exchange for or in tandem with, but subsequent to, the Option except in the case of Substitute Awards or in connection with an adjustment provided in Section 12.3, and (ii) have a term not greater than 10 years. Notwithstanding clause (ii) of the preceding sentence, in the event that on the last business day of the term of a Stock Appreciation Right (x) the exercise of the Stock Appreciation Right is prohibited by applicable law or (y) Shares may not be purchased or sold by certain employees or directors of the Company due to the Black-Out Policy or a “lock-up” agreement undertaken in connection with an issuance of securities by the Company, the term of the Stock Appreciation Right shall be extended until the date 10 days following the end of the legal prohibition, black-out period or lock-up agreement.

(f) An Award Agreement may provide that, if on the last day of the term of a Stock Appreciation Right, the Fair Market Value of a Share exceeds the grant price per Share of the Stock Appreciation Right, the Participant has not exercised the Stock Appreciation Right or the tandem Option (if applicable), and the Stock Appreciation Right has not otherwise expired, the Stock Appreciation Right shall be deemed to have been exercised by the Participant on such day. In such event, the Company shall make payment to the Participant in accordance with this Section, reduced by the number of Shares (or cash) required for withholding taxes (subject to Section 13.2); any fractional Share shall be settled in cash.

(g) Without the approval of the Company’s shareholders, including Disinterested Shareholder Approval if required, other than pursuant to Section 12.3, the Committee shall not (i) reduce the grant price of any Stock Appreciation Right after the date of grant, (ii) cancel any Stock Appreciation Right when the grant price per Share exceeds the Fair Market Value of a Share in exchange for cash or another Award (other than in connection with a Change of Control as defined in Section 11.3), or (iii) take any other action with respect to a Stock Appreciation Right that would be treated as a repricing under the rules and regulations of the Exchange.

## **7. RESTRICTED SHARES AND RESTRICTED SHARE UNITS**

**7.1** *Grants.* Awards of Restricted Shares and of Restricted Share Units may be granted hereunder to Participants, either alone or in addition to other Awards granted under the Plan (referred to as a “Restricted Share Award” or “Restricted Share Unit Award” respectively), and such Restricted Share Awards and Restricted Share Unit Awards shall also be available as a form of payment of Performance Awards and other earned cash-based incentive compensation. The Committee has absolute discretion to determine whether any consideration (other than services) is to be received by the Company or any Affiliate as a condition precedent to the grant of Restricted Share or Restricted Share Units, subject to such minimum consideration as may be required by applicable law and Exchange Rules. The Award Agreement shall specify the Vesting Period for the Restricted Share or Restricted Share Units.

**7.2** *Award Agreements.* The terms of any Restricted Share Award or Restricted Share Unit Award granted under the Plan shall be set forth in an Award Agreement which shall contain provisions determined by the Committee and not inconsistent with the Plan. The terms of Restricted Share Awards and Restricted Share Unit Awards need not be the same with respect to each Participant.

**7.3** *Rights of Holders of Restricted Shares and Restricted Share Units.* Unless otherwise provided in the Award Agreement, beginning on the date of grant of the Restricted Share Award and subject to execution of the Award Agreement, the Participant shall become a shareholder of the Company with respect to all Shares subject to the Award Agreement and shall have all of the rights of a shareholder, including the right to vote such Shares and the right to receive distributions made with respect to such Shares, except as otherwise provided in this Section. A Participant who holds a Restricted Share Unit Award shall only have those rights specifically provided for in the Award Agreement; provided, however, in no event shall the Participant have voting rights with respect to such Award. Any Shares or any other property distributed as a dividend or otherwise with respect to any Restricted Share Award or Restricted Share Unit Award as to which the restrictions have not yet lapsed shall be subject to the same restrictions as such Restricted Share Award or Restricted Share Unit Award, and the Committee shall have the sole discretion to determine whether, if at all, any cash-denominated amount that is subject to such restrictions shall earn interest and at what rate.

**7.4** *Issuance of Shares.* Any Restricted Shares granted under the Plan may be evidenced in such manner as the Board may deem appropriate, including book-entry registration or issuance of a stock certificate or certificates, which certificate or certificates shall be held by the Company. Any such certificate or certificates shall be registered in the name of the Participant and shall bear an appropriate legend referring to the restrictions applicable to such Restricted Share.

## **8. OTHER SHARE-BASED AWARDS**

**8.1** *Grants.* Other Share-Based Awards of Shares and other Awards that are valued in whole or in part by reference to, or are otherwise based on, Shares or other property (“Other Share-Based Awards”), including deferred share units, may be granted hereunder to Participants either alone or in addition to other Awards granted under the Plan. Other Share-Based Awards shall also be available as a form of payment for other Awards granted under the Plan and other earned cash-based compensation.

**8.2** *Award Agreements.* The terms of Other Share-Based Awards granted under the Plan shall be set forth in an Award Agreement which shall contain provisions determined by the Committee and not inconsistent with the Plan. The terms of such Awards need not be the same with respect to each Participant. Other Share-Based Awards may be subject to vesting restrictions during the Vesting Period as specified by the Committee.

**8.3** *Payment.* Except as may be provided in an Award Agreement, Other Share-Based Awards may be paid in cash, Shares, other property, or any combination thereof, in the sole discretion of the Committee. Other Share-Based Awards may be paid in a lump sum or in installments or, in accordance with procedures established by the Committee, on a deferred basis..

**8.4** *Deferral of Director Fees; Other Director Awards.* Directors may, if determined by the Board, receive Other Share-Based Awards in the form of deferred share units in lieu of all or a portion of their annual compensation. In addition, if determined by the Board, Directors may elect to receive Other Share-Based Awards in the form of deferred share units in lieu of all or a portion of their Board committee compensation or annual meeting fees. The Committee shall, in its absolute discretion, establish such rules and procedures as it deems appropriate for such elections and for payment in deferred share units, or other Awards, as the case may be.

## **9. PERFORMANCE AWARDS**

**9.1** *Grants.* Performance Awards, as determined by the Committee in its sole discretion, may be granted hereunder to Participants, for no consideration or for such minimum consideration as may be required by applicable law, either alone or in addition to other Awards granted under the Plan. The performance goals for Performance Awards to be achieved for each Performance Period shall be conclusively determined by the Committee and may be based upon such criteria as determined by the Committee in its discretion.

**9.2** *Award Agreements.* The terms of any Performance Award granted under the Plan shall be set forth in an Award Agreement (or, if applicable, in a resolution duly adopted by the Committee) which shall contain provisions determined by the Committee and not inconsistent with the Plan, including whether such Awards shall have Dividend Equivalents. The terms of Performance Awards need not be the same with respect to each Participant.

**9.3** *Terms and Conditions.* The performance criteria to be achieved during any Performance Period and the length of the Performance Period shall be determined by the Committee upon the grant of each Performance Award. The amount of the Award to be distributed shall be conclusively determined by the Committee.

**9.4** *Payment.* Except as provided in Article 10, or by the Committee or as may be provided in an Award Agreement, Performance Awards will be distributed only after the end of the relevant Performance Period. Performance Awards may be paid in cash, Shares, other property, or any combination thereof, in the sole discretion of the Committee. Performance Awards may be paid in a lump sum or in installments following the close of the Performance Period or, in accordance with procedures established by the Committee, on a deferred basis.

## **10. CEASING TO BE AN EMPLOYEE, DIRECTOR OR CONSULTANT**

**10.1** Upon a Participant ceasing to be an Eligible Person for a reason provided below, then, subject to Section 11 and subject to the terms of any applicable Award Agreement:

(a) if for Cause, any vested or unvested Award granted to such Participant shall terminate automatically and become void immediately;

(b) as a result of his or her employment or service relationship with the Company or an Affiliate being terminated without Cause: (i) any unvested Award granted to such Participant shall terminate and become void immediately and (ii) any vested Award granted to such Participant may be exercised by such Participant or redeemed and settled by the Company. Unless otherwise determined by the Committee, in its sole discretion, such Award shall only be exercisable or

redeemable within the earlier of 90 days after the Termination Date, or the expiry date of the Award set forth in the Award Agreement, after which the Award will expire;

(c) as a result of his or her resignation from the Company or an Affiliate: (i) each unvested Award granted to such Participant shall terminate and become void immediately upon resignation and (ii) each vested Award granted to such Participant will cease to be exercisable or redeemable on the earlier of 90 days following the Termination Date and the expiry date of the Award set forth in the Award Agreement, after which the Award will expire;

(d) by reason of retirement or permanent disability: (i) any unvested Award shall terminate and become void immediately, and (ii) any vested Award will cease to be exercisable or redeemable on the earlier of the 90 days from the date of retirement or the date on which the Participant ceases his or her employment or service relationship with the Company or any Affiliate by reason of permanent disability, and the expiry date of the Award set forth in the Award Agreement, after which the Award will expire;

(e) by reason of death, any vested Award granted to such Participant may be exercised by the liquidator, executor or administrator, as the case may be, of the estate of the Participant for that number of Shares which such Participant was entitled to acquire under the respective Award (the "Vested Awards") on the date of such Participant's death. Such Vested Awards shall only be exercisable or redeemable within twelve months after the Participant's death or prior to the expiration of the original term of the Award whichever occurs earlier;

(f) by reason of electing a voluntary leave of absence of more than twelve months, including maternity and paternity leaves, the Board may determine, at its sole discretion but subject to applicable laws, that such Participant's participation in the Plan shall be terminated, provided that all vested Awards granted to the Participant shall remain outstanding and in effect until the applicable exercise or redemption date, or an earlier date determined by the Board at its sole discretion; or

(g) if engaged primarily to provide Investor Relations Activities, as a result of his or her relationship with the Company or an Affiliate being terminated without Cause (i) any unvested Award granted to such Participant shall terminate and become void immediately and (ii) any vested Award granted to such Participant may be exercised by such Participant or redeemed and settled by the Company. Unless otherwise determined by the Board, in its sole discretion, such Award shall only be exercisable or redeemable within the earlier of 90 days after the Termination Date, or the expiry date of the Award set forth in the Award Agreement, after which the Award will expire.

## **11. CHANGE IN CONTROL PROVISIONS**

**11.1** *Impact of Change of Control.* The following provisions will apply to Awards in the event of a Change of Control unless otherwise provided in an Award Agreement or any other written agreement between the Company or an Affiliate and a Participant, or unless otherwise expressly provided by the Board at the time of grant of an Award. In the event of a Change of Control, notwithstanding any other provision of the Plan, the Board will take one or more of the

following actions with respect to Awards, contingent upon the closing or completion of the Change of Control:

(a) arrange for the surviving corporation or acquiring corporation (or its parent company) to assume or continue the Award or to substitute a similar award (including, but not limited to, an award to acquire the same consideration paid to the shareholders of the Company pursuant to the Change of Control);

(b) arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Shares issued pursuant to the Award to the surviving corporation or acquiring corporation (or its parent company);

(c) accelerate the vesting, subject to Exchange approval, if required, in whole or in part, of an Award (and, if applicable, the time at which the Award may be exercised) to a date prior to the effective time of such Change of Control as the Board determines (or, if the Board does not determine such a date, to the date that is five days prior to the effective date of the Change of Control), with such Award terminating if not exercised (if applicable) at or prior to the effective time of the Change of Control in accordance with the exercise procedures determined by the Board;

(d) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company with respect to the Award;

(e) cancel or arrange for the cancellation of an Award, to the extent not vested or not exercised prior to the effective time of the Change of Control, in exchange for no consideration or such consideration, if any, as the Board, in its sole discretion, may consider appropriate; or

(f) cancel or arrange for the cancellation of an Award, to the extent not vested or not exercised prior to the effective time of the Change of Control, in exchange for a payment, in such form as may be determined by the Board, equal to the excess, if any, of (i), the per share amount (or value of property per share) payable to holders of common shares in connection with the Change of Control, over (ii) the per share exercise price under the applicable Award, multiplied by the number of Shares subject to the Award. For clarity, this payment may be \$0 if the amount per share (or value of property per share) payable to the holders of the Shares is equal to or less than the per share exercise price of the Award. In addition, any escrow, holdback, earnout or similar provisions in the definitive agreement for the Change of Control may apply to such payment to the holder of the Award to the same extent and in the same manner as such provisions apply to the holders of Shares; and

(g) The Board need not take the same action or actions with respect to every Award or any portion of an Award or with respect to every Participant.

**11.2** *Appointment of Shareholder Representative.* As a condition to the receipt of an Award under this Plan, a Participant will be deemed to have agreed that the Award will be subject to the terms of any agreement governing a Change of Control involving the Company, including, without limitation, a provision for the appointment of a shareholder representative that is authorized to act on the Participant's behalf with respect to any escrow or other contingent consideration.

**11.3** *Change of Control.* Unless otherwise provided in an Award Agreement, “*Change of Control*” means the occurrence of any one of the following events (provided, however, that any definition of Change of Control in an Award Agreement may not provide that a Change of Control will occur prior to consummation or effectiveness of a change in control of the Company and may not provide that a Change of Control will occur upon the announcement, commencement, shareholder approval or other potential occurrence of any event or transaction that, if completed, would result in a change in control of the Company):

a) an acquisition by a Person, or one or more Persons acting jointly or in concert, of the beneficial ownership of securities of the Company resulting in such Person or Persons holding securities representing more than 50% of the combined voting power of the Company’s then outstanding securities other than by virtue of a merger, consolidation, plan of arrangement, amalgamation or similar transaction. Notwithstanding the foregoing, a Change of Control shall not be deemed to occur solely because the level of ownership held by a person, entity or group exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change of Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, a person, entity or group becomes the owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities owned by such person, entity or group over the designated percentage threshold, then a Change of Control shall be deemed to occur;

b) there is consummated a merger, consolidation, plan of arrangement, amalgamation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation, plan of arrangement, amalgamation or similar transaction, the shareholders of the Company immediately prior thereto do not own, directly or indirectly, outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving entity in such merger, consolidation, plan of arrangement, amalgamation or similar transaction or more than 50% of the combined outstanding voting power of the parent of the surviving entity in such merger, consolidation, plan of arrangement, amalgamation or similar transaction;

c) there is consummated a sale or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an entity, more than 50% of the combined voting power of the voting securities of which are owned by shareholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale, lease, license or other disposition; or

d) individuals who, on the effective date of the Plan, are members of the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the Incumbent Board.

## 12. GENERALLY APPLICABLE PROVISIONS

**12.1** *Approvals Required for Plan.* Prior to its implementation by the Company, the Plan is subject to approval by the Exchange, if required, and thereafter the Plan must be approved by shareholders and, if required, the Exchange on an annual basis.

### **12.2** *Amendment and Termination of the Plan.*

(a) The Board may suspend or terminate the Plan at any time, or from time to time amend or revise the terms of the Plan or any granted Award without the consent of a Participant, provided that such suspension, termination, amendment or revision shall:

- a) not materially adversely alter or impair the rights of a Participant, without the consent of such Participant, except as permitted by the provisions of the Plan;
- b) be in compliance with applicable law; and
- c) be subject to shareholder approval, including Disinterested Shareholder Approval if applicable, where required by law or the requirements of the Exchange, provided that the Committee may, from time to time, in its absolute discretion and without approval of the shareholders of the Company make the following amendments to this Plan:
  - (A) any amendment to the vesting provisions, if applicable, or assignability provisions of any Award;
  - (B) any amendment regarding the effect of termination of a Participant's employment or engagement;
  - (C) any amendment necessary to comply with applicable law or the requirements of the Exchange or any other regulatory body;
  - (D) any amendment of a "housekeeping" nature, including to clarify the meaning of an existing provision of the Plan, correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correct any grammatical or typographical errors or amend the definitions in the Plan;
  - (E) any amendment regarding the administration of the Plan;
  - (F) any amendment to the Plan to preserve the tax treatment of the awards hereunder, except to the extent that Shareholder approval would be required by law or the requirements of the Exchange in respect of such amendment;

- (G) any amendment to add provisions permitting the grant of Awards settled otherwise than with Shares issued from treasury, or adopt a clawback provision applicable to equity compensation; and
- (H) any other amendment that does not require the approval of the shareholders of the Company under Section 12.2(b).

(b) Notwithstanding Section 12.2(a), the Board shall be required to obtain shareholder approval or Disinterested Shareholder Approval, if required, to make the following amendments:

- a) any increase to the maximum number of Shares issuable under the Plan, or to the percentage set out in Section 3.1(a), except in the event of an adjustment pursuant to Article 12.3;
- b) except in the case of an adjustment pursuant to Section 12.3, any amendment which reduces the exercise price of an Option or any cancellation of an Option and replacement of such Option with an Option with a lower exercise price;
- c) any amendment which extends the expiry date of any Award, except in accordance with Section 5.4 or 6.2;
- d) any amendment which increases the maximum number of Restricted Share Units, Performance Awards, Stock Appreciation Rights or Other Share-Based Awards which may be granted as set out in Section 3.1(a);
- e) any amendment that would permit an Award to be transferable or assignable other than for normal estate settlement purposes or in accordance with Section 12.4; and
- f) any amendment to the amendment provisions of the Plan; or
- g) any other amendment required to be approved by shareholders under applicable law or under Exchange Rules.

**12.3** *Adjustments.* In the event of any merger, plan of arrangement, amalgamation, reorganization, consolidation, recapitalization, dividend or distribution (whether in cash, shares or other property, other than a regular cash dividend), stock split, reverse stock split, spin-off or similar transaction or other change in corporate structure affecting the Shares or the value thereof, such adjustments and other substitutions shall be made to the Plan and to Awards in a manner the Committee deems equitable or appropriate taking into consideration the accounting and tax consequences, including such adjustments in the aggregate number, class and kind of securities that may be delivered under the Plan and, in the aggregate or to any Participant, in the number, class, kind and option or exercise price of securities subject to outstanding Awards granted under the Plan (including, if the Committee deems appropriate, the substitution of similar options to purchase the shares of, or other awards denominated in the shares of, another company); provided, however, that the number of Shares subject to any Award shall always be a whole number.

**12.4** *Transferability of Awards.* Except as specifically provided in an Award Agreement approved by the Committee, each Award granted under the Plan is personal to the Participant and shall not be assignable or transferable by the Participant, whether voluntarily or by operation of law, except by will or by the laws of succession of the domicile of the deceased Participant. Notwithstanding the foregoing, to the extent and under such terms and conditions as determined by the Committee, a Participant may assign or transfer an Award (other than an Option) without consideration (each transferee thereof, a "Permitted Assignee") (i) to a trust which the Participant is a beneficiary of; (ii) to a holding entity (as such term is defined in NI 45-106 of such Participant); or (iii) to an RRSP, RRIF or TFSA of such Participant; provided that such Permitted Assignee shall be bound by and subject to all of the terms and conditions of the Plan and the Award Agreement relating to the transferred Award and shall execute an agreement satisfactory to the Company evidencing such obligations; and provided further that such Participant shall remain bound by the terms and conditions of the Plan. The Company shall cooperate with any Permitted Assignee and the Company's transfer agent in effectuating any such permitted transfer. No Award granted hereunder may be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of except as provided herein and with the prior written approval of the Committee.

**12.5** *Termination of Employment or Services.* For purposes of the Plan and Awards made thereunder, the date of termination of a Participant's employment or services will be determined by the Committee, which determination will be final.

**12.6** *Grant of Awards.* Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee by the Company or a Subsidiary to the Participant of employment or another service relationship with the Company or a Subsidiary. The granting of an Award to a Participant shall not impose upon the Company or a Subsidiary any obligation to retain the Participant in its employ or service in any capacity. Nothing contained in this Plan or in any Award granted under this Plan shall interfere in any way with the rights of the Company or any of its Affiliates in connection with the employment, retention or termination of any such Participant. The loss of existing or potential profit in Shares underlying Awards granted under this Plan shall not constitute an element of damages in the event of termination of a Participant's employment or service in any office or otherwise.

**12.7** *Conformity to Plan.* In the event that an Award is granted or an Award Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with the Plan, as shall be agreed by the Committee.

**12.8** *Rights as a Shareholder.* Except as otherwise provided herein, neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards by reason of the grant of such Award until such Award has been duly exercised, as applicable, and settled and Shares have been issued in respect thereof. Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such Shares have been issued.

**12.9** *Deferral.* The Committee shall be authorized to establish procedures pursuant to which the payment of any Award may be deferred.

**12.10** *Dividend Equivalents.* Subject to the provisions of the Plan and any Award Agreement, the recipient of an Award other than an Option or Stock Appreciation Right, may, if so determined by the Committee, be entitled to receive, currently or on a deferred basis, amounts equivalent to cash, stock or other property paid as dividends on Shares (“Dividend Equivalents”) with respect to the number of Shares covered by the Award, as determined by the Committee, in its sole discretion. The Committee may provide that the Dividend Equivalents (if any) shall be deemed to have been reinvested in additional Shares or otherwise reinvested or accumulated and credited to a bookkeeping account, but in any event shall be subject to the same restrictions and risk of forfeiture as the underlying Award and shall not be paid unless and until the underlying Award is vested.

**12.11** *Change in Time Commitment.* In the event a Participant’s regular level of time commitment in the performance of his or her services for the Company or an Affiliate is reduced (for example, and without limitation, if the Participant is an Employee and the Employee has a change in status from a full-time Employee to a part-time Employee or takes an extended leave of absence) after the date of grant of any Award to the Participant, the Board has the right in its sole discretion to (x) make a corresponding reduction in the number of shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, and (y) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced or extended.

### **13. MISCELLANEOUS**

**13.1** *Award Agreements.* Each Award Agreement shall either be (a) in writing in a form approved by the Committee and executed by the Company by an officer duly authorized to act on its behalf, or (b) an electronic notice in a form approved by the Committee and recorded by the Company (or its designee) in an electronic recordkeeping system used for the purpose of tracking one or more types of Awards as the Committee may provide; in each case and if required by the Committee, the Award Agreement shall be executed or otherwise electronically accepted by the recipient of the Award in such form and manner as the Committee may require. The Committee may authorize any officer of the Company to execute any or all Award Agreements on behalf of the Company. An Award Agreement shall set forth the material terms and conditions of an Award as established by the Committee consistent with the provisions of the Plan.

#### **13.2** *Tax Withholding.*

(a) Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of such withholdings, including in respect of applicable taxes and source deductions, as the Company determines. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding may be satisfied in such manner as the Committee determines, including by (i) having

the Participant elect to have the appropriate number of such Shares sold by the Company, the Company's transfer agent and registrar or any trustee appointed by the Company pursuant to Section 13.2 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Company, which will in turn remit such amounts to the appropriate governmental authorities, (ii) requiring that the Participant remit, at or before the exercise of such Award, payment in cash of an amount equal to such withholding obligation in respect of such exercise; or (iii) any other mechanism as may be required or determined by the Company as appropriate.

(b) Notwithstanding Section 13.2(a), the applicable tax withholdings may be waived where a Participant directs in writing that a payment be made directly to the Participant's registered retirement savings plan in circumstances to which subsection 100(3) of the regulations made under the Tax Act apply.

**13.3** *Right of Discharge Reserved; Claims to Awards.* Nothing in the Plan nor the grant of an Award hereunder shall confer upon any Employee, Director or Consultant the right to continue in the employment or service of the Company or any Affiliate or affect any right that the Company or any Affiliate may have to terminate the employment or service of (or to demote or to exclude from future Awards under the Plan) any such Employee, Director or Consultant at any time for any reason. The Company shall not be liable for the loss of existing or potential profit from an Award granted in the event of termination of an employment or other relationship. No Employee, Director or Consultant shall have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of Employees, Directors or Consultants under the Plan.

**13.4** *Substitute Awards.* Notwithstanding any other provision of the Plan, the terms of Substitute Awards may vary from the terms set forth in the Plan to the extent the Committee deems appropriate to conform, in whole or in part, to the provisions of the awards in substitution for which they are granted.

**13.5** *Clawback.* Notwithstanding any other provisions in this Plan, any Award which is subject to recovery under any law, government regulation or stock exchange listing requirement or any policy adopted by the Company, will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation, stock exchange listing requirement or policy. Without limiting the generality of the foregoing, the proceeds from the exercise or disposition of Awards or Shares acquired under Awards will be subject to forfeiture and disgorgement to the Company, with interest and other related earnings, if the Participant to whom the Award was granted violates (i) a non-competition, non-solicitation, confidentiality or other restrictive covenant by which he or she is bound, or (ii) any policy adopted by the Company applicable to the Participant that provides for forfeiture or disgorgement with respect to incentive compensation that includes Awards under the Plan. In addition, the Committee may require forfeiture and disgorgement to the Company of outstanding Awards and the proceeds from the exercise or disposition of Awards or Shares acquired under Awards, with interest and other related earnings, to the extent required by law or Exchange Rules, including any related policy adopted by the Company. Each Participant, by accepting or being deemed to have accepted an Award under the Plan, agrees to cooperate fully with the Committee, and to cause any and all Permitted Transferees of the Participant to cooperate fully with the Committee, to effectuate any forfeiture

or disgorgement required hereunder. Neither the Committee nor the Company nor any other person, other than the Participant and his or her Permitted Transferees, if any, will be responsible for any adverse tax or other consequences to a Participant or his or her Permitted Transferees, if any, that may arise in connection with this Section 13.5.

### **13.6** *Securities Law Compliance.*

(a) The Plan (including any amendments to it), the terms of the grant of any Award under the Plan, the grant of any Award and exercise of any Award, and the Company's obligation to sell and deliver Shares in respect of any Awards, shall be subject to all applicable federal, provincial, state and foreign laws, rules and regulations, applicable Exchange Rules and to such approvals by any regulatory or governmental agency as may be required or as may be determined by the Committee. The Company shall not be obliged by any provision of the Plan or the grant of any Award hereunder to issue, sell or deliver Shares in violation of such laws, rules and regulations or any condition of such approvals.

(b) The Company shall have no obligation to issue any Shares pursuant to this Plan unless upon official notice of issuance of such Shares shall have been duly made with the Exchange. Shares issued, sold or delivered to Participants under the Plan may be subject to limitations on sale or resale under applicable securities laws.

(c) If Shares cannot be issued to a Participant upon the exercise of an Option due to legal or regulatory restrictions, the obligation of the Company to issue such Shares shall terminate and any funds paid to the Company in connection with the exercise of such Option will be returned to the Participant as soon as practicable.

**13.7** *Nature of Payments.* All Awards made pursuant to the Plan are in consideration of services performed or to be performed for the Company or an Affiliate, division or business unit of the Company or an Affiliate. Any income or gain realized pursuant to Awards under the Plan constitutes a special incentive payment to the Participant and shall not be taken into account, to the extent permissible under applicable law, as compensation for purposes of any of the employee benefit plans of the Company or an Affiliate except as may be determined by the Committee or by the Board or board of directors of an Affiliate (or as may be required by the terms of such plan).

**13.8** *Listing of Shares.* So long as the Shares are listed on the Exchange, the Company must apply to the Exchange for the listing or quotation, as applicable, of the Shares underlying the Awards granted under the Plan, however, the Company cannot guarantee that such Shares will be listed or quoted on the Exchange.

**13.9** *Other Plans.* Nothing contained in the Plan shall prevent the Board from adopting other or additional compensation arrangements, subject to shareholder approval if such approval is required; and such arrangements may be either generally applicable or applicable only in specific cases.

**13.10** *Severability.* The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

**13.11 *Governing Law.*** The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

**13.12 *Effective Date of Plan; Termination of Plan.*** The Plan shall be effective on the date of the approval of the Plan by the holders of the shares entitled to vote at a duly constituted meeting of the shareholders of the Company. The Plan shall be null and void and of no effect if the foregoing condition is not fulfilled and in such event each Award shall, notwithstanding any of the preceding provisions of the Plan, be null and void and of no effect. Awards may be granted under the Plan at any time and from time to time until the Plan is terminated by the Board, on which date the Plan will expire except as to Awards then outstanding under the Plan.. Such outstanding Awards shall remain in effect until they have been exercised or terminated or have expired.

**13.13 *Termination of Prior Plan.*** Upon approval of the Plan by the directors of the Company, the Prior Plan will immediately terminate, no new options will be granted under the Prior Plan and any options issued and outstanding under the Prior Plan will continue to be governed by the terms of the Prior Plan. If the shareholders of the Company do not approve the Plan at a meeting of the shareholders of the Company, the Prior Plan will be deemed not to have been terminated and all Options issued thereunder will remain subject to the terms thereof.

**13.14 *No Restriction on Corporate Actions.*** The existence of any Awards shall not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, reclassification, recapitalization, reorganization or other change in the Company's capital structure or its business, or any amalgamation, arrangement, combination, merger or consolidation involving the Company or to create, issue, redeem or repurchase any bonds, debentures, shares or other securities of the Company or the rights and conditions attaching thereto or to affect the dissolution or liquidation of 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.

**13.15 *Foreign Employees and Consultants.*** Awards may be granted to Participants who are foreign nationals or employed or providing services outside Canada, or both, on such terms and conditions different from those applicable to Awards to Employees or Consultants providing services in Canada as may, in the judgment of the Committee, be necessary or desirable in order to recognize differences in local law or tax policy. The Committee also may impose conditions on the exercise or vesting of Awards in order to minimize the Company's obligation with respect to tax equalization for Employees or Consultants on assignments outside their home country.

**13.16 *No Obligation to Notify or Minimize Taxes; No Liability for Taxes.*** The Company has no duty or obligation to any Participant to advise such holder as to the time or manner of exercising any Award. Furthermore, the Company has no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of an Award to the holder of such Award and will not be liable to any holder of an Award for any adverse tax consequences to such holder in connection with an Award. As a condition to accepting an Award under the Plan, each Participant (i) agrees to not make any claim against the Company, or any of its officers, Directors, Employees, Affiliates, agents or advisors

related to tax liabilities arising from such Award or other Company compensation and (ii) acknowledges that such Participant was advised to consult with his or her own personal tax, financial and other legal advisors regarding the tax consequences of the Award and has either done so or knowingly and voluntarily declined to do so.

**13.17 *No Registration Rights; No Right to Settle in Cash.*** The Company has no obligation to register with any governmental body or organization any of (a) the offer or issuance of any Award, (b) any Shares issuable upon the exercise of any Award, or (c) the sale of any Shares issued upon exercise of any Award, regardless of whether the Company in fact undertakes to register any of the foregoing. In particular, in the event that any of (x) any offer or issuance of any Award, (y) any Shares issuable upon exercise of any Award, or (z) the sale of any Shares issued upon exercise of any Award are not registered with any governmental body or organization, the Company will not under any circumstance be required to settle its obligations, if any, under this Plan in cash.

**13.18 *Participant Information.*** Each Participant shall provide the Company with all information (including personal information) required by the Company in order to administer the Plan. Each Participant acknowledges that information required by the Company in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties (including the Exchange) and may be disclosed to such persons (including persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Company to make such disclosure on the Participant's behalf.

**13.19 *Indemnity.*** To the extent allowable pursuant to applicable law, each member of the Committee or of the Board and any person to whom the Committee has delegated any of its authority under the Plan shall be indemnified and held harmless by the Company from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by such person in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action or failure to act pursuant to the Plan and against and from any and all amounts paid by him or her in satisfaction of judgment in such action, suit, or proceeding against him or her; provided, that in relation to the subject matter of the proceeding the indemnitee acted honestly and in good faith with a view to the best interests of the Company or an Affiliate, as applicable, and in the case of a proceeding other than a civil proceeding, the indemnitee had reasonable grounds for believing that his conduct in respect of which the proceeding was brought was lawful and, further provided, he or she gives the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled pursuant to applicable law or the Company's Articles, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

**13.20 *Corporate Action Constituting Grant of Awards.*** Corporate action constituting a grant by the Company of an Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Committee, regardless of when the instrument, certificate, or letter evidencing the Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (e.g., Committee or Board consents, resolutions or minutes) documenting the corporate action approving the grant contain

terms (e.g., exercise price, vesting schedule or number of Shares) that are inconsistent with those in the Award Agreement or related grant documents as a result of a clerical error in the papering of the Award Agreement or related grant documents, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Award Agreement or related grant documents.

**13.21** *Headings.* The headings in the Plan are for convenience of reference only, and are not intended to narrow, limit or affect the substance or interpretation of the provisions contained herein.

**SCHEDULE "D"**

**MIND CURE HEALTH INC.**

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**MIND CURE  
2020 INCENTIVE STOCK OPTION PLAN**

**(as approved by the board of directors on May 31, 2020)**

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# MIND CURE HEALTH INC.

## MIND CURE 2020 INCENTIVE STOCK OPTION PLAN

### 1. PURPOSE OF THE PLAN

**1.1 Purpose of this Plan.** The purpose of this Plan is to promote the interests of the Company by:

- (a) furnishing certain directors, officers, employees or consultants of the Company or an Affiliate with greater incentive to further develop and promote the business and financial success of the Company;
- (b) furthering the identity of interests of persons to whom options may be granted with those of the shareholders of the Company generally through share ownership in the Company; and
- (c) assisting the Company in attracting, retaining and motivating its directors, officers, employees and consultants.

The Company believes that these purposes may best be effected by granting Options to acquire Common Shares.

### 2. DEFINITIONS

**2.1 Definitions.** In this Plan, unless there is something in the subject matter or context inconsistent therewith, capitalized words and terms will have the following meanings:

- (a) “**Affiliate**” means a corporation that is an affiliate of the Company under the *Securities Act* (British Columbia), as amended from time to time;
- (b) “**Associate**” means, where used to indicate a relationship with any person:
  - (i) a partner, other than a limited partner, of that person;
  - (ii) a trust or estate in which that person has a substantial beneficial interest or for which that person serves as trustee or in a similar capacity;
  - (iii) a company in respect of which that 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 company; or
  - (iv) a relative, including the spouse or child, of that person or a relative of that person’s spouse, where the relative has the same home as that person;

- (v) and for the purpose of this definition, "spouse" includes an individual who is living with another individual in a marriage-like relationship;
- (c) **"Board of Directors"** means the board of directors of the Company as constituted from time to time;
- (a) **"Change in Control"** means:
  - (i) any merger or consolidation 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 transferred to a person or persons different from the persons holding those securities immediately prior to such transaction and the composition of the Board of Directors following such transaction is such that the directors of the Company prior to the transaction constitute less than fifty percent (50%) of the Board of Directors membership following the transaction;
  - (ii) any acquisition, directly or indirectly, by a 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) of 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;
  - (iv) any sale, transfer or other disposition of all or substantially all of the assets of the Company, except that no Change in Control will be deemed to occur if such sale or disposition is made to a subsidiary or subsidiaries 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;

- (d) **"Common Shares"** means the common shares in the capital of the Company as constituted on the Effective Date, provided that if the rights of any Participant are subsequently adjusted pursuant to Article 9 hereof, **"Common Shares"** thereafter means the shares or other securities or property which such Participant is entitled to purchase after given effect to such adjustment;

- (e) “**Company**” means Mind Cure Inc. and includes any successor corporation thereto;
- (f) “**Compensation Committee**” has the meaning ascribed thereto in Section 5.1 of this Plan;
- (g) “**Consultant**” means, for the Company or an Affiliate, any individual, corporation or other person, other than an employee, executive officer or director of the Company or an Affiliate, that:
  - (i) is engaged to provide services to the Company or an Affiliate, other than services provided in relation to a distribution of securities of the Company or an Affiliate;
  - (ii) provides the services under a written contract with the Company or an Affiliate; and
  - (iii) spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate,and includes
  - (iv) for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, and a partnership of which the individual consultant is an employee or partner; and
  - (v) for a consultant that is not an individual, an employee, executive officer, or director of the consultant, provided that the individual employee, executive officer, or director spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate;
- (h) “**Effective Date**” has the meaning ascribed thereto by Section 3.1 of this Plan;
- (i) “**Eligible Person**” means a director, officer, employee or Consultant of the Company or an Affiliate;
- (j) “**Exercise Price**” means the price per Common Share at which a Participant may purchase Common Shares pursuant to an Option, provided that if such price is adjusted pursuant to Section 9.1 hereof, “**Exercise Price**” thereafter means the price per Common Share at which such Participant may purchase Common Shares pursuant to such Option after giving effect to such adjustment;
- (k) “**Legal Representative**” has the meaning ascribed thereto by Section 6.7 of this Plan;
- (l) “**Merger and Acquisition Transaction**” means:

- (i) any merger;
- (ii) any acquisition;
- (iii) any amalgamation;
- (iv) any offer for shares of the Company 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;

that results in a Change in Control;

- (m) “**Options**” means stock options granted hereunder to purchase Common Shares from treasury pursuant to the terms and conditions hereof and as evidenced by an Option Agreement and “**Option**” means any one of them;
- (n) “**Option Agreement**” means an agreement evidencing an Option, entered into by and between the Company and an Eligible Person;
- (o) “**Participant**” means a person to whom Options have been granted under this Plan;
- (p) “**Plan**” means this Mind Cure 2020 Incentive Stock Option Plan, as the same may from time to time be supplemented or amended and in effect;
- (q) “**Related Person**” means,
  - (i) a director or executive officer of the Company or of a related entity of the Company,
  - (ii) an Associate of a director or executive officer of the Company or of a related entity of the Company, or
  - (iii) a permitted assign of a director or executive officer of the Company or of a related entity of the Company;
- (r) “**Shareholder Approval**” means approval, for the issuance of securities under the Plan, by a majority of the votes cast at the shareholders’ meeting other than votes attaching to securities beneficially owned by Related Persons to whom securities may be issued pursuant to the Plan;
- (s) “**Stock Exchange**” means such stock exchange or other organized market on which the Common Shares are listed or posted for trading;
- (t) “**U.S. Exchange Act**” means the U.S. *Securities Exchange Act* of 1934, as amended from time to time;

- (u) “**U.S. Internal Revenue Code**” means the *Internal Revenue Code* of 1986 of the United States, as amended from time to time;
- (v) “**U.S. Nonqualified Stock Option**” means an Option to purchase Common Shares other than a U.S. Qualified Incentive Stock Option;
- (w) “**U.S. Optionee**” means a Participant who is a citizen or a resident of the United States (including its territories, possessions and all areas subject to the jurisdiction); and
- (x) “**U.S. Qualified Incentive Stock Option**” means an Option to purchase Common Shares with the intention that it qualify as an “incentive stock option” as that term is defined in Section 422 of the U.S. Internal Revenue Code, such intention being evidenced by the resolutions of the Compensation Committee at the time of grant.

### 3. **EFFECTIVE DATE OF PLAN**

**3.1 Effective Date of this Plan.** The effective date (the “**Effective Date**”) of this Plan is May 31, 2020, the date on which this Plan was deemed to be adopted by the Board of Directors.

### 4. **COMMON SHARES SUBJECT TO PLAN**

**4.1 Common Shares Subject to this Plan.** Subject to adjustment as provided in Article 10 and the applicable rules and regulations of all regulatory authorities to which the Company is subject (including any Stock Exchange), the aggregate number of Common Shares in respect of which Options may be granted pursuant to this Plan shall not exceed 20% of the issued and outstanding Common Shares. The number of Common Shares in respect of which Options may be granted pursuant to this Plan may be increased, decreased or fixed by the Board of Directors, as permitted under the applicable rules and regulations of all regulatory authorities to which the Company is subject, including any Stock Exchange.

**4.2 Regranting of Shares.** Upon the expiry, termination or surrender of an Option which has not been exercised in full, the number of Common Shares reserved for issuance under that Option which have not been issued shall become available for issue for the purpose of additional Options which may be granted under this Plan.

**4.3 Reservation of Shares.** The Board of Directors will reserve for allotment from time to time out of the authorized but unissued Common Shares sufficient Common Shares to provide for issuance of all Common Shares which are issuable under all outstanding Options.

**4.4 No Fractional Shares.** No fractional Common Shares may be purchased or issued under this Plan.

**4.5 Unlisted Reporting Issuer Exception.** Unless Shareholder Approval is obtained, under no circumstances shall this Plan, together with all of the Company’s other previously established or proposed stock options, stock option plans, employee stock purchase plans or any

other compensation or incentive mechanisms involving the issuance or potential issuance of Common Shares, result in or allow at any time:

- (a) the number of Common Shares reserved for issuance pursuant to options granted to Related Persons exceeding 10% of the outstanding Common Shares at the time of granting the options;
- (b) the issuance to Related Persons, within a one year period, of a number of Common Shares exceeding 10% of the outstanding Common Shares at the time of granting the options; or
- (c) the issuance to any one Related Person and such Related Person's Associates, within a 12 month period, of a number of Common Shares exceeding 5% of the outstanding Common Shares at the time of granting the options.

## 5. ADMINISTRATION OF PLAN

**5.1 Administration of Plan.** The Board of Directors may at any time appoint a committee (the "**Compensation Committee**") to, among other things, interpret, administer and implement this Plan on behalf of the Board of Directors in accordance with such terms and conditions as the Board of Directors may prescribe, consistent with this Plan (provided that if at any such time such a committee has not been appointed by the Board of Directors, this Plan will be administered by the Board of Directors, and in such event references herein to the Compensation Committee shall be construed to be a reference to the Board of Directors). The Board of Directors will take such steps which in its opinion are required to ensure that the Compensation Committee has the necessary authority to fulfil its functions under this Plan.

**5.2 Powers of Compensation Committee.** The Compensation Committee is authorized, subject to the provisions of this Plan, to establish from time to time such rules and regulations, make such determinations and to take such steps in connection with this Plan as in the opinion of the Compensation Committee are necessary or desirable for the proper administration of this Plan. For greater certainty, without limiting the generality of the foregoing, the Compensation Committee will have the power, where consistent with the general purpose and intent of this Plan and subject to the specific provisions of this Plan and any approval of the Stock Exchange, if applicable:

- (a) to interpret and construe this Plan and any Option Agreement and to determine all questions arising out of this Plan and any Option Agreement, and any such interpretation, construction or determination made by the Compensation Committee will be final, binding and conclusive for all purposes;
- (b) to determine to which Eligible Persons Options are granted, and to grant, Options;
- (c) to determine the number of Common Shares covered by each Option;
- (d) to determine the Exercise Price for each Option;

- (e) to determine the time or times when Options will be granted, vest and be exercisable and to determine when it is appropriate to accelerate when Options otherwise subject to vesting may be exercised;
- (f) to determine if the Common Shares that are subject to an Option will be subject to any restrictions or repurchase rights upon the exercise of such Option including, where applicable, the endorsement of a legend on any certificate representing Common Shares acquired on the exercise of any Option to the effect that such Common Shares may not be offered, sold or delivered except in compliance with the applicable securities laws and regulations of Canada, the United States or any other country and if any rights or restrictions exist they will be described in the applicable option agreement;
- (g) to determine the expiration date for each Option and to extend the period of time for which any Option is to remain exercisable in appropriate circumstances, including, without limitation, in the event of the Participant's cessation of service or in the event of a prolonged Company-mandated trading restriction period, provided that such date may not be later than the earlier of (A) the date which is the 10th anniversary of the date on which such Option is granted, and (B) the latest date permitted under the applicable rules and regulations of all regulatory authorities to which the Company is subject, including the Stock Exchange;
- (h) to prescribe the form of the instruments relating to the grant, exercise and other terms of Options;
- (i) to enter into an Option Agreement evidencing each Option which will incorporate such terms as the Compensation Committee in its discretion deems consistent with this Plan;
- (j) to take such steps and require such documentation from Eligible Persons which in its opinion are necessary or desirable to ensure compliance with the rules and regulations of the Stock Exchange and all applicable laws;
- (k) to adopt such modifications, procedures and subplans as may be necessary or desirable to comply with the provisions of the laws of Canada, the United States and other countries in which the Company or its Affiliates may operate to ensure the viability and maximization of the benefits from the Options granted to Participants residing in such countries and to meet the objectives of this Plan; and
- (l) to determine such other matters as provided for herein.

## **6. GRANT OF OPTIONS**

Subject to the rules set out below, the Compensation Committee (or in the case of any proposed Participant who is a member of the Compensation Committee, the Board of Directors) may from time to time grant to any Eligible Person one or more Options as the Compensation Committee deems appropriate.

**6.1 Date Option Granted.** The date on which an Option will be deemed to have been granted under this Plan will be the date on which the Compensation Committee authorizes the grant of such Option or such other date as may be specified by the Compensation Committee at the time of such authorization.

**6.2 Number of Common Shares/Maximum Grant.** The number of Common Shares that may be purchased under any Option will be determined by the Compensation Committee. A Participant who holds Options at the time of granting an Option, may hold more than one Option.

**6.3 Exercise Price.** The Exercise Price per Common Share under each Option will be determined by the Compensation Committee, in its sole discretion, expressed in terms of money, provided that if the Company is a reporting issuer in any Province of Canada such price may not be less than the greater of: (a) the fair market value of such shares at the time of grant, as determined by the Compensation Committee, in its sole discretion; and (b) the lowest price permitted under the applicable rules and regulations of all regulatory authorities to which the Company is subject, including the Stock Exchange.

**6.4 Option Agreements.** Each Option will be evidenced by an Option Agreement which incorporates such terms and conditions as the Compensation Committee in its discretion deems appropriate and consistent with the provisions of this Plan (and the execution and delivery by the Company of an Option Agreement with a Participant shall be conclusive evidence that such Option Agreement incorporates terms and conditions approved by the Compensation Committee and is consistent with the provisions of this Plan). Each Option Agreement will be executed by the Participant to whom the Option is granted and on behalf of the Company by any member of the Compensation Committee or any officer of the Company or such other person as the Compensation Committee may designate for such purpose. Each Option Agreement will specify the reasons for the Company granting Options to such Participant.

**6.5 Term of Options.** Each Option will expire on the earlier of:

- (a) the date determined by the Compensation Committee and specified in the Option Agreement pursuant to which such Option is granted, provided that such date may not be later than the earlier of: (i) the date which is the tenth anniversary of the date on which such Option is granted; and (ii) the latest date permitted under the applicable rules and regulations of all regulatory authorities to which the Company is subject, including the Stock Exchange;
- (b) in the event the Participant ceases to be an Eligible Person for any reason, other than the death of the Participant or the termination of the Participant for cause, such period of time after the date on which the Participant ceases to be an Eligible Person as may be specified by the Compensation Committee or as specified in an agreement among the Participant and the Corporation, and in the absence of such specification or agreement, will be deemed to be the date that is three months following the Participant ceasing to be an Eligible Person;

- (c) in the event of the termination of the Participant as a director, officer, employee or Consultant of the Company or an Affiliate for cause, the date of such termination;
- (d) in the event of the death of a Participant prior to: (A) the Participant ceasing to be an Eligible Person; or (B) the date which is the number of days specified by the Compensation Committee pursuant to subparagraph (b) above from the date on which the Participant ceased to be an Eligible Person; the date which is one year after the date of death of such Participant or such other date as may be specified by the Compensation Committee and which period will be specified in the Option Agreement with the Participant with respect to such Option; and
- (e) notwithstanding the foregoing provisions of subparagraphs (b), (c) and (d) of this Section 6.5, the Compensation Committee may, subject to regulatory approval, at any time prior to expiry of an Option extend the period of time within which an Option may be exercised by a Participant who has ceased to be an Eligible Person, but such an extension shall not be granted beyond the original expiry date of the Option as provided for in subparagraph (a) above.

Notwithstanding the foregoing, except as expressly permitted by the Compensation Committee, all Options will cease to vest as at the date upon which the Participant ceases to be an Eligible Person.

**6.6 Change in Status.** A change in the status, office, position or duties of a Participant from the status, office, position or duties held by such Participant on the date on which the Option was granted to such Participant will not result in the termination of the Option granted to such Participant provided that such Participant remains a director, officer, employee or Consultant of the Company or an Affiliate.

**6.7 Non-Transferability of Options.** Each Option Agreement will provide that the Option granted thereunder is not transferable or assignable and may be exercised only by the Participant or, in the event of the death of the Participant or the appointment of a committee or duly appointed attorney of the Participant or of the estate of the Participant on the grounds that the Participant is incapable, by reason of physical or mental infirmity, of managing their affairs, the Participant's legal representative or such committee or attorney, as the case may be (the "Legal Representative").

**6.8 Representations and Covenants of Participants.** Each Option Agreement will contain representations and covenants of the Participant that:

- (a) the Participant is a director, officer, employee, or Consultant of the Company or an Affiliate;
- (b) the Participant has not been induced to enter into such Option Agreement by the expectation of employment or continued employment with the Company or an Affiliate;
- (c) the Participant is aware that the grant of the Option and the issuance by the Company of Common Shares thereunder are exempt from the obligation under

applicable securities laws to file a prospectus or other registration document qualifying the distribution of the Options or the Common Shares to be distributed thereunder under any applicable securities laws;

- (d) upon each exercise of an Option, the Participant, or the Legal Representative of the Participant, as the case may be, will, if requested by the Company, represent and agree in writing that the person is, or the Participant was, a director, officer, employee or Consultant of the Company or an Affiliate and has not been induced to purchase the Common Shares by expectation of employment or continued employment with the Company or an Affiliate, and that such person is not aware of any commission or other remuneration having been paid or given to others in respect of the trade in the Common Shares; and
- (e) if the Participant or the Legal Representative of the Participant exercises the Option, the Participant or the Legal Representative, as the case may be, will prior to and upon any sale or disposition of any Common Shares purchased pursuant to the exercise of the Option, comply with all applicable securities laws and all applicable rules and regulations of all regulatory authorities to which the Company is subject, including the Stock Exchange, and will not offer, sell or deliver any of such Common Shares, directly or indirectly, in the United States or to any citizen or resident of, or any Company, partnership or other entity created or organized in or under the laws of, the United States, or any estate or trust the income of which is subject to United States federal income taxation regardless of its source, except in compliance with the securities laws of the United States.

**6.9 Provisions Relating to Share Issuances.** Each Option Agreement will contain such provisions as in the opinion of the Compensation Committee are required to ensure that no Common Shares are issued on the exercise of an Option unless the Compensation Committee is satisfied that the issuance of such Common Shares will be exempt from all registration or qualification requirements of applicable securities laws and will be permitted under the applicable rules and regulations of all regulatory authorities to which the Company is subject, including the Stock Exchange. In particular, if required by any regulatory authority to which the Company is subject, including the Stock Exchange, an Option Agreement may provide that shareholder approval to the grant of an Option must be obtained prior to the exercise of the Option or to the amendment of the Option Agreement.

## **7. U.S. QUALIFIED INCENTIVE STOCK OPTION PROVISIONS**

To the extent required by Section 422 of the U.S. Internal Revenue Code, U.S. Qualified Incentive Stock Options shall be subject to the following additional terms and conditions and if there is any conflict between the terms of this Article and other provisions under this Plan, the provisions under this Article shall prevail:

**7.1 Eligible Employees.** All classes of employees of the Company or one of its parent corporations or subsidiary corporations may be granted U.S. Qualified Incentive Stock Options. U.S. Qualified Incentive Stock Options shall only be granted to U.S. Optionees who are, at the time of grant, officers, key employees or directors of the Company or one of its parent

corporations or subsidiary corporations (provided, for purposes of this Article 7 only, such directors are then also officers or key employees of the Company or one of its parent corporations or subsidiary corporations). For purposes of this Article 7, “parent corporation” and “subsidiary corporation” shall have the meanings attributed to those terms for the purposes of Section 422 of the U.S. Internal Revenue Code. Any director of the Company who is a U.S. Optionee shall be ineligible to vote upon the granting of such Option; and for greater certainty, contractors of the Company or subsidiary corporations may not be granted U.S. Qualified Incentive Stock Options.

**7.2 Dollar Limitation.** To the extent the aggregate fair market value (determined as of the grant date) of Common Shares with respect to which U.S. Qualified Incentive Stock Options are exercisable for the first time by a U.S. Optionee during any calendar year (under this Plan and all other stock option plans of the Company) exceeds U.S. \$100,000, such portion in excess of U.S. \$100,000 shall be treated as a U.S. Nonqualified Stock Option. In the event the U.S. Optionee holds two or more such Options that become exercisable for the first time in the same calendar year, such limitation shall be applied on the basis of the order in which such Options are granted.

**7.3 10% Shareholders.** If any U.S. Optionee to whom an U.S. Qualified Incentive Stock Option is to be granted under this Plan at the time of the grant of such U.S. Qualified Incentive Stock Option is the owner of shares possessing more than ten percent (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 U.S. Qualified Incentive Stock Option granted to such individual:

- (i) the Exercise Price (per Common Share) subject to such U.S. Qualified Incentive Stock Option shall not be less than one hundred ten percent (110%) of the fair market value of one such Common Share at the time of grant; and
- (ii) for the purposes of this Article 7 only, the option exercise period shall not exceed five (5) years from the date of grant.

The determination of 10% ownership shall be made in accordance with Section 422 of the U.S. Internal Revenue Code.

**7.4 Exercisability.** To qualify for U.S. Qualified Incentive Stock Option tax treatment, an Option designated as a U.S. Qualified Incentive Stock Option must be exercised within three months after termination of employment for reasons other than death, except that, in the case of termination of employment due to total disability, such Option must be exercised within one year after such termination. Employment shall not be deemed to continue beyond the first 90 days of a leave of absence unless the U.S. Optionee's reemployment rights are guaranteed by statute or contract. For purposes of this Section 7.4, “**total disability**” shall mean a mental or physical impairment of the U.S. Optionee which is expected to result in death or which has lasted or is expected to last for a continuous period of 12 months or more and which causes the U.S. Optionee to be unable, in the opinion of the Company and two independent physicians, to perform his or her duties for the Company and to be engaged in any substantial gainful activity.

Total disability shall be deemed to have occurred on the first day after the Company and the two independent physicians have furnished their opinion of total disability to the Compensation Committee.

**7.5 Taxation of U.S. Qualified Incentive Stock Options.** In order to obtain certain tax benefits afforded to U.S. Qualified Incentive Stock Options under Section 422 of the U.S. Internal Revenue Code, the U.S. Optionee must hold the Common Shares issued upon the exercise of a U.S. Qualified Incentive Stock Option for two years after the date of grant of the U.S. Qualified Incentive Stock Option and one year from the date of exercise. A U.S. Optionee may be subject to U.S. alternative minimum tax at the time of exercise of a U.S. Qualified Incentive Stock Option. The Compensation Committee may require a U.S. Optionee to give the Company prompt notice of any disposition of shares acquired by the exercise of a U.S. Qualified Incentive Stock Option prior to the expiration of such holding periods.

**7.6 Transferability.** No U.S. Qualified Incentive Stock Option granted under this Plan may be assigned or transferred by the U.S. Optionee other than by will or by the laws of descent and distribution, and during the U.S. Optionee's lifetime, such U.S. Qualified Incentive Stock Option may be exercised only by the U.S. Optionee.

**7.7 Compensation Committee Governance if U.S. Registrant.** If and so long as the Common Shares are registered under Section 12(b) or 12(g) of the U.S. Securities Exchange Act, the Board of Directors will consider in selecting the members of the Compensation Committee, with respect to any persons subject or likely to become subject to Section 16 of the U.S. Securities Exchange Act, the provisions regarding "nonemployee directors" as contemplated by Rule 16b-3 under the U.S. Securities Exchange Act.

**7.8 Exercise Price.** Notwithstanding Section 6.3, no U.S. Qualified Incentive Stock Option granted under the Plan shall have an Exercise Price less than the fair market value of the underlying Common Shares at the date of grant of such Option, as determined at such time in good faith by the Board or Directors or the Compensation Committee, as the case may be.

**7.9 Approval by Shareholders.** No U.S. Qualified Incentive Stock Option granted to a U.S. Optionee under this Plan shall become exercisable unless and until this Plan shall have been approved by the shareholders of the Company within 12 months of approval by the Board of Directors of the Company.

## **8. EXERCISE OF OPTIONS**

**8.1 Exercise of Options.** Subject to the terms and conditions of this Plan, the Compensation Committee may impose such limitations or conditions on the exercise or vesting of any Option as the Compensation Committee in its discretion deems appropriate, including limiting the number of Common Shares for which any Option may be exercised during any period as may be specified by the Compensation Committee and which number of Common Shares for which such Option may be exercised in any period will be specified in the Option Agreement with respect to such Option. Each Option Agreement will provide that the Option granted thereunder may be exercised only by notice signed by the Participant or the Legal

Representative of the Participant and accompanied by full payment for the Common Shares being purchased. Such consideration may be paid in any combination of the following:

- (a) cash, bank draft or certified cheque; or
- (b) such other consideration as the Compensation Committee may permit consistent with applicable laws.

As soon as practicable after any exercise of an Option, a certificate or certificates representing the Common Shares in respect of which such Option is exercised will be delivered by the Company to the Participant.

**8.2 Withholding Tax.** The Participant will be solely responsible for paying any applicable withholding taxes arising from the grant, vesting or exercise of any Option and payment is to be made in a manner satisfactory to the Company. Notwithstanding the foregoing, the Company will have the right to withhold from any Option or any Common Shares issuable pursuant to an Option or from any cash amounts otherwise due or to become due from the Company to the Participant, an amount equal to any such taxes.

**8.3 Conditions.** Notwithstanding any of the provisions contained in this Plan or in any Option Agreement, the Company's obligation to issue Common Shares to a Participant pursuant to the exercise of an Option will be subject to, if applicable:

- (a) completion of such registration or other qualification of such Common Shares or obtaining approval of such governmental authority as the Company will determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;
- (b) the admission of such Common Shares to listing or quotation on the Stock Exchange; and
- (c) the receipt from the Participant of such representations, agreements and undertakings, including as to future dealings in such Common Shares, as the Company or its counsel determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.

## **9. SUSPENSION, AMENDMENT OR TERMINATION OF PLAN**

**9.1 Suspension, Amendment or Termination of Plan.** The Compensation Committee will have the right at any time to suspend, amend or terminate this Plan in any manner including, without limitation, to reflect any requirements of any regulatory authorities to which the Company is subject, including the Stock Exchange, and on behalf of the Company agree to any amendment to any Option Agreement provided that the Compensation Committee in its discretion deems such amendment consistent with the terms of this Plan and all procedures and necessary approvals required under the applicable rules and regulations of all regulatory authorities to which the Company is subject are complied with and obtained, but the Compensation Committee will not have the right to:

- (a) affect in a manner that is adverse or prejudicial to, or that impairs, the benefits and rights of any Participant under any Option previously granted under this Plan (except as permitted pursuant to Article 10 and except for the purpose of complying with applicable securities laws or the bylaws, rules and regulations of any regulatory authority to which the Company is subject, including the Stock Exchange);
- (b) decrease the number of Common Shares which may be purchased pursuant to any Option (except as permitted pursuant to Article 10) without the consent of such Participant;
- (c) increase the Exercise Price at which Common Shares may be purchased pursuant to any Option (except as permitted pursuant to Article 10) without the consent of such Participant;
- (d) extend the term of any Option beyond a period of ten years or the latest date permitted under the applicable rules and regulations of all regulatory authorities to which the Company is subject, including the Stock Exchange;
- (e) grant any Option if this Plan is suspended or has been terminated; or
- (f) change or adjust any outstanding U.S. Qualified Incentive Stock Option without the consent of the Participant if such change or adjustment would constitute a “modification” that would cause such U.S. Qualified Incentive Stock Option to fail to continue to qualify as a U.S. Qualified Incentive Stock Option.

**9.2 Powers of Compensation Committee Survive Termination.** The full powers of the Compensation Committee as provided for in this Plan will survive the termination of this Plan until all Options have been exercised in full or have otherwise expired.

## **10. ADJUSTMENTS**

**10.1 Adjustments.** Appropriate adjustments in the number of Common Shares subject to this Plan, as regards Options granted or to be granted, in the number of Common Shares optioned and the applicable Exercise Price will be conclusively determined by the Compensation Committee to give effect to adjustments in the number of Common Shares resulting from subdivisions, consolidations, substitutions, or reclassifications of the Common Shares, the payment of stock dividends by the Company (other than dividends in the ordinary course) or other relevant changes in the capital of the Company or from a proposed merger, amalgamation or other corporate arrangement or reorganization involving the exchange or replacement of Common Shares of the Company for those in another corporation. Any dispute that arises at any time with respect to any such adjustment will be conclusively determined by the Compensation Committee, and any such determination will be binding on the Company, the Participant and all other affected parties.

**10.2 Merger and Acquisition Transaction.** In the event of a Merger and Acquisition Transaction or proposed Merger and Acquisition Transaction, the Compensation Committee, at its option, may do any of the following:

- (a) the Compensation Committee may, in a fair and equitable manner, determine the manner in which all unexercised option rights granted under this Plan will be treated including, without limitation, requiring the acceleration of the time for the exercise of such rights by the Participants, the time for the fulfilment of any conditions or restrictions on such exercise, and the time for the expiry of such rights; or
- (b) the Compensation Committee or any corporation which is or would be the successor to the Company or which may issue securities in exchange for Common Shares upon the Merger and Acquisition Transaction becoming effective may offer any Participant the opportunity to obtain a new or replacement option over any securities into which the Common Shares are changed or are convertible or exchangeable, on a basis proportionate to the number of Common Shares under option and the Exercise Price (and otherwise substantially upon the terms of the Option being replaced, or upon terms no less favourable to the Participant) including, without limitation, the periods during which the Option may be exercised and expiry dates; and in such event, the Participant shall, if he accepts such offer, be deemed to have released his Option over the Common Shares and such Option shall be deemed to have lapsed and be cancelled; or
- (c) the Compensation Committee may commute for or into any other security or any other property or cash, any Option that is still capable of being exercised, upon giving to the Participant to whom such Option has been granted at least 30 days written notice of its intention to commute such Option, and during such period of notice, the Option, to the extent it has not been exercised, may be exercised by the Participant without regard to any vesting conditions attached thereto; and on the expiry of such period of notice, the unexercised portion of the Option shall lapse and be cancelled.

Section 10.1 and subsections (a), (b) and (c) of this Section 10.2 are intended to be permissive and may be utilized independently or successively in combination or otherwise, and nothing therein contained shall be construed as limiting or affecting the ability of the Compensation Committee to deal with Options in any other manner. All determinations by the Compensation Committee under this Section will be final, binding and conclusive for all purposes.

**10.3 Limitations.** The grant of Options under this Plan will in no way affect the Company's right to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, amalgamate, reorganize, consolidate, dissolve, liquidate or sell or transfer all or any part of its business or assets or engage in any like transaction.

**10.4 No Fractional Shares.** No adjustment or substitution provided for in this Article 10 will require the Company to issue a fractional share in respect of any Option and the total substitution or adjustment with respect to each Option will be limited accordingly.

## 11. GENERAL

**11.1 No Rights as Shareholder.** Nothing herein or otherwise shall be construed so as to confer on any Participant any rights as a shareholder of the Company with respect to any Common Shares reserved for the purpose of any Option.

**11.2 No Effect on Employment.** Nothing in this Plan or any Option Agreement will confer upon any Participant any right to continue in the employ of or under contract with the Company or an Affiliate or affect in any way the right of the Company or any such Affiliate to terminate his or her employment at any time or terminate his or her consulting contract; nor will anything in this Plan or any Option Agreement be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Company or any such Affiliate to extend the employment of any Participant beyond the time that he or she would normally be retired pursuant to the provisions of any present or future retirement plan of the Company or an Affiliate or any present or future retirement policy of the Company or an Affiliate, or beyond the time at which he or she would otherwise be retired pursuant to the provisions of any contract of employment with the Company or an Affiliate. Neither any period of notice nor any payment in lieu thereof upon termination of employment shall be considered as extending the period of employment for the purposes of the Plan.

**11.3 No Fettering of Directors' Discretion.** Nothing contained in this Plan will restrict or limit or be deemed to restrict or limit the right or power of the Board of Directors in connection with any allotment and issuance of Common Shares which are not allotted and issued under this Plan including, without limitation, with respect to other compensation arrangements.

**11.4 Applicable Law.** The Plan and any Option Agreement granted hereunder will be governed, construed and administered in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

**11.5 Interpretation.** References herein to any gender include all genders and to the plural includes the singular and vice versa. The division of this Plan into Sections and Articles and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Plan.

**11.6 Reference.** This Plan may be referred to as the "Mind Cure 2020 Incentive Stock Option Plan".

