



NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

AND

**MANAGEMENT INFORMATION CIRCULAR
FOR THE ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS**

TO BE HELD ON

JUNE 25, 2020

GOOD NATURED PRODUCTS INC.

#814 - 470 Granville St.
Vancouver, BC V6C 1V4

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an Annual and Special Meeting of Shareholders (the "**Meeting**") of good natured Products Inc. (the "**Corporation**") will be held at the offices of Stikeman Elliott LLP at Suite 1700, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8, on Thursday, June 25, 2020 at 10:00 a.m. (Vancouver time) for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for the year ended December 31, 2019 and the auditor's report thereon;
2. to elect directors of the Corporation for the ensuing year;
3. to appoint the auditor for the Corporation for the ensuing year and authorize the directors to fix the auditor's remuneration;
4. to re-approve the Corporation's omnibus equity incentive compensation plan;
5. to transact such other business as may properly come before the Meeting or any adjournment thereof;

all as more particularly set out in the attached Information Circular.

The Directors have fixed the close of business on May 15, 2020 as the record date for determination of shareholders entitled to notice of and the right to vote at the Meeting either in person or by proxy. A shareholder who is unable to attend the Meeting in person and who wishes to ensure that their shares will be voted at the Meeting, is requested to complete, date and execute the form of proxy accompanying the notification of availability of Meeting materials and deliver it to the Corporation's transfer agent: **TSX TRUST COMPANY of 301 - 100 Adelaide Street West, Toronto, ON M5H 4H1** in accordance with the instructions set out in the form of proxy and Information Circular.

In light of COVID-19 and social distancing best practices, shareholders are encouraged to vote in advance of the Meeting by proxy or voting instruction form, as applicable, rather than attending the Meeting in person. Shareholders are welcome to participate in the meeting by phone using the following dial in information (however, voting in advance by proxy or voting instruction form is advised):

Dial in Toll Free: 1-800-969-9731

Dial in International: +1-647-723-6928

Access code: 631-1430#

As part of our effort to maintain a healthy and safe environment at our Meeting, we are closely monitoring provincial and federal governmental guidance regarding the Coronavirus. The Corporation currently intends to hold an in-person shareholder meeting, with necessary restrictions set forth in the following paragraph. However, in the event it is not possible or advisable to hold the Meeting in person, we will announce alternative arrangements for the Meeting as promptly as practicable. The Corporation will provide updates to any arrangements in respect of the Meeting by way of news release. Shareholders are encouraged to monitor the Corporation's website at <https://goodnatured.ca/> or the Corporation's SEDAR profile at www.sedar.com, where copies of such news releases, if any, will be posted.

The Corporation, in accordance with current public health guidelines, discourages shareholders from physically attending the Meeting, and, in order to ensure as many common shares of the Corporation as possible

are represented at the Meeting, strongly encourages registered shareholders to complete the form of proxy and return it as soon as possible in accordance with the instructions set out in the accompanying Information Circular. Shareholders who do not hold their common shares in their own name are strongly encouraged to complete the voting instruction forms received from the Corporation or their broker as soon as possible and to follow the instructions set out in the accompanying Information Circular. In addition, only registered Shareholders or their duly appointed proxy holders will be permitted to attend the Meeting. If the situation improves and these restrictions can be lifted, the Corporation will provide an update as described above.

Those shareholders who do wish to attend the Meeting in person, should carefully consider and follow the instructions of the federal Public Health Agency of Canada: (<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>). We ask that Shareholders also review and follow the instructions of any regional health authorities of the Province of British Columbia, including the Vancouver Coastal Health Authority, the Fraser Health Authority and any other health authority holding jurisdiction over the areas you must travel through to attend the Meeting. **Please do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days immediately prior to the Meeting.**

As permitted by Canadian securities regulators, we are using "notice-and-access" to deliver our Meeting materials. Notice-and-access allows us to post electronic versions of proxy-related materials online, rather than mailing paper copies of such materials to shareholders. Accordingly, this Notice of Meeting, the Information Circular, the Corporation's audited annual financial statements for the financial year ended December 31, 2019, along with the related management's discussion and analysis, and interim financial statements, along with the related management's discussion and analysis, have been posted under the Corporation's SEDAR profile on www.sedar.com and at <https://docs.tsxtrust.com/2059>.

Shareholders will receive paper copies of a notice package via prepaid mail containing the information prescribed by securities regulations and a form of proxy (if you are a registered shareholder) or a voting instruction form (if you are a non-registered shareholder). Registered shareholders should complete and sign the form of proxy and return it to our transfer agent as instructed. Alternative methods of voting by proxy are outlined in the Information Circular. If you are a non-registered shareholder, you should review the voting instruction form provided by your intermediary, which sets out the procedures to be followed for voting shares held through intermediaries.

Shareholders can contact our transfer agent, TSX Trust Company, toll free at 1-866-600-5869 or by email at TMXEInvestorServices@tmx.com, for more information regarding notice-and-access or with questions regarding how to vote their shares. Shareholders requiring a paper copy of the Information Circular and related materials should contact TSX Trust Company as soon as possible and in any event before June 16, 2020 in order to seek to arrange to have them delivered before the deadline to submit proxies.

BY ORDER OF THE BOARD OF DIRECTORS

"Paul Antoniadis"

Paul Antoniadis
Executive Chair & CEO

May 19, 2020
Vancouver, British Columbia

INFORMATION CIRCULAR

(as at May 15, 2020 unless otherwise specified)

GOOD NATURED PRODUCTS INC.

#814 – 470 Granville St.

Vancouver, BC V6C 1V4

SOLICITATION OF PROXIES

This Information Circular (the "**Circular**") is furnished in connection with the solicitation of proxies by the management of **GOOD NATURED PRODUCTS INC.** (the "**Corporation**" or "**good natured**") for use at the annual and special meeting of shareholders of the Corporation (and any adjournment thereof) (the "**Meeting**") to be held on Thursday, June 25, 2020 at the time and place, and for the purposes, set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the regular employees of the Corporation at nominal cost. All costs of solicitation by management will be borne by the Corporation. The contents and the sending of the Circular have been approved by the directors of the Corporation (the "**Board**").

IMPORTANT NOTICE REGARDING SOCIAL DISTANCING

As part of our effort to maintain a healthy and safe environment at our Meeting, we are closely monitoring provincial and federal governmental guidance regarding the COVID-19 Coronavirus. The Corporation currently intends to hold an in-person shareholder meeting, with necessary restrictions set forth in the following paragraph. However, in the event it is not possible or advisable to hold the Meeting in person, we will announce alternative arrangements for the Meeting as promptly as practicable. The Corporation will provide updates to any arrangements in respect of the Meeting by way of news release. Shareholders of the Corporation are encouraged to monitor the Corporation's website at <https://goodnatured.ca/> or the Corporation's SEDAR profile at www.sedar.com, where copies of such news releases, if any, will be posted.

The Corporation, in accordance with current public health guidelines, discourages shareholders from physically attending the Meeting, and, in order to ensure as many common shares of the Corporation as possible are represented at the Meeting, strongly encourages registered shareholders to complete the form of proxy and return it as soon as possible in accordance with the instructions set out in the accompanying Information Circular. Shareholders who do not hold their common shares in their own name are strongly encouraged to complete the voting instruction forms received from the Corporation or their broker as soon as possible and to follow the instructions set out in the accompanying Information Circular. In addition, only registered shareholders or their duly appointed proxy holders will be permitted to attend the Meeting. If the situation improves and these restrictions can be lifted, the Corporation will provide an update as described above.

In light of COVID-19 and social distancing best practices, shareholders are encouraged to vote in advance of the Meeting by proxy or voting instruction form, as applicable, rather than attending the Meeting in person. Shareholders are welcome to participate in the meeting by phone using the following dial in information (however, voting in advance by proxy or voting instruction form is advised):

Dial in Canada/US: 1-800-969-9731

Dial in International: +1-647-723-6928

Access code: 631-1430#

Those shareholders who do wish to attend the Meeting in person, should carefully consider and follow the instructions of the federal Public Health Agency of Canada: (<https://www.canada.ca/en/public->

health/services/diseases/coronavirus-disease-covid-19.html). We ask that shareholders also review and follow the instructions of any regional health authorities of the Province of British Columbia, including the Vancouver Coastal Health Authority, the Fraser Health Authority and any other health authority holding jurisdiction over the areas you must travel through to attend the Meeting. Please do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days immediately prior to the Meeting.

APPOINTMENT AND REVOCATION OF PROXIES

The individuals named in the form of proxy are officers of the Corporation. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER OF THE CORPORATION) TO REPRESENT HIM OR HER AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAMES OF THOSE PERSONS NAMED IN THE FORM OF PROXY AND INSERTING THE DESIRED PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY.** A proxy will not be valid unless the completed form of proxy is received by **TSX TRUST COMPANY** of 301 - 100 Adelaide Street West, Toronto, ON M5H 4H1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment thereof or to the Chairman of the Meeting on the day of the Meeting, before the commencement of the Meeting.

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his or her attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the registered office of the Corporation at Suite 1700, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8 at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting, prior to the commencement of the Meeting or, if adjourned, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

NOTICE-AND-ACCESS

The Corporation has elected to use the "notice-and-access" provisions (the "**Notice-and-Access Provisions**") under Canadian National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") for the Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials which are mailed to shareholders by allowing a reporting issuer to post an information circular in respect of a meeting of its shareholders and related materials online.

The Corporation anticipates that notice-and-access will directly benefit the Corporation through substantial reductions in postage and printing costs. The Corporation believes that notice-and-access is also environmentally responsible to the extent that it decreases the large volume of paper documents generated by printing proxy-related materials.

The Corporation will not use procedures known as "stratification" in relation to the use of the Notice-and-Access Provisions, meaning that both registered shareholders and shareholders who do not hold their shares in their own name (referred to herein as "**Beneficial Shareholders**") will be mailed a notification of availability of Meeting materials directing them to those websites where they can access the Notice of Meeting, the Circular, the Corporation's audited annual financial statements for the financial year ended December 31, 2019, along with the related management's discussion and analysis, and the Corporation's interim financial statements, along with the related management's discussion and analysis (the "**Notice-and-Access Notification**").

A form of proxy (if you are a registered shareholder) or a Voting Instruction Form ("**VIF**") (if you are a non-registered shareholder), will be mailed to shareholders together with the Notice-and-Access Notification (the "**Notice-and-Access Package**").

In order to receive a paper copy of this Circular and other relevant information, requests by shareholders may be made up to one year from the date the Circular was filed on SEDAR by: (i) calling TSX Trust Company toll free at 1-866-

600-5859; or (ii) by emailing a request to TMXEInvestorServices@tmx.com. The Corporation estimates that a shareholder's request for paper copies of the Circular and other relevant information will need to be received prior to June 16, 2020 in order for such shareholder to have sufficient time to receive and review the materials requested and return the completed form of proxy by the due date set out under the heading "*Appointment and Revocation of Proxies*" in this Circular. All materials will be forwarded to shareholders at the Corporation's expense. The Corporation will pay for intermediaries to forward the Notice-and-Access Notification to Beneficial Shareholders who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for Objecting Beneficial Owners).

Shareholders with questions about notice-and-access can call TSX Trust Company toll free at 1-866-600-5869.

ADVICE TO BENEFICIAL SHAREHOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Beneficial Shareholders are advised that only proxies from shareholders of record can be recognized and voted at the Meeting.

If your common shares of the Corporation are listed in an account statement provided by a broker or other "intermediary" (a term used to refer to, among others, brokers, banks, trust companies and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans), then in almost all cases those common shares will not be registered in such shareholder's name on the records of the Corporation. Such common shares will more likely be registered under the names of intermediaries. In Canada, the vast majority of such shares are registered under the name CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee and custodian for many Canadian brokerage firms) and in the United States, under the name Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

Pursuant to NI 54-101, intermediaries, such as those listed above, are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. The Notice-and-Access Packages sent to Beneficial Shareholders (who have not waived their right to receive Meeting materials) do not contain a proxy. Instead, pursuant to NI 54-101, they will likely contain a VIF. The content of a VIF is almost identical to the content of a proxy. A VIF differs from the proxy insofar as its purpose is limited to instructing the Registered Holder (the Intermediary) or the Corporation how to vote on behalf of the Beneficial Shareholder. Without specific instructions, intermediaries are prohibited from voting such common shares. Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person.

Every intermediary has its own mailing procedures and provides its own return instructions to clients. By returning a VIF in accordance with the instructions noted on it, a Beneficial Shareholder is able to instruct to ensure that their common shares are voted at the Meeting.

A Beneficial Shareholder who wishes to attend the Meeting and vote in person may write the name of the Beneficial Shareholder in the place provided for that purpose on the VIF. **A BENEFICIAL SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER OF THE CORPORATION) TO REPRESENT HIM OR HER AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAMES OF THOSE PERSONS NAMED IN THE VIF AND INSERTING THE DESIRED PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE VIF OR BY COMPLETING ANOTHER FORM OF PROXY.**

There are two kinds of Beneficial Shareholders recognized by NI 54-101, OBOs and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" for Non-Objecting Beneficial Owners).

The Corporation is taking advantage of the provisions of NI 54-101 which permits the Corporation to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a scannable VIF from our transfer agent, TSX Trust Company. The VIF is to be completed and returned to TSX Trust Company as set out in the instructions provided on the VIF. TSX Trust Company will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the common shares represented by the VIFs they receive.

These proxy-related materials are being provided to both registered and non-registered owners of the common shares of the Corporation. If you are a non-registered owner, and the Corporation or its agent has provided these materials directly to you, your name, address and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

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

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their common shares are voted at the Meeting. The Corporation will pay for intermediaries to forward proxy-related materials to OBOs.

Most brokers or intermediaries delegate responsibility for providing proxy-related materials to OBOs, and obtaining voting instructions from OBOs to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada. Broadridge prepares its own form of VIF based on the proxy and mails the VIF and the other proxy-related materials to OBOs. The completed VIF must then be returned to Broadridge in accordance with Broadridge's instructions. 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 and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your common shares voted or to have an alternate representative duly appointed to attend the Meeting and vote your common shares at the Meeting.**

VOTING OF PROXIES

IN THE ABSENCE OF ANY DIRECTION IN THE FORM OF PROXY, IT IS INTENDED IF MANAGEMENT'S PROXYHOLDERS ARE SELECTED THAT SUCH SHARES WILL BE VOTED IN FAVOUR OF THE MOTIONS PROPOSED TO BE MADE AT THE MEETING AS STATED UNDER THE HEADINGS IN THE CIRCULAR.

The shares represented by proxies will, on any vote where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted or withheld from voting in accordance with the specification made.

SUCH SHARES WILL ON A POLL BE VOTED IN FAVOUR OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED OR WHERE BOTH CHOICES HAVE BEEN SPECIFIED BY THE SHAREHOLDER.

The form of proxy enclosed with the Notice-and-Access Package when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the form of proxy to vote in accordance with their best judgement on such matters or business. At the time of the printing of the Circular, the management of the Corporation knows of no such amendment, variation or other matter which may be presented to the Meeting.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Other than as disclosed elsewhere in the Circular, none of the directors or executive officers of the Corporation, no proposed nominee for election as a director of the Corporation, none of the persons who have been directors or executive officers of the Corporation since the commencement of the Corporation's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the interest of the

directors and executive officers of the Corporation as potential recipients of awards under the Incentive Plan (as defined below).

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Authorized Capital: An unlimited number of common shares without par value, and unlimited number of preferred shares without par value, issuable in series.

Issued and Outstanding as of May 15, 2020: 117,797,866 common shares without par value and no preferred shares

Only shareholders of record at the close of business on May 15, 2020, (the "**Record Date**") who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their shares voted at the Meeting.

On a show of hands, every individual who is present as a shareholder or as a representative of one or more corporate shareholders, or who is holding a proxy on behalf of a shareholder who is not present at the Meeting, will have one vote, and on a poll every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each common share registered in his or her name on the list of shareholders, which is available for inspection during normal business hours at TSX Trust Company and will be available at the Meeting.

To the knowledge of the directors and senior officers of the Corporation as at the date hereof, based on information provided on the System for Disclosure by Insiders (SEDI) and on information filed by third parties on the System for Electronic Document Analysis and Retrieval (SEDAR), no person or corporation beneficially owned, directly or indirectly, or exercised control or discretion over, voting securities of the Corporation carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation, other than as set forth below:

Shareholder Name	Number of Common Shares Owned	Percentage of Common Shares Outstanding
Yaletown Ventures II Limited Partnership	23,161,130	19.7%

As of the date of this Circular, the directors and executive officers of the Corporation, as a group, together with certain shareholders who attend meetings of the board of directors by invitation in a board observer capacity, beneficially owned, controlled or directed, directly or indirectly, 45,734,198 common shares, representing approximately 38.8% of the outstanding common shares of the Corporation. The directors and executive officers of the Corporation, as a group, beneficially owned, controlled or directed, directly or indirectly, 32,951,999 common shares, representing approximately 28% of the outstanding common shares of the Corporation. On June 1, 2020, Salil Munjal, representative of Yaletown Ventures, shall step down from the board, accordingly as of and from June 1, 2020, this figure will be reduced to 8,488,511 common shares (approximately 7.2% of the outstanding common shares of the Corporation). Yaletown Ventures, and a separate fund managed by the general partner of Yaletown Ventures, hold 24,463,488 common shares (approximately 21% of the outstanding common shares of the Corporation). In addition, the Corporation's strategic partners Ex-Tech Plastics Inc. and Lindar Corporation (who do not act jointly or in concert with one another) each attend meetings of the board of directors by invitation in a board observer capacity. Such shareholders beneficially owned, controlled or directed, directly or indirectly, in the case of Ex-Tech Plastics Inc., 6,702,199 common shares (representing approximately 5.7% of the outstanding common shares of the Corporation), and in the case of Lindar Corporation, 6,080,000 common shares (representing approximately 5.2% of the outstanding common shares of the Corporation).

PARTICULARS OF MATTERS TO BE ACTED ON AT THE MEETING

The Meeting has been called for shareholders to consider and, if thought appropriate, to pass resolutions in relation to each of the following matters:

1. FINANCIAL STATEMENTS

The shareholders will receive and consider the audited financial statements of the Corporation for the year ended December 31, 2019, together with the report of the auditor thereon.

2. ELECTION OF DIRECTORS

The Board presently consists of four directors. The term of office of each of the present directors expires at the Meeting. The persons named below will be presented for election at the Meeting as management's nominees and the persons named in the form of proxy intend to vote for the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual meeting of shareholders of the Corporation or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) (the "BCBCA") or the Articles of the Corporation. **However, if a nominee should be unable to so serve for any reason prior to the Meeting, the persons named in the form of proxy reserve the right to vote for another nominee in their discretion. Unless authority to do so is withheld, common shares represented by proxies IN FAVOUR of management representatives will be voted FOR the election of all of the nominees whose names are set forth below.**

The following table states the name of each of the persons proposed to be nominated by management for election as a director, the province or state and country of residence, all offices of the Corporation now held by him, his principal occupation, business or employment for the five preceding years, the period of time for which he has been a director of the Corporation, and the number of common shares of the Corporation beneficially owned by him, directly or indirectly, or over which he exercises control or direction.

Name, Position and Province/State and Country of Residence	Principal Occupation Within Five Preceding Years	Served as Director Since	Number of Common Shares ⁽¹⁾
<p>Jim Zadra, CPA, CA Lead Independent Director Vancouver, British Columbia, Canada</p> <p><i>*member of audit committee (Chair)</i></p>	<p>Chief Financial Officer and Corporate Secretary (and former Vice President, Finance) of Great Panther Mining Limited from September 2011 to present; Director, Penfold Capital Acquisition IV Corporation (now: SEL Exchange Inc.) from December 2010 to April 2013</p>	<p>March 26, 2015</p>	<p>402,019</p>
<p>Paul Antoniadis CEO and Executive Chair Vancouver, British Columbia, Canada</p>	<p>Chief Executive Officer of the Corporation from July 2015 to present; Chief Executive Officer of Scenario Creation Ltd. from October 2012 to present</p>	<p>March 26, 2015</p>	<p>5,923,352</p>

Name, Position and Province/State and Country of Residence	Principal Occupation Within Five Preceding Years	Served as Director Since	Number of Common Shares ⁽¹⁾
<p>Michael Thomson Independent Director Panorama, British Columbia, Canada</p> <p><i>*member of audit committee</i></p>	<p>President and principal of Independent Capital Partners Inc. from May 1998 to present. In addition to his role with Independent Capital Partners Inc., Mr. Thomson has, for the previous five years, also served, from time to time, as a Director or Officer of various publicly traded companies but has not been engaged as an employee. At present, Mr. Thomson is a Director of good natured, GR Silver Mining Ltd., VR Resources Ltd. and Panorama Capital Corp.</p>	<p>From incorporation of the Corporation to present.</p>	<p>964,285</p>
<p>Joel Marsh Independent Director Minneapolis, Minnesota, USA</p> <p><i>*member of audit committee</i></p>	<p>Senior Director of Operations of Best Buy Co., Inc., a U.S. based consumer electronics retailer, from April 1989 to present.</p>	<p>June 1, 2020</p>	<p><i>nil</i></p>

- (1) The information as to securities over which control or direction is exercised, not being within the knowledge of the Corporation, was provided by the respective candidates.

Orders, Penalties and Bankruptcies

To the Corporation's knowledge, no proposed director of the Corporation is, as at the date of the Circular, other than as disclosed below, or was within 10 years before the date of the Circular, a director, chief executive officer or chief financial officer of any corporation (including the Corporation), that:

- (a) was subject to an order that was issued while the director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the 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 or executive officer of the Corporation:

- (a) is, as at the date of the Circular, or has been within the 10 years before the date of the Circular, a director or executive officer of any corporation (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within 10 years before the date of the Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings,

arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

For the purposes of the above section, the term "order" means:

- (a) a cease trade order;
- (b) an order similar to a cease trade order; or
- (c) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days.

No proposed director of the Corporation has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

During the 10 years preceding the date of the Circular, no proposed director has 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 that person.

3. APPOINTMENT OF AUDITOR

The persons named in the proxy in the Notice-and-Access Package intend to vote for the appointment of Deloitte LLP as the auditor of the Corporation to hold office until the next annual meeting of shareholders of the Corporation and to authorize the Board to fix its remuneration. **Common shares represented by proxies IN FAVOUR of the management representatives will be voted FOR such resolution, unless a shareholder has specified in their proxy that their common shares are to be withheld from voting on such resolution.**

4. RE-APPROVAL OF INCENTIVE PLAN

The Corporation has in place an amended and restated omnibus equity incentive compensation plan, that was originally approved by shareholders of the Corporation on September 18, 2017 and amendments to which were subsequently approved by the Board on May 18, 2018 and by the shareholders of the Corporation on June 26, 2018 (the "**Incentive Plan**"). The purpose of the Incentive Plan is: (i) to promote accountability and provide significant alignment between Eligible Participants (as defined below) and the growth objectives of the Corporation; (ii) to associate a portion of Eligible Participants' compensation with the performance of the Corporation over the long term; and (iii) to attract, motivate and retain the critical employees to drive the business success of the Corporation. A summary of the Incentive Plan is set out below beginning under the heading "*Incentive Plan Summary*".

Incentive Plan Resolution

Under the policies of the TSX Venture Exchange (the "**TSX-V**"), the Incentive Plan must be re-approved on a yearly basis by shareholders of the Corporation. Accordingly, shareholders of the Corporation will be asked to pass an ordinary resolution re-approving the Incentive Plan (the "**Incentive Plan Resolution**"). A summary of the Incentive Plan is set out below beginning under the heading "*Incentive Plan Summary*".

The full text of the Incentive Plan Resolution is set forth below:

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. good natured Products Inc.'s (the "**Corporation**") omnibus equity incentive compensation plan (the "**Incentive Plan**") is hereby approved and authorized; and
2. any director or officer of the Corporation be and is hereby authorized to do such things and to sign, execute and deliver all documents that such director and officer may, in their discretion, determine to be necessary in order to give full effect to the intent and purpose of this resolution.

The persons named in the proxy in the Notice-and-Access Package intend to vote for the Incentive Plan Resolution. **Common shares represented by proxies IN FAVOUR of the management representatives will be voted FOR the Incentive Plan Resolution, unless a shareholder has specified in their proxy that their common shares are to be withheld from voting on such resolution.**

OTHER MATTERS

Management of the Corporation knows of no matter to come before the Meeting other than those referred to in the Notice of Meeting accompanying the Circular. However, if any other matter properly comes before the Meeting, it is the intention of the persons named in the form of proxy in the Notice-and-Access Package to vote on the same in accordance with their best judgement.

AUDIT COMMITTEE

Pursuant to section 224 of the BCBCA, the Corporation is required to have an audit committee composed of not less than three directors of the Corporation, a majority of whom are not officers or employees of the Corporation or any of its affiliates.

The Corporation must also, pursuant to the provisions of National Instrument 52-110 *Audit Committees* ("**NI 52-110**"), provide the following information regarding its audit committee (the "**Audit Committee**") to its shareholders in the Circular.

Audit Committee Charter

The Corporation has a written charter (the "**Audit Committee Charter**") which sets out the duties and responsibilities of the Audit Committee. The text of the Audit Committee Charter is attached as Schedule "A".

Composition of the Audit Committee

The Audit Committee is comprised of three directors, Jim Zadra (Chair), Michael Thomson and Joel Marsh. All three members of the audit committee are "financially literate" as such term is defined in NI 52-110. Messrs. Zadra and Marsh are independent directors as defined in NI 52-110. Mr. Thomson was, in the previous three years, an executive officer of the Corporation and is deemed to be not independent of the Corporation, although he is currently not serving in an executive capacity.

Relevant Education and Experience

Jim Zadra, CPA, CA

Mr. Zadra is a chartered professional accountant with significant public company CFO experience. He is currently CFO and Corporate Secretary at Great Panther Mining Limited, a TSX & NYSE MKT listed mining company with operations in Mexico and head office in Canada, which has been his principal occupation since July 2012. He previously served as Vice-President Finance for Great Panther Mining Limited from September 2011 to July 2012. Formerly, from July 2008 to August 2011, Mr. Zadra was the CFO of DDS Wireless International Inc., a TSX listed company providing wireless solutions for fleet management. Mr. Zadra was previously VP Finance, North America

at Sophos Inc., a developer and vendor of computer and network security software and hardware. Mr. Zadra holds an MBA from Queen's University and a Bachelor of Commerce from the University of British Columbia.

Michael Thomson

Mr. Thomson has experience in the securities industry, as a lawyer, regulator, investment banker and entrepreneur. Mr. Thomson has been the President and principal of Independent Capital Partners Inc., a corporate finance consulting and advisory company which has been his primary occupation since May 1998. In addition to his role with Independent Capital Partners Inc., Mr. Thomson has, for the previous five years, also served, from time to time, as a Director or Officer of various publicly traded companies but has not been engaged as an employee. At present, Mr. Thomson is a Director of good natured, GR Silver Mining Ltd., VR Resources Ltd. and Panorama Capital Corp.

Joel Marsh

Mr. Marsh has retail experience in operations, financial management, sales, supply chain, standard operations process and scaling new businesses. As Senior Director of retail operations for Best Buy Mobile since April 2006, Mr. Marsh and his team develop and implement strategies that have created operational efficiency that saved \$100s million dollars over his tenure. Mr. Marsh, as Senior Director of Best Buy Mobile operations from April 2006 to September 2013, led the scaling of Best Buy Mobile to 1,407 stores within store locations and over 400 free-standing stores in a 3-year period. Mr. Marsh oversaw the day to day financial operations of Best Buy Mobile, include store operating expenditure, profit and loss, and capital expenditure requirements. As U.S. Sales Development Director from March 2002 to April 2006, Mr. Marsh led the U.S. Sales Development team to 47 straight months of positive like-for-like sales growth while improving gross margins rates by 500 basis points. He led a corporate team in identifying and capturing new market growth opportunities by creating go-to-market sales strategies and supporting operational plans. He then implemented the sales strategies and operational plans through the retail field team.

As a result of their respective business experience, each member of the Audit Committee has: (a) an understanding of the accounting principles used by the Corporation to prepare its financial statements; (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves; (c) experience in analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to those that that can reasonably be expected to be raised by the Corporation's financial statements; and (d) an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

At no time since January 1, 2019, the commencement of the Corporation's most recently completed financial year, was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time during the Corporation's most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

The Corporation is relying on the exemption in Section 6.1 of NI-52-110 from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*).

Pre-Approval Policies and Procedures

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

External Auditor Service Fees (By Category)

The aggregate fees billed by the Corporation's external auditor for the Corporation's year ended December 31, 2019 and 2018 for audit fees are as follows:

Financial Period Ending	Audit Fees	Audit Related Fees ⁽¹⁾	Tax Fees ⁽²⁾	All Other Fees
December 31, 2019	\$75,000	nil	\$42,018	\$nil
December 31, 2018	\$93,135	nil	\$nil	\$nil

- (1) Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
- (2) Fees charged for tax compliance, tax advice and tax planning services.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The following disclosure regarding corporate governance matters is provided pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101"), National Policy 58-201 – *Corporate Governance Guidelines* and in accordance with Form 58-101F2. The following describes the Corporation's approach to corporate governance.

Board of Directors

The Board currently consists of four directors: Jim Zadra (Lead Independent Director), Paul Antoniadis (Executive Chair & CEO), Michael Thomson (Independent Director) and Joel Marsh (Independent Director).

Messrs. Zadra, Thomson and Marsh are independent directors as defined in NI 58-101 and NI 52-110. Mr. Antoniadis is an executive officer of the Corporation and is deemed to be not independent of the Corporation.

The operations of the Corporation do not support a large board of directors, and the Board has determined that the proposed size and constitution of the Board is appropriate for the Corporation's current stage of development.

The Board meets for formal board meetings on a quarterly basis to review and approve financial statements and MD&A plus on an ad hoc basis during the year to review and discuss the Corporation's business activities and to consider and, if thought fit, to approve matters presented to the Board for approval, and to provide guidance to management. In addition, management informally provides updates to the Board between formal Board meetings. In general, management consults with the Board when deemed appropriate to keep the Board informed regarding the Corporation's affairs.

The Board facilitates the exercise of independent supervision over management through these various meetings. The composition of the Board is such that the independent directors have significant experience in business affairs and, as a result, are able to provide significant and valuable independent supervision over management.

In the event of a conflict of interest at a meeting of the Board, the conflicted director will in accordance with corporate law and in accordance with his fiduciary obligations as a director of the Corporation, disclose the nature and extent of his interest to the Board and abstain from voting on such matter.

Directorships

The following directors of the Corporation are also directors of other reporting issuers as set out below.

Name of Director	Position	Name of Reporting Issuer
Michael Thomson	Director	VR Resources Ltd. (TSX.V: VRR) GR Silver Mining Ltd. (TSX.V: GRSL) Panorama Capital Corp. (TSX.V: PANO)

Orientation and Continuing Education

At present, the Corporation does not provide a formal orientation and education program for new directors. Prior to joining the Board, potential Board members are encouraged to meet with management and inform themselves

regarding management and the Corporation's affairs. After joining the Board, management and the Chairman of the Board provide orientation both at the outset and on an ongoing basis. The Corporation currently has no specific policy regarding continuing education for directors. Requests for education are encouraged and dealt with on an ad hoc basis.

Ethical Business Conduct

The primary step taken by the Corporation to encourage and promote a culture of ethical business conduct is to conduct appropriate due diligence on proposed directors and ensure that proposed directors exhibit the highest ethical standards. The Board does not currently have a written code of ethics. The Board monitors the ethical conduct of the Corporation and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation. When discussing potential transactions and agreements where a director has an interest, such director will be expected to disclose that interest to the Board and, if necessary, the Board may ask that director not participate in the ensuing discussion and/or vote on that particular matter.

Nomination of Directors

Once a decision has been made to add or replace a director, the task of identifying new candidates falls on the Board. Proposals for new directors would be considered and discussed by the Board. If a candidate looks promising, the Board will conduct due diligence on the candidate and, if the results are satisfactory, the candidate may be invited to join the Board.

Compensation

The Board as a whole is tasked with reviewing the compensation of executives and directors, designing the compensation policies and packages to attract, retain and motivate quality employees while not exceeding market rates. In determining compensation, the Board compares the remuneration paid by the Corporation with publicly available information on remuneration paid by other companies that the Board feels are similarly placed within the same industry of the Corporation.

Other Board Committees

The Corporation does not have any standing committees other than the Audit Committee.

Assessments

At present, the Board does not have a formal process for assessing the effectiveness of the Board, its committees and individual directors. These matters are dealt with on a case by case basis at the Board level.

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purpose of this Circular:

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Corporation or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Corporation or any of its subsidiaries (if any);

"**NEO**" or "**named executive officer**" means:

- (a) each individual who served as chief executive officer ("**CEO**") of the Corporation, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as chief financial officer ("**CFO**") of the Corporation, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Corporation or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year, and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;

"**plan**" includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

"**underlying securities**" means any securities issuable on conversion, exchange or exercise of compensation securities.

Director and Named Executive Officer Compensation, excluding Compensation Securities

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Corporation thereof to each NEO and each director of the Corporation, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Corporation:

Table of compensation excluding compensation securities							
Name and position	Fiscal Period ⁽¹⁾	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Paul Antoniadis, CEO and Executive Chair ⁽²⁾	Dec 2019	\$ 180,000 ⁽⁷⁾	\$ 48,000	Nil	Nil	Nil	\$ 228,000
	Dec 2018	\$ 187,500 ⁽⁷⁾	\$ 36,000	Nil	Nil	Nil	\$ 223,500
Don Holmstrom,	Dec 2019	\$ 156,490 ⁽⁸⁾	\$ 30,000	Nil	Nil	Nil	\$ 186,490
	Dec 2018	\$ 129,475	\$ 22,500	Nil	Nil	Nil	\$ 151,975

CFO ⁽³⁾							
Noel Harvey, VP, Business Development ⁽⁴⁾	Dec 2019 Dec 2018	\$ 159,530 ⁽⁹⁾ \$ 155,456 ⁽⁹⁾	Nil Nil	Nil Nil	Nil Nil	Nil Nil	\$ 155,456 \$ 155,456
Michael Thomson, Director ⁽⁵⁾	Dec 2019 Dec 2018	\$ 12,000 ⁽¹⁰⁾ \$ 12,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	\$ 12,000 \$ 12,000
Jim Zadra, Lead Independent Director ⁽⁶⁾	Dec 2019 Dec 2018	\$ 12,000 \$ 12,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	\$ 12,000 \$ 12,000

- (1) The fiscal periods ending December 31, 2019 and 2018 represent 12 months each.
- (2) Mr. Antoniadis has served as CEO of the Corporation since June 2, 2015 and as director since June 1, 2012.
- (3) Mr. Holmstrom has served as CFO of the Corporation since October 5, 2016.
- (4) Mr. Harvey has served as VP, Business Development since October 1, 2014.
- (5) Mr. Thomson has served as director of the Corporation since March 26, 2015.
- (6) Mr. Zadra has served as director of the Corporation since March 26, 2015.
- (7) Mr. Antoniadis was paid \$nil in directors fees for the fiscal period ending December 31, 2019 and 2018.
- (8) Mr. Holmstrom provides services to the Corporation through his consulting company, Value Drivers Inc.
- (9) Canadian dollar equivalent of consulting fees paid to Mr. Harvey in US dollars. Converted from US dollars to Canadian dollars based upon the exchange rate published by Wall Street on Demand on the day of payment. The average exchange rate for the payments made in 2019 was US\$1.00=C\$1.329.
- (10) Mr. Thomson provides services to the Corporation through his consulting company, Independent Capital Partners Inc.

Stock Options and Other Compensation Securities

The following table sets forth the total amount of compensation securities and details thereof held by the Corporations' directors and NEOs as of December 31, 2019.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Paul Antoniadis, Executive Chair & CEO	Stock options	23,315 ⁽³⁾	Jan 1/13	\$0.25	n/a ⁽¹⁾	\$0.10	Jan 1/23
		46,630 ⁽³⁾	Apr 2/15	\$0.25	\$0.335	\$0.10	Apr 2/25
		58,288 ^{(2) (3)}	Apr 2/15	\$0.25	\$0.335	\$0.10	Apr 2/25
		500,000 ⁽³⁾	Jul 16/15	\$0.20	\$0.185	\$0.10	Jul 16/25
		500,000 ⁽³⁾	Feb 25/16	\$0.20	\$0.185	\$0.10	Feb 25/26
		666,666 ⁽⁵⁾ (1.66%)	May 5/17	\$0.15	\$0.14	\$0.10	May 5/27
Don Holmstrom, CFO	Stock options	450,000 ⁽⁵⁾ (0.42%)	May 5/17	\$0.15	\$0.14	\$0.10	May 5/27
Salil Munjal, Former Director ⁽⁶⁾	Stock options	200,000 ⁽⁴⁾ (0.18%)	May 5/17	\$0.15	\$0.14	\$0.10	May 5/27
Noel Harvey, VP, Business Development	Stock options	29,144 ⁽³⁾⁽⁵⁾	Oct 17/14	\$0.25	n/a ⁽¹⁾	\$0.10	Sep 2/24
		30,962 ⁽³⁾⁽⁵⁾	Apr 30/15	\$0.28	\$0.28	\$0.10	Apr 20/25
		200,000 ⁽³⁾⁽⁵⁾	Jul 16/15	\$0.20	\$0.185	\$0.10	Jul 16/25
		75,000 ⁽⁵⁾	Feb 25/16	\$0.20	\$0.185	\$0.10	Feb 25/26
		166,666 ⁽⁵⁾ (0.46%)	May 5/17	\$0.15	\$0.14	\$0.10	May 5/27
Michael Thomson, Director	Stock options	142,857 ⁽³⁾	Sep 17/14	\$0.175	n/a ⁽¹⁾	\$0.10	Sep 17/24
		75,000 ⁽³⁾⁽⁵⁾	Jul 16/15	\$0.20	\$0.185	\$0.10	Jul 16/25
		62,500 ⁽⁵⁾	Feb 25/16	\$0.20	\$0.185	\$0.10	Feb 25/26
		100,000 ⁽⁵⁾ (0.35%)	May 5/17	\$0.15	\$0.14	\$0.10	May 5/7
Jim Zadra, Lead Independent Director	Stock options	75,000 ⁽³⁾⁽⁵⁾	Jul 16/15	\$0.20	\$0.185	\$0.10	Jul 16/25
		62,500 ⁽⁵⁾	Feb 25/16	\$0.20	\$0.185	\$0.10	Feb 25/26
		100,000 ⁽⁵⁾ (0.22%)	May 5/17	\$0.15	\$0.14	\$0.10	May 5/7

- (1) Stock options granted by Solegear Bioplastics Inc., a private company whose underlying securities were not publicly traded at the time of grant.
- (2) Stock options granted to Scenario Creation Ltd., a private company controlled by Mr. Antoniadis.
- (3) These stock options are fully vested.
- (4) These stock options vest 25% on the first anniversary of the grant date, and 1/36th per month thereafter. Mr. Munjal holds these options on behalf of Yaletown Venture Partners.
- (5) These stock options vest 25% on the first anniversary of the grant date, and 1/36th per month thereafter.
- (6) Mr. Munjal served as a director of the Corporation from March 26, 2015 and is expected to resign from the board effective June 1, 2020, to be replaced with Mr. Marsh.

External Management Company

Don Holmstrom provides services to the Corporation through his consulting company, Value Drivers Inc., having an address at 39 Timbercrest Drive, Port Moody, BC, V3H4T7.

Michael Thomson provides services to the Corporation through his consulting and advisory company, Independent Capital Partners Inc., having an address at 725 Granville Street, Suite 400, Vancouver, B.C., V7Y 1G5.

Exercise of Compensation Securities by Directors and NEOs

None of the Corporation's directors or NEOs exercised any compensation securities during the year ended December 31, 2019.

Employment, Consulting and Management Agreements

Paul Antoniadis – Chief Executive Officer and Executive Chair

Effective March 1, 2018, Mr. Antoniadis entered into an employment relationship with the Company, pursuant to which Mr. Antoniadis is entitled to a monthly salary of \$15,000 plus performance-based bonuses.

Don Holmstrom – Chief Financial Officer

Mr. Holmstrom provides services to the Corporation through his consulting company, Value Drivers Inc., under consulting agreement dated October 1, 2016 and amended March 31, 2017. The agreement specifies that Value Drivers Inc. shall be paid a monthly fee of \$9,375 plus performance-based bonuses in respect of Mr. Holmstrom's services plus additional amounts subject to total service hours provided at a discount hourly rate. The agreement provides that either party may terminate the agreement at any time on 30 days' written notice. The agreement does not contain provisions respecting change of control.

Noel Harvey - VP, Business Development

Mr. Harvey provides services to the Corporation as a consultant under an offer of engagement dated September 2, 2014. The offer of engagement specifies that Mr. Harvey's base salary shall be US\$120,000. The offer of engagement provides that either party may terminate the engagement at any time on 30 days written notice. The agreement does not contain provisions respecting change of control.

Oversight and Description of Director and NEO Compensation

The Corporation does not have in place a Compensation Committee or a Nominating Committee. All tasks related to developing and monitoring the Corporation's approach to the compensation of NEOs of the Corporation and to developing and monitoring the Corporation's approach to the nomination of directors to the Board are performed by the Board. The compensation of the NEOs and the Corporation's employees is reviewed, recommended and approved by the Board without reference to any specific formula or criteria on an ongoing basis and is reviewed annually.

The Corporation's compensation program is intended to attract, motivate, reward and retain the management talent needed to achieve the Corporation's business objectives of improving overall corporate performance and creating long-term value for the Corporation's shareholders.

The Corporation's current compensation program for all NEOs is comprised of three elements: base salary, performance bonuses and long-term incentives (stock options). The compensation program is intended to reward executive officers on the basis of individual performance and achievement of corporate objectives. At this time, the Board has not established any benchmark or performance goals that are tied to the compensation of NEOs. However, the NEOs are expected to carry out their duties in an effective and efficient manner and to advance the exploration goals of the Corporation. If the Board determines that these duties are not being met, the Board has the ability to replace such NEOs in its discretion.

In making compensation decisions, the Board strives to find a balance between short-term and long-term compensation and cash versus equity incentive compensation. Base salaries allow the Corporation to attract and retain NEOs, performance bonuses reward short term performance and incentive stock options encourage NEOs to continue to deliver results over a longer period of time and serve as a retention tool. The annual salary for each NEO is determined by the Board based on the level of responsibility and experience of the individual, the relative importance of the

position to the Corporation, the professional qualifications of the individual and the performance of the individual over time. The NEOs' performances and salaries are reviewed periodically on the anniversary of their employment with the Corporation. Increases in salary are evaluated on an individual basis and are performance based. Compensation is not determined based on any particular peer group.

Pension Plan Benefits

The Corporation does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.

Equity Compensation Plan Information

The information in the following table is as of the end of the Corporation's most recently completed financial year:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity Compensation Plans Approved by Securityholders (i.e. the Incentive Plan)	7,139,794	\$ 0.18	11,381,676
Equity Compensation Plans Not Approved by Securityholders (none)	Nil	Nil	Nil
Total	7,139,794	\$ 0.18	11,381,676

Incentive Plan Summary

The following is a summary of the principal terms of the Incentive Plan. **All capitalized terms used in this summary without definition have the meanings attributed to them in the Incentive Plan.** See the copy of the Incentive Plan attached as Schedule "B".

Employees, directors, officers and consultants of the Corporation and its Affiliates are eligible to participate in the Incentive Plan (the "**Eligible Participants**" and, following the grant of an award (an "**Award**") pursuant to the Incentive Plan, such Eligible Participants are referred to as the "**Participants**").

The implementation of the Incentive Plan provides the Corporation with a flexible and long-term incentive compensation structure designed to address the continuing development of innovative compensation practices within the employment marketplace.

The purpose of the Incentive Plan is: (i) to promote accountability and provide significant alignment between Eligible Participants and the growth objectives of the Corporation; (ii) to associate a portion of Participants' compensation with the performance of the Corporation over the long term; and (iii) to attract, motivate and retain the critical employees to drive the business success of the Corporation.

The Board or a committee authorized by the Board (the "**Committee**") will be responsible for administering the Incentive Plan. The Committee will have full and exclusive discretionary power to interpret the terms and the intent of the Incentive Plan and any Award Agreement or other agreement in connection with the Incentive Plan, to determine eligibility for Awards, and to adopt such rules, regulations and guidelines for administering the Incentive Plan as the Committee may deem necessary or proper.

The Incentive Plan will permit the Committee to grant Awards for stock options ("**Options**"), restricted shares ("**Restricted Shares**"), restricted share units ("**RSUs**"), deferred stock units ("**DSUs**"), performance shares ("**Performance Shares**"), performance units ("**PSUs**") and share-based awards ("**SBAs**") to Eligible Participants.

(a) Common Shares Issuable Pursuant to the Incentive Plan

The number of common shares reserved for issuance to Participants under the Incentive Plan and all other share compensation arrangements of the Corporation must not in the aggregate at any time exceed 20% of the aggregate number of issued and outstanding common shares on the Effective Date, being 18,720,470 common shares (the "**Total Share Authorization**"). In addition, the number of common shares reserved for issuance to Participants under the Incentive Plan must not, strictly in connection with the issuance of Options, exceed 10% of the total number of common shares issued and outstanding from time to time (calculated on a non-diluted basis), and shall not, strictly in connection with the issuance of Awards other than Options, exceed an aggregate of 10% of the total number of common shares issued and outstanding on the Effective Date, being 9,360,235 common shares.

The number of common shares reserved for issue pursuant to all share compensation arrangements to insiders of the Corporation must not exceed an aggregate of 10% of the aggregate outstanding common shares of the Corporation. Within any one-year period: (a) the number of common shares issued to insiders pursuant to the Incentive Plan and all other share compensation arrangements of the Corporation must not exceed an aggregate of 10% of the aggregate outstanding common shares of the Corporation; (b) the number of Awards (other than Options) issued to Insiders pursuant to the Incentive Plan must not exceed 2% of the aggregate outstanding common shares of the Corporation; and (c) the number of Awards (other than Options) issued to any one individual pursuant to the Incentive Plan must not exceed 1% of the aggregate outstanding common shares of the Corporation. As of the date of the Circular, there are 7,003,794 options under the Incentive Plan outstanding to insiders of the Corporation, exercisable for 7,003,794 common shares of the Corporation. These outstanding options represent approximately 7.0% of the common shares issued and outstanding. Accordingly, based on the current issued and outstanding share capital of the Corporation, but subject to the annual limits described above, the Corporation has room to issue Awards representing an additional 11,716,676 common shares to Eligible Participants, representing 11.7% of the current issued and outstanding common shares of the Corporation.

If any Award is terminated, cancelled, forfeited or has expired without being fully exercised, any unissued common shares which had been reserved to be issued upon the exercise of the Award will be returned to the Total Share Authorization become available to be issued under Awards subsequently granted under the Incentive Plan.

(b) Types of Awards under the Incentive Plan

a. Options

An Option is a conditional right to purchase common shares at a stated option price for a specified period of time. The Committee may grant Options to any Eligible Participant at any time, in such number and on such terms as will be determined by the Committee in its discretion. The exercise price for any Option granted pursuant to the Incentive Plan will be determined by the Committee and specified in the Award Agreement. The price will not be less than the Discounted Market Price as defined in TSX-V Policies. The Committee may impose such restrictions on common shares acquired pursuant to an Option granted under the Incentive Plan as it deems advisable.

The following additional limitations apply to grants of Options under the Incentive Plan:

- i. the aggregate number of Options granted to any one consultant in a 12-month period must not exceed 2% of the issued common shares, calculated at the date an option is granted to the consultant; and
- ii. the aggregate number of Options granted to all persons retained to provide investor relations activities must not exceed 2% of the issued common shares in any 12-month period, calculated at the date an Option is granted to any such person.

Options will vest and become exercisable at such times and on the occurrence of such events, and will be subject to such restrictions and conditions, as the Committee in each instance approves, except that Options issued to persons retained to provide investor relations activities must vest in stages over a period of not less than 12 months and no more than 25% of such Options can vest in any three-month period.

Options will expire at such time as the Committee determines at the time of grant. However, no Option will be exercisable later than the tenth anniversary of the date of its grant, except where the expiry date of any Option would occur in a blackout period or within five days after the end of a blackout period, in which case the expiry date will be automatically extended to the tenth business day following the last day of the blackout period.

b. Restricted Shares and Restricted Share Units

Restricted Shares are awards of common shares that are subject to forfeiture based on the passage of time, the achievement of performance criteria, and/or upon the occurrence of other events, over a period of time, as determined by the Committee. Restricted Share Units are similar to Restricted Shares but provide a right to receive common shares or cash or a combination of the two upon settlement. The Committee may grant Restricted Shares and/or RSUs to any Eligible Participant at any time and on such terms as the Committee determines. The Committee may impose such restrictions and conditions on any Restricted Share or RSU granted pursuant to the Incentive Plan as it may deem advisable. During the period of restriction, Participants holding Restricted Shares have full voting rights. The Committee may determine that holders of Restricted Shares and/or RSUs be credited with consideration equivalent to dividends declared by the Board and paid on outstanding common shares.

Unless otherwise determined by the Committee or as set out in any Award Agreement, no RSU will vest later than three years after the date of grant. When an RSU becomes payable, the Corporation may make payments in settlement of such units in cash, common shares of equivalent value, or some other form as determined by the Committee in its discretion.

c. Deferred Share Units

DSUs are awards denominated in units that provide the holder with a right to receive common shares or cash or a combination of the two upon settlement. The Committee may grant DSUs to any Eligible Participant at any time, in such number and on such terms as will be determined in by the Committee in its discretion.

d. Performance Shares and Performance Units

Performance Shares are awards, denominated in common shares, the value of which at the time it is payable is determined as a function of the extent to which corresponding performance criteria have been achieved. PSUs are equivalent to Performance Shares but are denominated in units. The Committee may grant Performance Shares and/or PSUs to any Eligible Participant at any time, in such number and on such terms as may be determined by the Committee in its discretion. Each Performance Share and PSU will have an initial value equal to the fair market value of a common share on the date of grant.

The Committee will set performance criteria for a Performance Share or PSU in its discretion and the period of time during which the assigned performance criteria must be met. The extent to which the performance criteria is met will determine the ultimate value and/or number of Performance Shares or PSUs that will be paid or issued to the Participant. The Committee may pay or issue earned Performance Shares or PSUs in the form of cash or common shares equal to the value of the Performance Share or PSU at the end of the performance period. The Committee may determine that holders of Performance Shares or PSUs be credited with consideration equivalent to dividends declared by the Board and paid on outstanding common shares.

e. Share-Based Awards

The Committee may, to the extent permitted by the TSX-V, grant other types of equity-based or equity-related Awards not otherwise described by the terms of the Incentive Plan in such amounts and subject to such terms and conditions as the Committee determines; provided that the maximum number of SBAs issued in any calendar year must not exceed 10% of the total number of issued and outstanding common shares of the Corporation from time to time

(calculated on a non-diluted basis). Such SBAs may involve the issuance of unrestricted common shares to Participants, or payment in cash or otherwise of amounts based on the value of common shares, subject to applicable corporate law and securities law requirements.

(c) Assignability

Other than Restricted Shares and RSUs, Awards will be non-transferable and non-assignable except as provided in a Participant's Award Agreement. Restricted Shares and RSUs will be non-transferable and non-assignable until the end of the applicable period of restriction specified in the Award Agreement (and in the case of RSUs until the date of settlement through delivery or other payment), or upon earlier satisfaction of any other conditions, as specified by the Committee.

(d) Cessation of Awards

a. Death or Incapacity

If the Participant dies or is incapacitated while an employee, director of, or consultant to, the Corporation or an Affiliate: (i) any of the Options held by the Participant that are exercisable at the date of death or incapacity continue to be exercisable by the executor or administrator of the Participant's estate until the earlier of 12 months after the date of death or incapacity and the date on which the exercise period of the particular Option expires; (ii) any of the Options held by the Participant that are not yet vested at the date of death or incapacity immediately vest; (iii) any Restricted Shares, RSUs, Performance Shares or PSUs held by the Participant that have vested as at the date of death or incapacity will be paid to the Participant's estate; (iv) the number of Performance Shares or PSUs held by the Participant that have not vested at the date of death or incapacity (the "**Deemed Awards**") will be adjusted as set out in the applicable Award Agreement; (v) any Restricted Share, RSUs or Deemed Awards held by the Participant that have not vested as at the date of death or incapacity vest immediately; (vi) the provisions of the applicable award agreement for a particular DSU shall determine the specific treatment for such DSU; and (vii) the eligibility of a Participant to receive further grants of the above mentioned Awards under the Incentive Plan ceases as of the date of death or incapacity.

b. Disability

If the Participant suffers a disability while an employee, director of, or consultant to, the Corporation or an Affiliate that results in termination: (i) any of the Options held by the Participant that are exercisable on the last day worked continue to be exercisable until the earlier of three months after the last day of work and the date on which the exercise period of the particular Option expires; (ii) any of the Options held by the Participant that are not yet vested at the last day of work immediately expire; (iii) the number of Restricted Shares, RSUs, Performance Shares or PSUs held by the Participant will be reduced and continue to vest as provided in the Incentive Plan; (iv) the provisions of the applicable award agreement for a particular DSU shall determine the specific treatment for such DSU and (v) the eligibility of a Participant to receive further grants of the above mentioned Awards under the Incentive Plan ceases as of the last day worked.

c. Retirement

Upon the retirement of a Participant from the Participant's employment or term of office or engagement with the Corporation or Affiliate: (i) any of the Options held by the Participant that are exercisable on the date of retirement continue to be exercisable until the earlier of six months after the date of retirement and the date on which the exercise period of the particular Option expires; (ii) any RSUs, Performance Shares or PSUs held by the Participant that have vested before the date of retirement will be paid to the Participant; (iii) any Restricted Shares, RSUs, Performance Shares or PSUs held by the Participant that have not vested at the date of retirement will continue to vest in accordance with the terms of the Incentive Plan and Award Agreement following the date of retirement until the earlier of the date determined by the Committee and the date on which the RSUs or PSUs vest pursuant to the original Award Agreement; (iv) any of the Options held by the Participant that are not yet vested at the date of retirement immediately expire; (v) the provisions of the applicable award agreement for a particular DSU will determine the specific treatment for such DSU; and (vi) the eligibility of a Participant to receive further grants of the above mentioned Awards under the Incentive Plan ceases, with respect to Options, as of the date that the Corporation or an Affiliate provides the Participant with written notification that the Participant's employment or term of office or engagement, is terminated and, with respect to Restricted Shares, RSUs, DSUs, Performance Shares and PSUs, the date of retirement.

d. Termination

Upon termination of the Participant's employment or term of office or engagement with the Corporation for any reason other than death or voluntary retirement or disability: (i) any of the Options held by the Participant that are exercisable on the Termination Date continue to be exercisable until the earlier of three months after the Termination Date and the date on which the exercise period of the particular Option expires; (ii) any RSUs, Performance Shares or PSUs held by the Participant that have vested before the Termination Date will be paid to the Participant; (iii) any Restricted Shares, RSUs, Performance Shares or PSUs held by the Participant that are not yet vested at the Termination Date will be immediately cancelled; (iv) any of the Options held by the Participant that are not yet vested at the Termination Date immediately expire; (v) the provisions of the applicable award agreement for a particular DSU shall determine the specific treatment for such DSU; and (vi) the eligibility of a Participant to receive further Awards under the Incentive Plan ceases as of the date that the Corporation or an Affiliate provides the Participant with written notification that the Participant's employment or term of office or engagement, is terminated.

(e) Corporate Reorganization and Change of Control

In the event of any merger, arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Corporation, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution to shareholders of the Corporation, or any similar corporate event or transaction (a "**Corporate Reorganization**"), the Committee will make or provide for such adjustments or substitutions as are equitably necessary in: (i) the number and kind of securities that may be issued under the Incentive Plan, (ii) the number and kind of securities subject to outstanding Awards, (iii) the price applicable to outstanding Awards, (iv) the total share authorization, (v) the limit on issuing Awards except as provided for in the Incentive Plan, and (vi) any other value determinations applicable to outstanding Awards or to the Incentive Plan.

In connection with a Corporate Reorganization, the Committee will have the discretion to permit a holder of Options to purchase on the exercise of such Option, in lieu of the common shares, securities or other property that the holder would have been entitled to receive as a result of the Corporate Reorganization if that holder had owned all common shares that were subject to the Option.

In the event of a Change of Control, the Committee will have discretion to cancel all outstanding Awards (other than Deferred Share Units), and the value of such Awards will be paid in cash. However, no cancellation will occur with respect to an Award if the Committee determines, in good faith, that the Award will be honoured, assumed or substituted by a successor entity, provided that such honoured, assumed or substituted Award must: (a) be based on stock which is traded on the TSX-V or the TSX; (b) provide such Participant with rights and entitlements substantially equivalent to or better than the rights, terms and conditions applicable under such Award; (c) recognize, for the purpose of vesting provisions, the time that the Award has been held prior to the Change of Control; and (d) have substantially equivalent economic value to such Award.

A Change of Control will not result in the vesting of unvested Restricted Shares, RSUs, Performance Shares or PSUs provided that: (i) such unvested Awards will continue to vest in accordance with the Incentive Plan and applicable Award Agreement; (ii) any successor entity agrees to assume the obligations of the Corporation in respect of such unvested awards; and (iii) for Performance Shares or PSUs, the level of achievement of Performance Goals for Fiscal Years completed prior to the date of the Change of Control will be based on the actual performance achieved to the date of the Change of Control and the level of achievement of Performance Goals for Fiscal Years completed following the date of the Change of Control will be based on the assumed achievement of 100% of the Performance Goals.

Where a Participant's employment or term of office or engagement is terminated by the employer for any reason, other than for Cause, during the 24 months following a Change in Control, any unvested Restricted Shares, RSUs, Performance Shares or PSUs: (i) will be deemed to have vested as at the date of such termination and will become payable as at the date of termination; and (ii) for Performance Shares or PSUs, the level of achievement of Performance Goals for any unvested Awards that are deemed to have vested pursuant to (i) above, shall be based on the actual performance achieved at the end of the fiscal year immediately prior to the date of termination.

(f) Procedures for Amending

Except as set out below, and as otherwise provided by law or stock exchange rules, the Incentive Plan may be amended, altered modified, suspended or terminated by the Committee at any time, without notice or approval from shareholders, including but not limited to for the purposes of:

- (a) making any amendments to the vesting provisions of the Incentive Plan or any Award;
- (b) amending the Incentive Plan, or an Award as necessary to comply with applicable law or the requirements of the TSX-V or any other regulatory body having authority over the Corporation, the Incentive Plan or the shareholders;
- (c) any amendment of a "housekeeping" nature, including, without limitation, to clarify the meaning of an existing provision of the Incentive Plan, correcting or supplementing any provision of the Incentive Plan that is inconsistent with any other provision of the Incentive Plan, correcting any grammatical or typographical errors or amending the definitions in the Incentive Plan regarding administration of the Incentive Plan; and
- (d) amendments relating to the administration of the Incentive Plan.

Certain amendments require the prior approval of the Corporation's shareholders including (i) any increase in the maximum number of common shares that may be issuable under the Incentive Plan; (ii) any reduction in the exercise price of an Option, cancellation and reissue of Options, extension of the expiry date of an Option or a substitution of Options with cash or other awards on terms that are more favourable to the Participant; and (iii) any extension of the expiry date of an Option held by an Insider.

In addition, Disinterested Shareholder Approval (as defined in TSX-V Policies) is required for the following amendments to the Incentive Plan: (i) making any individual Award grant that would result in the Total Share Authorization being exceeded; (ii) any individual Award grant that would result in the grant to Insiders (as a group), within a twelve (12) month period, of an aggregate number of common shares exceeding ten percent (10%) of the issued common shares, calculated on the date an Award is granted to any Insider; (iii) any individual Award grant that would result in the number of common shares issued to any individual in any twelve (12) month period under the Incentive Plan exceeding five percent (5%) of the issued common shares of the Corporation, (iv) any amendment to Awards held by Insiders that would have the effect of decreasing the exercise price of the Awards; and (v) any individual Award grant requiring Shareholder approval pursuant to section 3.9(e) of Policy 4.4 of the TSX-V.

Other than expressly provided for in an Award Agreement or the Incentive Plan, the Committee will not alter or impair any rights or increase any obligations with respect to an Award previously granted under the Incentive Plan without the consent of the Participant.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the commencement of the Corporation's most recently completed financial year, no current or former director, executive officer or employee of the Corporation, or of any of its subsidiaries, has been indebted to the Corporation or to any of its subsidiaries, nor has any of these individuals been indebted to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein or elsewhere in the Circular and other than transactions carried out in the ordinary course of business of the Corporation or any of its subsidiaries, no director or senior officer of the Corporation, management nominee for election as a director of the Corporation, shareholder beneficially owning shares carrying more than 10% of the voting rights attached to the shares of the Corporation nor an associate or affiliate of any of the foregoing persons has since the commencement of the Corporation's most recently completed financial year had any material

interest, direct or indirect, in any transactions which materially affected or would materially affect the Corporation or any of its subsidiaries.

As approved by the Board of Directors effective on April 29, 2020, the Company issued the following incentive share compensation to its insiders:

Name of Optionee	Date of news release disclosing grant (if applicable)	Position of Optionee¹	Date of Grant	No. of Optioned Shares	Exercise Price	Expiry Date
Paul Antoniadis	April 29, 2020	Director and CEO	April 29, 2020	133,389 stock options	0.15	April 29, 2030
Paul Antoniadis	April 29, 2020	Director and CEO	April 29, 2020	300,000 RSU (3 year)	N/A	April 29, 2023
Paul Antoniadis	April 29, 2020	Director and CEO	April 29, 2020	300,000 RSU (2 year)	N/A	April 29, 2022
Don Holmstrom	April 29, 2020	Consultant - CFO & Executive Vice-President	April 29, 2020	125,000 stock options	0.15	April 29, 2030
Don Holmstrom	April 29, 2020	Consultant - CFO & Executive Vice-President	April 29, 2020	230,000 RSU (3 year)	N/A	April 29, 2023
Don Holmstrom	April 29, 2020	Consultant - CFO & Executive Vice-President	April 29, 2020	200,000 RSU (2 year)	N/A	April 29, 2022
Jim Zadra	April 29, 2020	Director	April 29, 2020	50,000 stock options	0.15	April 29, 2030
Jim Zadra	April 29, 2020	Director	April 29, 2020	75,000 RSU (2 year)	N/A	April 29, 2022
Michael Thomson	April 29, 2020	Director	April 29, 2020	50,000 stock options	0.15	April 29, 2030
Michael Thomson	April 29, 2020	Director	April 29, 2020	75,000 RSU (2 year)	N/A	April 29, 2022
Noel Harvey	April 29, 2020	Employee - Vice-President, Business Development	April 29, 2020	125,000 stock options	0.15	April 29, 2030
Noel Harvey	April 29, 2020	Employee - Vice-President, Business Development	April 29, 2020	130,000 RSU (3 year)	N/A	April 29, 2023
Noel Harvey	April 29, 2020	Employee - Vice-President, Business Development	April 29, 2020	200,000 RSU (2 year)	N/A	April 29, 2022
Salil Munjal	April 29, 2020	Director	April 29, 2020	50,000 stock options	0.15	April 29, 2030
Salil Munjal	April 29, 2020	Director	April 29, 2020	75,000 RSU (2 year)	N/A	April 29, 2022
Stephanie Zahn	April 29, 2020	Employee Executive -	April 29, 2020	250,000 stock options	0.15	April 29, 2030
Stephanie Zahn	April 29, 2020	Employee Executive -	April 29, 2020	130,000 RSU (3 year)	N/A	April 29, 2023
Stephanie Zahn	April 29, 2020	Employee Executive -	April 29, 2020	200,000 RSU (2 year)	N/A	April 29, 2022

The closing share price of the options granted on April 29, 2020 was \$0.145 per share.

The Company entered into a contract with Ms. Stephanie Zahn effective January 1, 2020 to be employed as its Chief Strategy and Marketing Officer. Annual compensation will be \$144,000 per annum base salary plus participation in the Company's annual incentive plan as determined by the Board from time to time. Ms. Zahn is the spouse of the Company CEO, Mr. Paul Antoniadis. Ms. Zahn previously acted as a consultant to the company through her holding company Scenario Creations.

AUDITOR

The auditor of the Corporation is Deloitte LLP. Deloitte LLP was appointed as auditor on January 14, 2020.

MANAGEMENT CONTRACTS

Other than the services provided by Don Holmstrom, which are provided through his consulting company, the management functions of the Corporation or any subsidiary of the Corporation are not, to any substantial degree, performed by a person other than the directors or senior officers of the Corporation.

REGISTRAR AND TRANSFER AGENT

TSX Trust Company, at its offices in Toronto, Ontario, is the registrar and transfer agent for the common shares of the Corporation.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Shareholders may contact the Corporation at #814 – 470 Granville St. Vancouver, BC V6C 1V4 or call Andy Phillips at 1-877-286-0617 or by email at invest@goodnatured.ca to request copies of the Corporation's financial statements and management discussion and analysis.

Financial information for the Corporation is provided in the Corporation's financial statements and management discussion and analysis which is available on SEDAR at www.sedar.com.

DATED at Vancouver, British Columbia, this 19th day of May, 2020.

ORDER OF THE BOARD OF DIRECTORS

"Paul Antoniadis"

Paul Antoniadis
Executive Chair & CEO

Schedule "A"

AUDIT COMMITTEE CHARTER

Purpose

Reporting to the Board of Directors, the Audit Committee (the "**Committee**") shall be responsible for assisting in the Board of Directors' oversight of the reliability and integrity of the accounting principles and practices, financial statements and other financial reporting, and disclosure practices followed by management of the Company and its subsidiaries. The Committee shall also have oversight responsibility for:

- (i) the qualifications, independence and performance of the **independent auditors**;
- (ii) the establishment by management of an adequate system of **internal controls** (which system shall take into consideration the performance of functions by any business service providers of the Company and personnel engaged by such business service providers);
- (iii) the establishment by management of an adequate system of **policies and procedures** governing the preparation and handling of financial information of the Company by employees and, where applicable, contractors and business service providers of the Company or external parties;
- (iv) the preparation by management of quarterly and annual **financial statements**; and
- (v) the maintenance by management of practices and processes to assure **compliance with applicable laws and stock exchange and other regulatory requirements**.

Composition

The Committee shall be composed of not less than three directors of the Company, all of whom are not (save for the Executive Chairman if he or she is a member) officers or employees of the Company or any of its affiliates, subsidiaries, controlled entities or business service providers. Each member of the Committee shall be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the Committee.¹

¹ "Financially literate" shall mean that the Director is able to critically read and understand a balance sheet, an income statement, a cash flow statement and the notes attached thereto.

Appointment of Committee Members

Members of the Committee shall be appointed from time to time and shall hold office at the pleasure of the Board.

Vacancies

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board. The Board shall fill any vacancy if the membership of the Committee is less than three directors.

The Board shall appoint a Chair for the Committee. If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present at the meeting shall be chosen by the Committee to preside at the meeting.

Meetings

The Committee shall meet in regular sessions at least four times each year; to review and recommend to the board approval of the financial statements for the first three quarters as well as the annual financial statements. Special meetings of the Committee may be called by the Chairman of the Board, any member of the Committee, or by the independent auditors. The independent auditors shall receive notice of every meeting of the Committee and the independent auditors are entitled to attend and participate in such meetings.

Subject to any statute or articles and by-laws of the Company, the Committee shall fix its own procedures at meetings,

keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board).

Minutes of Committee meetings shall be prepared and be made available to the Board of Directors.

Nomination of Independent Auditors

The Board of Directors, after consideration of the recommendation of the Committee, shall nominate the independent auditors for appointment by the shareholders of the Company in accordance with applicable law. The independent auditors are ultimately accountable to the Committee and the Board of Directors as representatives of shareholders.

Specific Oversight Duties

In carrying out its responsibilities, the Committee shall have the following specific oversight duties:

1. Independent Auditors

- (a) review, at least annually, the performance of the independent auditors, and annually recommend to the Board of Directors, for approval by the shareholders, the appointment of the independent auditors of the Company in accordance with applicable corporate and securities law requirements;
- (b) engage in an active dialogue with the independent auditors on their independence from the Company and the Company's business service providers, and where it is determined that independence no longer exists recommend that the Board of Directors take appropriate action;
- (c) review and recommend to the Board of Directors for approval the terms of any annual audit engagement of the independent auditors, including the appropriateness of the proposed audit fees with respect to the engagement of the independent auditors for any audit related services;
- (d) approve any non-audit services to be provided by the firm of the independent auditors;
- (e) review and approve annually the overall scope of the independent auditors' annual audit plan;

2. Internal Controls

- (a) periodically review the status and findings of the independent auditors' audit plan and the adequacy of internal controls established by management, particularly regarding management's relationship and internal control policies relating to business service providers, and, where appropriate, make recommendations or reports thereon to the Board of Directors;
- (b) understand the scope of internal and external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses;
- (c) conduct quarterly reviews of management with respect to the design, operation, adequacy and effectiveness of the system of internal controls established by management, with a particular focus on ensuring that the policies and procedures governing the preparation and handling of financial information work effectively with the Company's internal control over financial reporting;
- (d) at any time in response to a specific request by management or the independent auditors, meet separately with the relevant parties with respect to such matters as the effectiveness of the system of internal controls established by management of the Company, the adequacy of the financial reporting process, the quality and integrity of the financial statements, the evaluation of the performance of the independent auditor and any other matter that may be appropriate;

3. Financial Statements

- (a) review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on

the financial statements;

- (b) review the quarterly and annual financial statements, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles;
- (c) review significant changes in the accounting principles to be observed in the preparation of the accounts of the Company and its subsidiaries, or in their application, and in financial statement presentation;
- (d) review and, following discussion with the independent auditors (following their review of the financial statements) and management, recommend to the Board of Directors, approval of unaudited quarterly and audited annual consolidated financial statements of the Company;

4. Policies and Procedures Concerning Financial Reporting

- (a) review at least annually the Company's Whistleblower Policy and participate in such matters as are required by the terms of that policy;
- (b) oversee and periodically review the policies and procedures established by management with respect to the preparation and handling of financial information and financial reporting from employees and personnel engaged by business service providers of the Company with a particular view to ensuring (i) appropriate use and reporting of financial information by employees, contractors and personnel of business service providers only through the appropriate channels at the Company to the Company's management; (ii) appropriate retention and prevention of misuse of records pertaining to financial information; and (iii) compliance with relevant requirements imposed by any stock exchange or other regulatory authority;

5. Compliance with Applicable Laws and Regulatory Requirements

- (a) review and monitor practices and procedures adopted by management of the Company to assure compliance with applicable laws, and, where appropriate, make recommendations or reports thereon to the Board of Directors; and
- (b) review and monitor practices and procedures adopted by management of the Company to ensure compliance with applicable stock exchange and other regulatory requirements, including specific requirements concerning financial reporting and information management imposed in connection with the Company's listing, and, where appropriate, make recommendations or reports thereon to the Board of Directors.

Specific Issue Examinations

In discharging its duties and responsibilities, the Committee may direct that the independent auditors examine or consider a specific matter or area and report to the Committee on the findings of such examination. The Committee may direct the independent auditors or other party to perform supplemental reviews or audits as the Committee deems desirable.

Authority

The Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

- retain outside counsel, accountants or others to advise the committee or assist in the conduct of an investigation;
- seek any information it requires from employees, contractors or personnel engaged by business service providers of the Company – all of whom are directed to cooperate with the committee's request – or external parties; and
- meet with the Company's officers, external auditors or outside counsel as necessary.

Mandate Review

The Committee shall review and assess the adequacy of the Committee mandate annually and recommend any proposed changes to the Board of Directors for approval.

Limitation of Responsibilities

While the Committee has the responsibilities and powers set forth in this mandate, it is not the duty of the Committee to plan or conduct audits, to determine that the Company's financial statements are complete and accurate and are in accordance with International Financial Reporting Standards, or to design or implement an effective system of internal controls. Such matters are the responsibility of management and the independent auditors, as the case may be. Nor is it the duty of the Committee to conduct investigations, to resolve disagreements, if any, between management and the independent auditors or to assure compliance with applicable accounting standards, laws and regulations.

Schedule "B"
INCENTIVE PLAN

Please see attached.

**GOOD NATURED PRODUCTS INC.
2017 OMNIBUS EQUITY INCENTIVE COMPENSATION PLAN**

Adopted August 10, 2017 and amended and restated June 26, 2018

ARTICLE 1
ESTABLISHMENT, PURPOSE AND DURATION

1.1 Establishment of the Plan. good natured Products Inc., a corporation continued under the laws of the Province of British Columbia (the "Company"), hereby establishes an incentive compensation plan to be known as the 2017 Omnibus Equity Incentive Compensation Plan (the "Plan"). The Plan permits the grant of Options, Restricted Shares, Restricted Share Units, Deferred Share Units, Performance Shares, Performance Units and Share-Based Awards. This Plan was adopted and became effective on August 10, 2017 (the "Effective Date"), being the date it was originally approved by the Board (as defined below), and it will be amended and restated effective June 26, 2018, subject to receipt of shareholder approval on such date (the "Amendment Date").

1.2 Purpose of the Plan. The purposes of the Plan are: (i) to promote a significant alignment between officers and employees of the Company and its Affiliates (as defined below) and the growth objectives of the Company; (ii) to associate a portion of participating employees' compensation with the performance of the Company over the long term; and (iii) to attract, motivate and retain the critical employees to drive the business success of the Company.

1.3 Duration of the Plan. The Plan shall commence as of the Effective Date, as described in Section 1.1 herein, and shall remain in effect until terminated by the Board pursuant to Article 14 hereof.

1.4 Successor Plan. The Plan shall in respect of Options (as defined below) serve as the successor to the Company's current Stock Option Plan which was first approved by the shareholders of the Company on December 12, 2014 (the "Predecessor Plan"), and no further awards shall be made under the Predecessor Plan from and after the Effective Date of this Plan. Each Option granted under the Predecessor Plan shall continue to be governed by the terms and conditions of such plan and the instrument evidencing such grant.

ARTICLE 2
DEFINITIONS

Whenever used in the Plan, the following terms shall have the respective meanings set forth below, unless the context clearly requires otherwise, and when such meaning is intended, such term shall be capitalized.

"Affiliate" means any corporation, partnership or other entity (i) in which the Company, directly or indirectly, has majority ownership interest or (ii) which the Company controls. For the purposes of this definition, the Company is deemed to "control" such corporation, partnership or other entity if the Company possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation, partnership or other entity, whether through the ownership of voting securities, by contract or otherwise, and includes a corporation which is considered to be a subsidiary for purposes of consolidation under International Financial Reporting Standards.

"Award" means, individually or collectively, a grant under this Plan of Options, Deferred Share Units, Restricted Shares, Restricted Share Units, Performance Shares, Performance Units or Share-Based Awards, in each case subject to the terms of this Plan.

"Award Agreement" means either (i) a written agreement entered into by the Company or an Affiliate of the Company and a Participant setting forth the terms and provisions applicable to Awards granted under this Plan; or (ii) a written statement issued by the Company or an Affiliate of the Company to a Participant describing the terms

and provisions of such Award. All Award Agreements shall be deemed to incorporate the provisions of the Plan. An Award Agreement need not be identical to other Award Agreements either in form or substance.

“BCSA” means the Securities Act (British Columbia), as may be amended from time to time.

“Blackout Period” means a period of time during which the Participant cannot sell Shares, due to applicable law or policies of the Company in respect of insider trading.

“Board” or “Board of Directors” means the Board of Directors of the Company.

“Cause” means any of:

- (a) dishonesty of the Participant as it relates to the performance of his duties in the course of his employment by, or as an officer or director of, the Company or an Affiliate;
- (b) fraud committed by the Participant;
- (c) willful disclosure of confidential or private information regarding the Company or an Affiliate by the Participant;
- (d) the Participant aiding a competitor of the Company or an Affiliate;
- (e) misappropriation of a business opportunity of the Company or an Affiliate by the Participant;
- (f) willful misconduct or gross negligence in the performance of the Participant’s duties under his or her employment agreement;
- (g) a breach by the Participant of a material provision of his or her employment agreement or the Code of Business Conduct and Ethics adopted by the Company from time to time;
- (h) the willful and continued failure on the part of the Participant to substantially perform duties in the course of his employment by, or as an officer of, the Company or an Affiliate, unless such failure results from an incapacity due to mental or physical illness;
- (i) willfully engaging in conduct that is demonstrably and materially injurious to the Company or an Affiliate, monetarily or otherwise; or
- (j) any other act or omission by the Participant which would amount to just cause for termination at common law.

“Change of Control” shall occur if any of the following events occur:

- (a) the acquisition, directly or indirectly and by any means whatsoever, by any person, or by a group of persons acting jointly or in concert, of beneficial ownership or control or direction over that number of Voting Securities which is greater than 50% of the total issued and outstanding Voting Securities immediately after such acquisition, unless such acquisition arose as a result of or pursuant to:
 - (i) an acquisition or redemption by the Company of Voting Securities which, by reducing the number of Voting Securities outstanding, increases the proportionate number of Voting Securities beneficially owned by such person to 50% or more of the Voting Securities then outstanding;

- (ii) acquisitions of Voting Securities which were made pursuant to a dividend reinvestment plan of the Company;
- (iii) the receipt or exercise of rights issued by the Company to all the holders of Voting Securities to subscribe for or purchase Voting Securities or securities convertible into Voting Securities, provided that such rights are acquired directly from the Company and not from any other person;
- (iv) a distribution by the Company of Voting Securities or securities convertible into Voting Securities for cash consideration made pursuant to a public offering or by way of a private placement by the Company ("Exempt Acquisitions");
- (v) a stock-dividend, a stock split or other event pursuant to which such person receives or acquires Voting Securities or securities convertible into Voting Securities on the same pro rata basis as all other holders of securities of the same class ("Pro-Rata Acquisitions"); or
- (vi) the exercise of securities convertible into Voting Securities received by such person pursuant to an Exempt Acquisition or a Pro-Rata Acquisition ("Convertible Security Acquisitions");

provided, however, that if a person shall acquire 50% or more of the total issued and outstanding Voting Securities by reason of any one or a combination of (1) acquisitions or redemptions of Voting Shares by the Company, (2) Exempt Acquisitions, (3) Pro-Rata Acquisitions, or (4) Convertible Security Acquisitions and, after such share acquisitions or redemptions by the Company or Exempt Acquisitions or Pro-Rata Acquisitions or Convertible Security Acquisitions, acquires additional Voting Securities exceeding one per cent of the Voting Securities outstanding at the date of such acquisition other than pursuant to any one or a combination of Exempt Acquisitions, Convertible Security Acquisitions or Pro-Rata Acquisitions, then as of the date of such acquisitions such acquisition shall be deemed to be a "Change of Control";

- (b) the replacement by way of election or appointment at any time of one-half or more of the total number of the then incumbent members of the Board of Directors, unless such election or appointment is approved by 50% or more of the Board of Directors in office immediately preceding such election or appointment in circumstances where such election or appointment is to be made other than as a result of a dissident public proxy solicitation, whether actual or threatened; and
- (c) any transaction or series of transactions, whether by way of reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, whereby all or substantially all of the shares or assets of the Company become the property of any other person (the "Successor Entity"), (other than a subsidiary of the Company) unless:
 - (i) individuals who were holders of Voting Securities immediately prior to such transaction hold, as a result of such transaction, in the aggregate, more than 50% of the voting securities of the Successor Entity;
 - (ii) a majority of the members of the Board of Directors of the Successor Entity is comprised of individuals who were members of the Board of Directors immediately prior to such transaction; and
 - (iii) after such transaction, no person or group of persons acting jointly or in concert, holds more than 50% of the voting securities of the Successor Entity unless such person or group of persons held securities of the Company in the same proportion prior to such transaction.

"Change of Control Price" means (i) the highest price per Share offered in conjunction with any transaction resulting in a Change of Control (as determined in good faith by the Committee if any part of the offered price is

payable other than in cash), or (ii) in the case of a Change of Control occurring solely by reason of a change in the composition of the Board, the highest Fair Market Value of the Shares on any of the thirty (30) trading days immediately preceding the date on which a Change of Control occurs, except if the relevant participant is subject to taxation under the ITA such Change of Control price shall be deemed to be a price determined by the Committee based on the closing price of a Share on the TSX-V on the trading day preceding the Change of Control date or based on the volume weighted average trading price of the Shares on the TSX-V for the five trading days immediately preceding the Change of Control date.

“Code” means the U.S. Internal Revenue Code of 1986, as amended from time to time, or any successor thereto.

“Committee” means the Board of Directors or if so delegated in whole or in part by the Board, any duly authorized committee of the Board appointed by the Board to administer the Plan.

“Company” means good natured Products Inc., a corporation continued under the laws of the Province of British Columbia, and any successor thereto as provided in Article 16 herein.

“Consultant” means a Person 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; provided that with respect to Consultants who are U.S. Persons, such Consultants shall be granted Awards under this Plan only if:
 - (i) they are natural persons;
 - (ii) they provide bona fide services to the Company or its majority-owned subsidiaries; and
 - (iii) such services are not in connection with the offer or sale of securities in a capital-raising transaction, and do not directly or indirectly promote or maintain a market for the Company’s securities.

“Deferred Share Unit” means an Award denominated in units that provides the holder thereof with a right to receive Shares or cash or a combination thereof upon settlement of the Award, granted under Article 8 herein and subject to the terms of this Plan.

“Director” means any individual who is a member of the Board of Directors or is a senior officer of the Company or any of the Company’s subsidiaries.

“Discounted Market Price” means the Market Price less the following maximum discounts based on closing price (and subject, notwithstanding the application of any such maximum discount, to a minimum price per share of \$0.05): closing price up to \$0.50 (25%), closing price up from \$0.51 to \$2.00 (20%), closing price above \$2.00 (15%).

“Disability” means the Participant’s inability to substantially fulfil his or her duties on behalf of the Company or an Affiliate for a continuous period of six (6) months or more or the Participant’s inability to substantially fulfil his or her duties on behalf of the Company or an Affiliate for an aggregate period of six (6) months or more during any consecutive twelve (12) month period; and if there is any disagreement between the Company or an Affiliate and the Participant as to the Participant’s Disability or as to the date any such Disability began or ended, the same shall be determined by a physician mutually acceptable to the Company and the Participant whose determination shall be conclusive evidence of any such Disability and of the date any such Disability began or ended.

“Disinterested Shareholder Approval” means the approval of a majority of shareholders of the Company voting at a duly called and held meeting of such shareholders, excluding votes of Insiders to whom Options or Awards may be granted under the Plan;

“Dividend Equivalent” means a right with respect to an Award to receive cash, Shares or other property equal in value and form to dividends declared by the Board and paid with respect to outstanding Shares. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement, and if specifically provided for in the Award Agreement shall be subject to such terms and conditions set forth in the Award Agreement as the Committee shall determine.

“Employee” means

- a) an individual who is considered an employee of the Company or its subsidiary under the ITA (and for whom income tax, employment insurance and CPP deductions must be made at source);
- b) an individual who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source;
- c) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
- d) any employee of the Company or an Affiliate. Directors who are not otherwise employed by the Company or an Affiliate shall not be considered Employees under this Plan.

“Exchange Hold Period” has the meaning ascribed thereto in TSX-V Policy 1.1.

“Fair Market Value” or “FMV” means, unless otherwise required by any applicable provision of the Code or any regulations thereunder or by any applicable accounting standard for the Company’s desired accounting for Awards or by the rules of the TSX-V, a price that is determined by the Committee, provided that such price cannot be less than the greater of (i) the volume weighted average trading price of the Shares on the TSX-V for the five trading days immediately prior to the grant date or (ii) the closing price of the Shares on the TSX-V on the trading day immediately prior to the grant date.

“Fiscal Year” means the Company’s fiscal year commencing on January 1 and ending on December 31 or such other fiscal year as approved by the Board.

“Incapacity” or “Incapacitated” means the incapacity or inaptitude of a Participant to administer the Participant’s estate, that results in the appointment of an administrator of the Participant’s estate or that enables a person or entity to act on the Participant’s behalf pursuant to a power of attorney.

“Insider” shall have the meaning ascribed thereto in Section 1(1) of the BCSA.

“Investor Relations Activities” means any activities, by or on behalf of the Company or a shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:

- a) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company

- i. to promote the sale of products or services of the Company, or
 - ii. to raise public awareness of the Company,
- that cannot reasonably be considered to promote the purchase or sale of securities of the Company;
- b) activities or communications necessary to comply with the requirements of:
 - i. applicable Securities Laws;
 - ii. Exchange Requirements or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Company;
 - c) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
 - i. the communication is only through the newspaper, magazine or publication, and
 - ii. the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
 - d) activities or communications that may be otherwise specified by the Exchange.

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

“Market Price” has the meaning ascribed thereto in TSX-V Policy 1.1.

“Non-Employee Director” means a Director who is not an Employee.

“Notice Period” means any period of contractual notice or reasonable notice that the Company or the Affiliate may be required at law, by contract or otherwise agrees to provide to a Participant upon termination of employment, whether or not the Company or Affiliate elects to pay severance in lieu of providing notice to the Participant, provided that where a Participant’s employment contract provides for an increased severance or termination payment in the event of termination following a Change of Control, the Notice Period for the purposes of the Plan shall be the Notice Period under such contract applicable to a termination which does not follow a Change of Control.

“Option” means the conditional right to purchase Shares at a stated Option Price for a specified period of time subject to the terms of this Plan.

“Optionee” means the recipient of an Options granted by the Company.

“Option Price” means the price at which a Share may be purchased by a Participant pursuant to an Option, as determined by the Committee.

“Participant” means an Employee, Non-Employee Director or Consultant who has been selected to receive an Award, or who has an outstanding Award granted under the Plan (for so long as such Person holds any such position, excluding any period of statutory, contractual or reasonable notice of termination of employment or deemed employment).

“Performance Goal” means a performance criterion selected by the Committee for a given Award.

“Performance Period” means the period of time during which the assigned performance criteria must be met in order to determine the degree of payout and/or vesting with respect to an Award.

“Performance Share” means an Award granted under Article 9 herein and subject to the terms of this Plan, denominated in Shares, the value of which at the time it is payable is determined as a function of the extent to which corresponding performance criteria have been achieved.

“Performance Unit” means an Award granted under Article 9 herein and subject to the terms of this Plan, denominated in units, the value of which at the time it is payable is determined as a function of the extent to which corresponding performance criteria have been achieved.

“Period of Restriction” means the period when an Award of Restricted Shares or Restricted Share Units is subject to forfeiture based on the passage of time, the achievement of performance criteria, and/or upon the occurrence of other events as determined by the Committee, in its discretion.

“Person” shall have the meaning ascribed to such term in Section 1(1) of the BCSA.

“Restricted Share” means an Award of Shares subject to a Period of Restriction, granted under Article 7 herein and subject to the terms of this Plan.

“Restricted Share Unit” means an Award denominated in units subject to a Period of Restriction, with a right to receive Shares or cash or a combination thereof upon settlement of the Award, granted under Article 7 herein and subject to the terms of this Plan.

“Retirement” or “Retire” means a Participant’s permanent withdrawal from employment or office with the Company or Affiliate on terms and conditions accepted and determined by the Board.

“Shares” means common shares in the capital of the Company.

“Share-Based Award” means an equity-based or equity-related Award granted under Article 10 herein and subject to the terms of this Plan, and not otherwise described by the terms of this Plan.

“Successor Entity” has the meaning ascribed thereto under subsection (c) of the definition of Change of Control.

“Termination Date” means, in the case of a Participant whose employment or term of office or engagement with the Company or an Affiliate terminates:

- a) by reason of the Participant’s death or Incapacity, the date of death or Incapacity;
- b) by reason of termination for Cause, resignation by the Participant or Retirement, the Participant's last day actively at work for or actively engaged by the Company or an Affiliate;
- c) by reason of Disability, the date of the Participant's last day actively at work for or actively engaged by the Company or an Affiliate;
- d) for any reason whatsoever other than death, Incapacity, termination for Cause, Retirement or termination by reason of Disability, the later of the (i) date of the Participant's last day actively at work for or actively engaged by the Company or the Affiliate, and (ii) the last date of the Notice Period; and
- e) the resignation of a director and the expiry of a director's term on the Board without re-election (or nomination for election) shall each be considered to be a termination of his or her term of office.

“Total Share Authorization” has the meaning ascribed thereto under Section 4.1.

“TSX-V” means the TSX Venture Exchange and at any time the Shares are not listed and posted for trading on the TSX-V, shall be deemed to mean such other stock exchange or trading platform upon which the Shares trade and which has been designated by the Committee.

“Voting Power” shall mean such number of Voting Securities as shall enable the holders thereof to cast all the votes which could be cast in an annual election of directors of a company.

“Voting Securities” shall mean any securities of the Company ordinarily carrying the right to vote at elections of directors and any securities immediately convertible into or exchangeable for such securities.

ARTICLE 3 ADMINISTRATION

3.1 General. The Committee shall be responsible for administering the Plan. The Committee may employ attorneys, consultants, accountants, agents and other individuals, any of whom may be an Employee, and the Committee, the Company, and its officers and Directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Committee shall be final, conclusive and binding upon the Participants, the Company, and all other interested parties.

3.2 Authority of the Committee. The Committee shall have full and exclusive discretionary power to interpret the terms and the intent of the Plan and any Award Agreement or other agreement ancillary to or in connection with the Plan, to determine eligibility for Awards, and to adopt such rules, regulations and guidelines for administering the Plan as the Committee may deem necessary or proper. Such authority shall include, but not be limited to, selecting Award recipients, establishing all Award terms and conditions, including grant, exercise price, issue price and vesting terms, determining Performance Goals applicable to Awards and whether such Performance Goals have been achieved, making adjustments under Section 4.2 and, subject to Article 14, adopting modifications and amendments, or subplans to the Plan or any Award Agreement, including, without limitation, any that are necessary or appropriate to comply with the laws or compensation practices of the jurisdictions in which the Company and Affiliates operate.

3.3 Delegation. The Committee may delegate to one or more of its members any of the Committee’s administrative duties or powers as it may deem advisable; provided, however, that any such delegation must be permitted under applicable corporate law.

ARTICLE 4 SHARES SUBJECT TO THE PLAN AND MAXIMUM AWARDS

4.1 Number of Shares Available for Awards.

Subject to adjustment as provided in Section 4.2 herein:

- a) The number of Shares hereby reserved for issuance to Participants under the Plan, or under any other share compensation arrangements of the Company:
 - a. Shall not, strictly in connection with the issuance of Options, exceed 10% of the total number of Shares issued and outstanding from time to time (calculated on a non-diluted basis);
 - b. Shall not, strictly in connection with the issuance of Awards other than Options, exceed an aggregate of 10% of the total number of Shares issued and outstanding on the Amendment Date, being 9,360,235 Shares;

and provided further that the total number of Shares reserved for issuance pursuant to the issuance of Options and Awards other than Options, collectively, shall not in the aggregate at any time exceed 20% of the aggregate number of issued and outstanding Shares on the Amendment Date, being 18,720,470 Shares (the "Total Share Authorization"). For greater certainty, if any Award is terminated, cancelled, forfeited or has expired without being fully exercised, any unissued Shares which have been reserved to be issued upon the exercise of the Award will be returned to the Total Share Authorization become available to be issued under Awards subsequently granted under the Plan.

- b) The number of securities issuable to Insiders, at any time, under all security based compensation arrangements cannot exceed 10% of the issued and outstanding Shares of the Company.
- c) Within any one-year period:
 - a. the number of Shares and Awards issued to Insiders pursuant to this Plan and all other share compensation arrangements of the Company shall not exceed 10% of the aggregate outstanding Shares of the Company;
 - b. the number of Awards (other than Options) issued to Insiders pursuant to this Plan shall not exceed 2% of the aggregate outstanding Shares of the Company; and
 - c. the number of Awards (other than Options) issued to any one individual pursuant to this Plan shall not exceed 1% of the aggregate outstanding Shares of the Company.

4.2 Adjustments in Authorized Shares. Subject to the approval of the TSX-V, where applicable, in the event of any corporate event or transaction (collectively, a "Corporate Reorganization") (including, but not limited to, a change in the Shares of the Company or the capitalization of the Company) such as a merger, arrangement or amalgamation that does not constitute a Change of Control under Article 13, or a consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Company, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to shareholders of the Company, or any similar corporate event or transaction, the Committee shall make or provide for such adjustments or substitutions, as applicable, in the number and kind of Shares that may be issued under the Plan, the number and kind of Shares subject to outstanding Awards, the Option Price or Grant Price applicable to outstanding Awards, the Total Share Authorization, the limit on issuing Awards other than Options granted with an Option Price equal to at least the FMV of a Share on the date of grant with a Grant Price equal to at least the FMV of a Share on the date of grant, and any other value determinations applicable to outstanding Awards or to this Plan, as are equitably necessary to prevent dilution or enlargement of Participants' rights under the Plan that otherwise would result from such Corporate Reorganization. In connection with a Corporate Reorganization, the Committee shall have the discretion to permit a holder of Options to purchase (at the times, for the consideration, and subject to the terms and conditions set out in this Plan) and the holder will then accept on the exercise of such Option, in lieu of the Shares that such holder would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that such holder would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, that holder had owned all Shares that were subject to the Option. Such adjustments shall be made automatically, without the necessity of Committee action, on the customary arithmetical basis in the case of any stock split, including a stock split effected by means of a stock dividend, and in the case of any other dividend paid in Shares.

The Committee shall also make appropriate adjustments in the terms of any Awards under the Plan as are equitably necessary to reflect such Corporate Reorganization and may modify any other terms of outstanding Awards, including modifications of performance criteria and changes in the length of Performance Periods. The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under the Plan, provided that any such adjustments must comply with Section 409A of the Code with

respect to any U.S. Participants and the rules of any stock exchange or market upon which such Shares are listed or traded.

Subject to the provisions of Article 12 and any applicable law or regulatory requirement, without affecting the number of Shares reserved or available hereunder, the Committee may authorize the issuance, assumption, substitution or conversion of Awards under this Plan in connection with any such corporate event or transaction, upon such terms and conditions as it may deem appropriate. Additionally, the Committee may amend the Plan, or adopt supplements to the Plan, in such manner as it deems appropriate to provide for such issuance, assumption, substitution or conversion as provided in the previous sentence.

ARTICLE 5 ELIGIBILITY AND PARTICIPATION

5.1 Eligibility. Individuals eligible to participate in the Plan include all Employees, Non-Employee Directors and Consultants.

5.2 Actual Participation. Subject to the provisions of the Plan, the Committee may, from time to time, in its sole discretion select from among eligible Employees, Non-Employee Directors and Consultants, those to whom Awards shall be granted under the Plan, and shall determine in its discretion the nature, terms, conditions and amount of each Award.

ARTICLE 6 STOCK OPTIONS

6.1 Grant of Options. Subject to the terms and provisions of the Plan, Options may be granted to Participants in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee in its discretion.

- a) Subject to Section 4.1 and Section 14.1, the following additional limitations apply to grants of Options under this Plan:
- i. the aggregate number of Options granted to any one Consultant in a 12 month period must not exceed 2% of the issued Shares, calculated at the date an option is granted to the Consultant;
 - ii. the aggregate number of Options granted to all Persons retained to provide Investor Relations Activities must not exceed 2% of the issued Shares in any 12 month period, calculated at the date an Option is granted to any such Person; and
 - iii. for Options granted to Employees, Consultants or Non-Employee Directors of the Company, the Company and the Optionee are responsible for ensuring and confirming that the Optionee is a bona fide Employee, Consultant or Non-Employee Director, as the case may be.

6.2 Award Agreement. Each Option grant shall be evidenced by an Award Agreement that shall specify the Option Price, the duration of the Option, the number of Shares to which the Option pertains, the conditions upon which an Option shall become vested and exercisable, and any such other provisions as the Committee shall determine.

6.3 Option Price. The Option Price for each grant of an Option under this Plan shall be determined by the Committee and shall be specified in the Award Agreement. The Option exercise price per Share shall not be less than the Discounted Market Price. If the Company does not issue a news release to fix the exercise price pursuant to TSX-V Policy 4.4, the Discounted Market Price is the last closing price before the date of the grant. Where the

exercise price of an Option is at a discount to Market Price, all Options and any Shares issued under such Options exercised prior to the expiry of the Exchange Hold Period shall be legended with the Exchange Hold Period commencing on the date the Options were granted.

6.4 Duration of Options. Each Option granted to a Participant shall expire at such time as the Committee shall determine at the time of grant; provided, however, that (i) no Option shall be exercisable later than the tenth (10th) anniversary date of its grant; and (ii) no Option shall expire in a period greater than one year following the date on which a Participant ceases to be an eligible Optionee. Notwithstanding the foregoing, the expiry date of any Option shall be extended to the tenth business day following the last day of a Blackout Period if the expiry date would otherwise occur in a Blackout Period or within five days of the end of the Blackout Period. Pursuant to section 6.8 of this Plan and Policy 4.4 of the TSX-V, any Options granted to any Optionee who is a Non-Employee Director, Employee or Consultant must expire within a reasonable period following the date the Optionee ceases to be in that role.

6.5 Exercise of Options. Options granted under this Article 6 shall be exercisable at such times and on the occurrence of such events, and be subject to such restrictions and conditions, as the Committee shall in each instance approve, which need not be the same for each grant or for each Participant, except that Options issued to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months and no more than 25% of such Options can vest in any three month period.

6.6 Payment. The Shares to be purchased upon each exercise of an Option shall be paid for in full in cash at the time of exercise.

6.7 Restrictions on Share Transferability. The Committee may impose such restrictions on any Shares acquired pursuant to the exercise of an Option granted pursuant to this Plan as it may deem advisable, including, without limitation, requiring the Participant to hold the Shares acquired pursuant to exercise for a specified period of time, or restrictions under applicable laws or under the requirements of any stock exchange or market upon which such Shares are listed and/or traded.

6.8 Death, Incapacity, Retirement and Termination of Employment.

- (a) Death or Incapacity: If a Participant dies or becomes Incapacitated while an Employee, Director of, or Consultant to, the Company or an Affiliate:
 - (i) any Options held by the Participant that are not yet vested at the Termination Date immediately vest and become exercisable;
 - (ii) the executor, liquidator or administrator of the Participant's estate may exercise Options of the Participant equal to the number of Options that were exercisable at the Termination Date (including Options which vested pursuant to the foregoing paragraph);
 - (iii) the right to exercise such Options terminates on the earlier of: (a) the date that is 12 months after the Termination Date; and (b) the date on which the exercise period of the particular Option expires;
 - (iv) such Participant's eligibility to receive further grants of Options under the Plan ceases as of the Termination Date.
- (b) Retirement: If a Participant voluntarily Retires then:
 - (i) any Options held by the Participant that are exercisable at the Termination Date continue to be exercisable by the Participant until the earlier of: (a) the date that is six months after the Termination Date and (b) the date on which the exercise period of the particular Option expires;

- (ii) any Options held by the Participant that are not yet vested at the Termination Date immediately expire and are cancelled and forfeited to the Company on the Termination Date;
 - (iii) the eligibility of a Participant to receive further grants under the Plan ceases as of the date that the Company or an Affiliate, as the case may be, provides the Participant with written notification that the Participant's employment or term of office or engagement, is terminated, notwithstanding that such date may be prior to the Termination Date, and
 - (iv) notwithstanding (b)(i) and (ii) above, unless the Committee, in its sole discretion, otherwise determines, at any time and from time to time, Options are not affected by a change of employment arrangement within or among the Company or an Affiliate for so long as the Participant continues to be an employee of the Company or an Affiliate.
- (c) Termination of Employment: Except as may otherwise be set out in a Participant's employment agreement (which shall have paramouncy over this clause), where a Participant's employment or term of office or engagement terminates (for any reason other than death, Incapacity or voluntary Retirement (whether such termination occurs with or without any or adequate notice or reasonable notice, or with or without any or adequate compensation in lieu of such notice)), then:
- (i) any Options held by the Participant that are exercisable at the Termination Date continue to be exercisable by the Participant until the earlier of:
 - (A) the date that is three months after the Termination Date; and
 - (B) the date on which the exercise period of the particular Option expires.
 - (ii) Any Options held by the Participant that are not yet vested at the Termination Date immediately expire and are cancelled and forfeited to the Company on the Termination Date,
 - (ii) the eligibility of a Participant to receive further grants under the Plan ceases as of the date that the Company or an Affiliate, as the case may be, provides the Participant with written notification that the Participant's employment or term of office or engagement, is terminated, notwithstanding that such date may be prior to the Termination Date, and
 - (iii) notwithstanding (c)(i) and (ii) above, unless the Committee, in its sole discretion, otherwise determines, at any time and from time to time, Options are not affected by a change of employment arrangement within or among the Company or an Affiliate for so long as the Participant continues to be an employee of the Company or an Affiliate.

6.9 Nontransferability of Options. Except as otherwise provided in a Participant's Award Agreement at the time of grant or thereafter by the Committee and pursuant to Policy 4.4 of the TSX-V, an Option granted under this Article 6 may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated.

ARTICLE 7

RESTRICTED SHARE AND RESTRICTED SHARE UNITS

7.1 Grant of Restricted Shares or Restricted Share Units. Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Restricted Shares and/or Restricted Share Units to Participants in such amounts and upon such terms as the Committee shall determine.

7.2 Restricted Share or Restricted Share Unit Agreement. Each Restricted Share and/or Restricted Share Unit grant shall be evidenced by an Award Agreement that shall specify the Period(s) of Restriction, the number of Restricted Shares or the number of Restricted Share Units granted, the settlement date for Restricted Share Units,

and any such other provisions as the Committee shall determine, provided that unless otherwise determined by the Committee or as set out in any Award Agreement, no Restricted Share Unit shall vest later than three years after the date of grant.

7.3 Nontransferability of Restricted Share and Restricted Share Units. Except as otherwise provided in this Plan or the Award Agreement, the Restricted Shares and/or Restricted Share Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated until the end of the applicable Period of Restriction specified in the Award Agreement (and in the case of Restricted Share Units until the date of settlement through delivery or other payment), or upon earlier satisfaction of any other conditions, as specified by the Committee in its sole discretion and set forth in the Award Agreement at the time of grant or thereafter by the Committee.

7.4 Other Restrictions. The Committee shall impose, in the Award Agreement at the time of grant or anytime thereafter, such other conditions and/or restrictions on any Restricted Shares or Restricted Share Units granted pursuant to this Plan as it may deem advisable, including, without limitation, a requirement that Participants pay a stipulated purchase price for each Restricted Share or each Restricted Share Unit, restrictions based upon the achievement of specific performance criteria, time-based restrictions on vesting following the attainment of the performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of any stock exchange or market upon which such Shares are listed or traded, or holding requirements or sale restrictions placed on the Shares by the Company upon vesting of such Restricted Shares or Restricted Share Units.

To the extent deemed appropriate by the Committee, the Company may retain the certificates representing Restricted Shares, or Shares delivered in settlement of Restricted Share Units, in the Company's possession until such time as all conditions and/or restrictions applicable to such Shares have been satisfied or lapse. Except as otherwise provided in this Article 7, Restricted Shares covered by each Restricted Share Award shall become freely transferable by the Participant after all conditions and restrictions applicable to such Shares have been satisfied or lapse, and Restricted Share Units shall be settled through payment in cash, Shares, or a combination of cash and Shares as the Committee, in its sole discretion, shall determine.

7.5 Certificate Legend. In addition to any legends placed on certificates pursuant to Section 7.4 herein, each certificate representing Restricted Shares granted pursuant to the Plan may bear a legend such as the following:

"The sale or other transfer of the shares of stock represented by this certificate, whether voluntary, involuntary or by operation of law, is subject to certain restrictions on transfer as set forth in the Omnibus Equity Incentive Compensation Plan and in the associated Award Agreement. A copy of the Plan and such Award Agreement may be obtained from the Chief Financial Officer of good natured Products Inc."

7.6 Voting Rights. To the extent required by law, Participants holding Restricted Shares granted hereunder shall have the right to exercise full voting rights with respect to those Shares during the Period of Restriction. A Participant shall have no voting rights with respect to any Restricted Share Units granted hereunder.

7.7 Dividends and Other Distributions. During the Period of Restriction, Participants holding Restricted Shares or Restricted Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares, Restricted Shares or Restricted Share Units.

7.8 Death, Incapacity, Retirement and other Termination of Employment.

- (a) Death or Incapacity: If a Participant dies or becomes Incapacitated while an Employee, Director of, or Consultant to, the Company or an Affiliate:
 - (i) any Restricted Share or Restricted Share Units held by the Participant that have not vested as at the Termination Date shall vest immediately;
 - (ii) any Restricted Shares and Restricted Share Units held by the Participant that have vested (including Restricted Shares and Restricted Share Units vested in accordance with Section 7.8(a)(i)) as at the Termination Date, shall be paid to the executor, liquidator or administrator of the Participant's estate in accordance with the terms of the Plan and Award Agreement; and
 - (iii) such Participant's eligibility to receive further grants of Restricted Share Units or Restricted Shares under the Plan ceases as of the Termination Date.

- (b) Disability: If a Participant suffers a Disability while an Employee, Director of, or Consultant to, the Company or an Affiliate and, as a result, his or her employment or engagement with the Company or an Affiliate is terminated:
 - (i) the number of Restricted Shares or Restricted Share Units held by the Participant and that have not vested (collectively referred to in this Section 7.8 as the "Unvested Awards") shall be reduced to be equal to the product of (A) the number of Unvested Awards; and (B) the fraction obtained when dividing (x) the number of calendar days from the date of the award of the Unvested Awards to the Termination Date and (y) the number of calendar days from the date of the award of the Unvested Awards to the original vesting date set out in the Award Agreement;
 - (ii) the number of Unvested Awards, as calculated pursuant to Section 7.8(b)(i), shall continue to vest in accordance with the terms of the Plan and Award Agreement; and
 - (iii) such Participant's eligibility to receive further grants of Restricted Share Units or Restricted Shares under the Plan ceases as of the Termination Date.

- (c) Retirement: If a Participant voluntarily Retires then:
 - (i) any Restricted Share Units held by the Participant that have vested before the Termination Date shall be paid to the Participant;
 - (ii) any Unvested Awards held by the Participant at the Termination Date shall continue to vest in accordance with the terms of the Plan and Award Agreement following the Termination Date until the earlier of: (i) the date determined by the Committee, in its sole discretion; and (ii) the date on which the Restricted Share Units vest pursuant to the original Award Agreement in respect of such Unvested Awards; and
 - (iii) such Participant's eligibility to receive further grants of Restricted Share Units or Restricted Shares under the Plan ceases as of the Termination Date.

- (d) Termination other than Death, Incapacity, Disability or Retirement: Unless determined otherwise by the Committee, or as may otherwise be set out in a Participant's employment agreement (which shall have paramountcy over this clause), where a Participant's employment or term of office or engagement terminates for any reason other than death, Incapacity, Disability or Retirement (whether such termination occurs with or without any or adequate notice or reasonable notice, or with or without any or adequate compensation in lieu of such notice), then:

- (i) any Restricted Share Units held by the Participant that have vested before the Termination Date shall be paid to the Participant. Any Restricted Share Units or Restricted Shares held by the Participant that are not yet vested at the Termination Date will be immediately cancelled and forfeited to the Company on the Termination Date;
 - (ii) the eligibility of a Participant to receive further grants under the Plan ceases as of the date that the Company or an Affiliate provides the Participant with written notification that the Participant's employment or term of office or engagement, is terminated, notwithstanding that such date may be prior to the Termination Date; and
 - (iii) notwithstanding Sections 7.8(d)(i) or (ii), unless the Committee, in its sole discretion, otherwise determines, at any time and from time to time, Restricted Share Units and Restricted Shares are not affected by a change of employment arrangement within or among the Company or an Affiliate for so long as the Participant continues to be an employee of the Company or an Affiliate.
- (e) Change of Control: The occurrence of a Change of Control will not result in the vesting of Unvested Awards, provided that: (i) such Unvested Awards will continue to vest in accordance with the Plan and Award Agreement; and (ii) any Successor Entity agrees to assume the obligations of the Company in respect of such Unvested Awards.
- (f) Termination Following a Change of Control: Where a Participant's employment or term of office or engagement is terminated for any reason, other than for Cause, during the 24 months following a Change in Control, any Unvested Awards as at the date of such termination shall be deemed to have vested as at the date of such termination and shall become payable as at the date of termination.

7.9 Payment in Settlement of Restricted Share Units. When and if Restricted Share Units become payable, the Participant issued such units shall be entitled to receive payment from the Company in settlement of such units in cash, Shares of equivalent value (based on the FMV, as defined in the Award Agreement at the time of grant or thereafter by the Committee), in some combination thereof, or in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the Restricted Share Units. In the event settlement is made by payment in cash, such payment shall be made by the earlier of (i) 2½ months after the close of the year in which such conditions or restrictions were satisfied or lapsed and (ii) December 15 of the third year following the year of the grant date.

ARTICLE 8 DEFERRED SHARE UNITS

8.1 Grant of Deferred Share Units. Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Deferred Share Units to Participants in such amounts and upon such terms as the Committee shall determine.

8.2 Deferred Share Unit Agreement. Each Deferred Share Unit grant shall be evidenced by an Award Agreement that shall specify the number of Deferred Share Units granted, the settlement date for Deferred Share Units, and any other provisions as the Committee shall determine, including, but not limited to a requirement that Participants pay a stipulated purchase price for each Deferred Share Unit, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of any stock exchange or market upon which the Shares are listed or traded, or holding requirements or sale restrictions placed on the Shares by the Company upon vesting of such Deferred Share Units.

8.3 Nontransferability of Deferred Share Units. Except as otherwise provided in this Plan or the Award Agreement, the Deferred Share Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated.

8.4 Termination of Employment or Directorship. Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain, exercise or have settled Deferred Share Units following termination of the Participant's employment with the Company or Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Deferred Share Units issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination.

ARTICLE 9 PERFORMANCE SHARES AND PERFORMANCE UNITS

9.1 Grant of Performance Shares and Performance Units. Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Performance Shares and/or Performance Units to Participants in such amounts and upon such terms as the Committee shall determine.

9.2 Value of Performance Shares and Performance Units. Each Performance Share and Performance Unit shall have an initial value equal to the FMV of a Share on the date of grant. The Committee shall set performance criteria for a Performance Period in its discretion, which, depending on the extent to which they are met, will determine, in the manner determined by the Committee and set forth in the Award Agreement, the value and/or number of each Performance Share or Performance Unit that will be paid to the Participant.

9.3 Earning of Performance Shares and Performance Units. Subject to the terms of this Plan and the applicable Award Agreement, after the applicable Performance Period has ended, the holder of Performance Shares/Performance Units shall be entitled to receive payout on the value and number of Performance Shares/Performance Units, determined as a function of the extent to which the corresponding performance criteria have been achieved. Notwithstanding the foregoing, the Company shall have the ability to require the Participant to hold any Shares received pursuant to such Award for a specified period of time.

9.4 Form and Timing of Payment of Performance Shares and Performance Units. Payment of earned Performance Shares/Performance Units shall be as determined by the Committee and as set forth in the Award Agreement. Subject to the terms of the Plan, the Committee, in its sole discretion, may pay earned Performance Shares/Performance Units in the form of cash or in Shares issued from treasury (or in a combination thereof) equal to the value of the earned Performance Shares/Performance Units at the end of the applicable Performance Period. Any Shares may be granted subject to any restrictions deemed appropriate by the Committee. The determination of the Committee with respect to the form of payout of such Awards shall be set forth in the Award Agreement for the grant of the Award or reserved for later determination.

9.5 Dividends and Other Distributions. The Committee shall determine whether Participants holding Performance Shares will receive Dividend Equivalents with respect to dividends declared with respect to the Shares. Dividends or Dividend Equivalents may be subject to accrual, forfeiture or payout restrictions as determined by the Committee in its sole discretion.

9.6 Death and other Termination of Employment.

- (a) Death or Incapacity: If a Participant dies or becomes Incapacitated while an Employee, Director of, or Consultant to, the Company or an Affiliate:
 - (i) the number of Performance Shares or Performance Units held by the Participant that have not vested (collectively referred to in this Section 9.6 as "Unvested Awards") shall be adjusted as set out in the applicable Award Agreement (collectively referred to in this Section 9.6 as "Deemed Awards");

- (ii) any Deemed Awards shall vest immediately;
 - (iii) any Performance Shares and Performance Units held by the Participant that have vested (including Deemed Awards vested in accordance with Section 9.6(a)(ii)) shall be paid to the executor, liquidator or administrator of the Participant's estate in accordance with the terms of the Plan and Award Agreement; and
 - (iv) such Participant's eligibility to receive further grants of Performance Shares or Performance Units under the Plan ceases as of the Termination Date.
- (b) Disability: If a Participant suffers a Disability while an Employee, officer or director of or Consultant to the Company or an Affiliate and as a result his or her employment with the company or Affiliate is terminated:
- (i) Unvested Awards shall be reduced to be equal to the product of (A) the number of Unvested Awards; and (B) the fraction obtained when dividing (x) the number of calendar days from the date of the award of the Unvested Awards to the Termination Date and (x) the number of calendar days from the date of the award of the Unvested Awards to the original vesting date set out in the Award Agreement;
 - (ii) the number of Unvested Awards, as calculated pursuant to Section 9.6(b)(i), shall continue to vest in accordance with the terms of its Plan and Award Agreement; and
 - (iii) such Participant's eligibility to receive further grants of Performance Units or Performance Shares under the Plan ceases as of the Termination Date.
- (c) Retirement: If a Participant voluntarily Retires then:
- (i) any Performance Shares or Performance Units held by the Participant that have vested before the Termination Date shall be paid to the Participant;
 - (ii) any Unvested Awards held by the Participant at the Termination Date shall continue to vest in accordance with the terms of the Plan and Award Agreement following the Termination Date until the earlier of: (i) the date determined by the Committee, in its sole discretion; and (ii) the date on which the Performance Units vest pursuant to the original Award Agreement in respect of such Unvested Awards; and (iii) such Participant's eligibility to receive further grants of Performance Shares or Performance Units under the Plan ceases as of the Termination Date.
- (d) Termination other than Death, Incapacity, Disability or Retirement: Unless determined otherwise by the Committee, or as may otherwise be set out in a Participant's employment agreement (which shall have paramountcy over this clause), where a Participant's employment or term of office or engagement terminates for any reason other than death, Incapacity, Disability or Retirement (whether such termination occurs with or without any or adequate notice or reasonable notice, or with or without any or adequate compensation in lieu of such notice), then:
- (i) any Performance Units or Performance Shares held by the Participant that have vested before the Termination Date shall be paid to the Participant in accordance with the terms of the Plan and Award Agreement. Any Performance Units or Performance Shares held by the Participant that are not yet vested at the Termination Date will be immediately cancelled and forfeited to the Company on the Termination Date;
 - (ii) the eligibility of a Participant to receive further grants under the Plan ceases as of the date that the Company or an Affiliate provides the Participant with written notification that the

Participant's employment or term of office or engagement, is terminated, notwithstanding that such date may be prior to the Termination Date; and

- (iii) notwithstanding Sections 9.6(c)(i) and (ii) above, unless the Committee, in its sole discretion, otherwise determines, at any time and from time to time, Performance Units or Performance Shares are not affected by a change of employment arrangement within or among the Company or an Affiliate for so long as the Participant continues to be an employee of the Company or an Affiliate.
- (e) Change of Control: The occurrence of a Change of Control will not result in the vesting of Unvested Awards, provided that:
- (i) such Unvested Awards will continue to vest in accordance with the Plan and the Award Agreement;
 - (ii) the level of achievement of Performance Goals for Fiscal Years completed prior to the date of the Change of Control shall be based on the actual performance achieved to the date of the Change of Control and the level of achievement of Performance Goals for Fiscal Years completed following the date of the Change of Control shall be based on the assumed achievement of 100% of the Performance Goals; and
 - (iii) any Successor Entity agrees to assume the obligations of the Company in respect of such Unvested Awards.
- (f) Termination following Change of Control: For the period of 24 months following a Change of Control, where a Participant's employment or term of office or engagement is terminated for any reason, other than for Cause:
- (i) any Unvested Awards as at the date of such termination shall be deemed to have vested as at the date of such termination and shall become payable as at the date of termination; and
 - (ii) the level of achievement of Performance Goals for any Unvested Awards that are deemed to have vested pursuant to (i) above, shall be based on the actual performance achieved at the end of the Fiscal Year immediately prior to the date of termination.

9.7 Nontransferability of Performance Shares and Performance Units. Except as otherwise provided in a Participant's Award Agreement at the time of grant or thereafter by the Committee, Performance Shares/Performance Units may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated.

ARTICLE 10 FULL VALUE SHARE-BASED AWARDS

10.1 Share-Based Awards. The Committee may, to the extent permitted by the TSX-V, grant other types of equity-based or equity-related Awards not otherwise described by the terms of this Plan (including the grant or offer for sale of unrestricted Shares and issuance of unrestricted Shares in satisfaction of compensation (including salary, bonus or other incentive)) in such amounts and subject to such terms and conditions, including, but not limited to, being subject to performance criteria, or in satisfaction of such obligations, as the Committee shall determine; provided that the maximum number of Share-Based Awards issued in any calendar year shall not, when combined with any other Awards under any share compensation arrangement of the Company exceed 10% of the total number of Shares issued and outstanding from time to time (calculated on a non-diluted basis).

10.2 Termination of Employment. Each Award Agreement shall set forth the extent to which the Participant shall have the right to receive Share-Based Awards following termination of the Participant's employment or other relationship with the Company or Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Share-Based Awards issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination.

10.3 Nontransferability of Share-Based Awards. Except as otherwise provided in a Participant's Award Agreement at the time of grant or thereafter by the Committee, Share-Based Awards may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated.

ARTICLE 11 BENEFICIARY ON DEATH OR INCAPACITY

11.1 Beneficiary. In the event of a Participant's death or Incapacity, all amounts due under the Plan shall only be paid to, and all rights of a Participant shall only be exercised by, the administrator, liquidator or executor of the Participant's estate.

ARTICLE 12 RIGHTS OF PERSONS ELIGIBLE TO PARTICIPATE

12.1 Employment. Nothing in the Plan or an Award Agreement shall interfere with or limit in any way the right of the Company or an Affiliate to terminate any Participant's employment, consulting or other service relationship with the Company or an Affiliate at any time, nor confer upon any Participant any right to continue in the capacity in which he or she is employed or otherwise serves the Company or an Affiliate.

The rights of a Participant pursuant to this Plan and any Award granted hereunder are the only rights to which the Participant (or the administrator, liquidator or executor of his or her estate) is entitled on termination of Employment with respect to such Participant's Award. Regardless of whether the Participant is entitled to a reasonable notice period of termination of employment or compensation in lieu thereof, or is entitled to a specific notice period of termination of employment or compensation in lieu thereof, the Participant is not entitled to claim any other rights in respect of his or her Award, whether vested or not during such notice period or compensation in lieu thereof, whether by way of general or specific damages and whether in contract, tort or otherwise.

The amount of any compensation deemed to be received by a Participant as a result of the grant, exercise, vesting or settlement of an Award will not constitute compensation with respect to which any other employee benefits of that Participant are determined including, without limitation, benefits under any bonus, pension, profit-sharing, insurance, termination, severance or salary continuation plan, except as otherwise specifically determined by the Committee.

Neither an Award nor any benefits arising under this Plan shall constitute part of an employment or service contract with the Company or an Affiliate, and, accordingly, subject to the terms of this Plan, this Plan may be terminated or modified at any time in the sole and exclusive discretion of the Committee or the Board without giving rise to liability on the part of the Company or an Affiliate for severance payments or otherwise, except as provided in this Plan.

For purposes of the Plan, unless otherwise provided by the Committee, a transfer of employment of a Participant between the Company and an Affiliate or among Affiliates, shall not be deemed a termination of employment. The Committee may provide in a Participant's Award Agreement or otherwise the conditions under which a transfer of employment to an entity that is spun off from the Company or an Affiliate shall not be deemed a termination of employment for purposes of an Award.

12.2 Participation. No Employee or other Person eligible to participate in the Plan shall have the right to be selected to receive an Award. No person selected to receive an Award shall have the right to be selected to receive a future Award, or, if selected to receive a future Award, the right to receive such future Award on terms and conditions identical or in proportion in any way to any prior Award.

12.3 Rights as a Shareholder. A Participant shall have none of the rights of a shareholder with respect to Shares covered by any Award until the Participant becomes the record holder of such Shares.

ARTICLE 13 CHANGE OF CONTROL

13.1 Accelerated Vesting and Payment. Subject to the provisions of Section 13.2 or as otherwise provided in the Plan or the Award Agreement, in the event of a Change of Control, the Committee shall have the discretion to unilaterally determine that all outstanding Awards (other than a Deferred Share Unit) shall be cancelled upon a Change of Control, and that the value of such Awards, as determined by the Committee in accordance with the terms of the Plan and the Award Agreements, shall be paid out in cash in an amount based on the Change of Control Price within a reasonable time subsequent to the Change of Control, subject to the approval of the TSX-V.

13.2 Alternative Awards. Notwithstanding Section 13.1, no cancellation, acceleration of vesting, lapsing of restrictions or payment of an Award shall occur with respect to any Award if the Committee reasonably determines in good faith prior to the occurrence of a Change of Control that such Award shall be honored or assumed, or new rights substituted therefor (with such honored, assumed or substituted Award hereinafter referred to as an "Alternative Award") by any successor to the Company or an Affiliate as described in Article 15; provided, however, that any such Alternative Award must:

- (a) be based on stock which is traded on the TSX-V and/or the Toronto Stock Exchange;
- (b) provide such Participant with rights and entitlements substantially equivalent to or better than the rights, terms and conditions applicable under such Award, including, but not limited to, an identical or better exercise or vesting schedule (including vesting upon termination of employment) and identical or better timing and methods of payment;
- (c) recognize, for the purpose of vesting provisions, the time that the Award has been held prior to the Change of Control; and
- (d) have substantially equivalent economic value to such Award (determined prior to the time of the Change of Control).

ARTICLE 14 AMENDMENT, MODIFICATION, SUSPENSION AND TERMINATION

14.1 Amendment, Modification, Suspension and Termination.

- (a) Subject to any applicable rules of the TSX-V, the Board or Committee may from time to time, in its absolute discretion and without the approval of shareholders, make the following amendments to the Plan or any Option or Award:
 - (i) amend the vesting provisions of the Plan, any Option or any Award;
 - (ii) amend the Plan, an Option or Award as necessary to comply with applicable law or the requirements of the TSX-V or any other regulatory body having authority over the Company, the Plan or the shareholders;

- (iii) any amendment of a "housekeeping" nature, including, without limitation, 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 regarding administration of the Plan; and
 - (iv) any amendment respecting the administration of the Plan; and
 - (v) any other amendment that does not require the approval of shareholders under this Article 14.
- (b) Shareholder approval is required for the following amendments to the Plan:
- (i) any increase in the maximum number of Shares that may be issuable pursuant to Options granted under this Plan;
 - (ii) any reduction in the exercise price of an Option, cancellation and reissue of Options, extension of the expiry date of an Option or a substitution of Options with cash or other awards on terms that are more favourable to the Participant;
 - (iii) any amendment to Section 14.1(a) and this Section 14.1(b);
 - (iv) any change that would materially modify the eligibility requirements for participation in this Plan; and
 - (v) any extension of the expiry date of an Option held by an Insider.
- (c) Disinterested Shareholder Approval is required for the following amendments to the Plan:
- (i) any individual Option or Award grant that would result in the Total Share Authorization being exceeded;
 - (ii) any individual Option or Award grant that would result in the grant to Insiders (as a group), within a twelve (12) month period, of an aggregate number of Shares exceeding ten percent (10%) of the issued Shares, calculated on the date the Option or Award is granted to any Insider;
 - (iii) any individual Option or Award grant that would result in the number of Shares issued to any individual in any twelve (12) month period under this Plan exceeding five percent (5%) of the issued Shares of the Company,
 - (iv) any amendment to Options or Awards held by Insiders that would have the effect of decreasing the exercise price of the Options; and
 - (v) any individual Option or Award grant requiring Shareholder approval pursuant to section 3.9(e) of Policy 4.4 of the TSX-V.
- (d) Other than as expressly provided in an Award Agreement or as set out in Section 13.2 hereof or with respect to a Change of Control, the Committee shall not alter or impair any rights or increase any obligations with respect to an Award previously granted under the Plan without the consent of the Participant.

14.2 Adjustment of Awards Upon the Occurrence of Unusual or Nonrecurring Events. Subject to the approval of the TSX-V, the Committee may make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events in addition to the events described in Section 4.2 hereof affecting the Company or the financial statements of the Company or of changes in applicable laws,

regulations or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent unintended dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under the Plan.

14.3 Awards Previously Granted. Notwithstanding any other provision of the Plan to the contrary, no termination, amendment, suspension or modification of the Plan shall adversely affect in any material way any Award previously granted under the Plan, without the written consent of the Participant holding such Award.

ARTICLE 15 WITHHOLDING

15.1 Withholding. The Company or any Affiliate shall have the power and the right to deduct or withhold, or require a Participant to remit to the Company or any Affiliate, an amount sufficient to satisfy federal, state and local, provincial, domestic or foreign income taxes and social security premiums, charges and payroll contributions, required by law or regulation to be withheld or deducted with respect to any taxable event arising or as a result of this Plan or any Award hereunder. The Committee may provide for Participants to satisfy withholding requirements by having the Company withhold and sell Shares or the Participant making such other arrangements, including the sale of Shares, in either case on such conditions as the Committee specifies.

15.2 Acknowledgement. In his Award Agreement, (i) Participant shall acknowledge and agree that the ultimate liability for all taxes legally payable by Participant is and remains Participant's responsibility and may exceed the amount actually withheld by the Company; (ii) Participant shall further acknowledge that the Company: (a) makes no representations or undertakings regarding the treatment of any taxes in connection with any aspect of this Plan; and (b) does not commit to and is under no obligation to structure the terms of this Plan to reduce or eliminate Participant's liability for taxes or achieve any particular tax result, and (iii) further, if Participant has become subject to tax in more than one jurisdiction, Participant shall acknowledge that the Company may be required to withhold or account for taxes in more than one jurisdiction.

ARTICLE 16 SUCCESSORS

Any obligations of the Company or an Affiliate under the Plan with respect to Awards granted hereunder shall be binding on any successor to the Company or Affiliate, respectively, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or otherwise, of all or substantially all of the businesses and/or assets of the Company or Affiliate, as applicable.

ARTICLE 17 GENERAL PROVISIONS

17.1 Forfeiture Events and Clawback. Without limiting in any way the generality of the Committee's power to specify any terms and conditions of an Award consistent with law, and for greater clarity, the Participant's rights, payments and benefits with respect to an Award shall, at the sole discretion of the Committee, be subject to reduction, cancellation, forfeiture of any vested and unvested Awards or recoupment of any payments or settlements made in the current Fiscal Year or immediately prior Fiscal Year (provided such determination is made within 45 days of the end of that Fiscal Year) upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such specified events shall include, but shall not be limited to, any of: (a) the Participant's failure to accept the terms of the Award Agreement, violation of material Company and Affiliate policies, breach of noncompetition, confidentiality, non-solicitation, non-interference, corporate property protection or other agreements that may apply to the Participant, or other conduct by the Participant that is detrimental to the business or reputation of the Company

and Affiliates; (b) the Participant's misconduct, fraud, gross negligence; and (c) the restatement of the financial statements of the Company that resulted in Awards which should not have vested, settled, or been paid had the original financial statements been properly stated. Except as expressly otherwise provided in this Plan or an Award Agreement, the termination and the expiry of the period within which an Award will vest and may be exercised by a Participant shall be based upon the last day of actual service by the Participant to the Company and specifically does not include any period of notice that the Company may be required to provide to the Participant under applicable employment law.

17.2 Legend. The certificates for Shares may include any legend that the Committee deems appropriate to reflect any restrictions on transfer of such Shares.

17.3 Delivery of Title. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under the Plan prior to:

- (a) Obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
- (b) Completion of any registration or other qualification of the Shares under any applicable law or ruling of any governmental body that the Company determines to be necessary or advisable.

17.4 Investment Representations. The Committee may require each Participant receiving Shares pursuant to an Award under this Plan to represent and warrant in writing that the Participant is acquiring the Shares for investment and without any present intention to sell or distribute such Shares.

17.5 Uncertificated Shares. To the extent that the Plan provides for issuance of certificates to reflect the transfer of Shares, the transfer of such Shares may be effected on a non-certificated basis to the extent not prohibited by applicable law or the rules of any applicable stock exchange.

17.6 Unfunded Plan. Participants shall have no right, title or interest whatsoever in or to any investments that the Company or an Affiliate may make to aid it in meeting its obligations under the Plan. Nothing contained in the Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship between the Company or an Affiliate and any Participant, beneficiary, legal representative or any other person. Awards shall be general unsecured obligations of the Company, except that if an Affiliate executes an Award Agreement instead of the Company the Award shall be a general unsecured obligation of the Affiliate and not any obligation of the Company. To the extent that any individual acquires a right to receive payments from the Company or an Affiliate, such right shall be no greater than the right of an unsecured general creditor of the Company or Affiliate, as applicable. All payments to be made hereunder shall be paid from the general funds of the Company or Affiliate, as applicable, and no special or separate fund (unless decided otherwise by the Company) shall be established and no segregation of assets shall be made to assure payment of such amounts except as expressly set forth in the Plan.

17.7 No Fractional Shares. No fractional Shares shall be issued or delivered pursuant to the Plan or any Award Agreement. In such an instance, unless the Committee determines otherwise, fractional Shares and any rights thereto shall be forfeited or otherwise eliminated.

17.8 Other Compensation and Benefit Plans. Nothing in this Plan shall be construed to limit the right of the Company or an Affiliate to establish other compensation or benefit plans, programs, policies or arrangements. Except as may be otherwise specifically stated in any other benefit plan, policy, program or arrangement, no Award shall be treated as compensation for purposes of calculating a Participant's rights under any such other plan, policy, program or arrangement.

17.9 No Constraint on Corporate Action. Nothing in this Plan shall be construed (i) to limit, impair or otherwise affect the Company's or an Affiliate's right or power to make adjustments, reclassifications,

reorganizations or changes in its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell or transfer all or any part of its business or assets, or (ii) to limit the right or power of the Company or an Affiliate to take any action which such entity deems to be necessary or appropriate.

17.10 Compliance with Canadian Securities Laws. All Awards and the issuance of Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to an exemption from the prospectus requirements of Canadian securities laws where applicable.

ARTICLE 18 LEGAL CONSTRUCTION

18.1 Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.

18.2 Severability. In the event any provision of this Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

18.3 Requirements of Law. The granting of Awards and the issuance of Shares under the Plan shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or securities exchanges as may be required. The Company or an Affiliate shall receive the consideration required by law for the issuance of Awards under the Plan. The inability of the Company or an Affiliate to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company or an Affiliate to be necessary for the lawful issuance and sale of any Shares hereunder, shall relieve the Company or Affiliate of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

18.4 Governing Law. The Plan and each Award Agreement shall be governed by the laws of the Province of British Columbia excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan to the substantive law of another jurisdiction.

18.5 Compliance with Section 409A of the Code.

- (a) To the extent the Plan is applicable to a particular Participant subject to the Code, it is intended that this Plan and any Awards made hereunder shall not provide for the payment of “deferred compensation” within the meaning of Section 409A of the Code or shall be structured in a manner and have such terms and conditions that would not cause such a Participant to be subject to taxes and interest pursuant to Section 409A of the Code. This Plan and any Awards made hereunder shall be administrated and interpreted in a manner consistent with this intent.
- (b) To the extent that any amount or benefit in favour of a Participant who is subject to the Code would constitute “deferred compensation” for purposes of Section 409A of the Code would otherwise be payable or distributable under this Plan or any Award Agreement by reason of the occurrence of a Change of Control or the Participant’s disability or separation from service, such amount or benefit will not be payable or distributable to the Participant by reason of such circumstance unless: (i) the circumstances giving rise to such Change of Control, disability or separation from service meet the description or definition of “change in control event,” “disability,” or “separation from service,” as the case may be, in Section 409A of the Code and applicable proposed or final Treasury regulations thereunder, and (ii) the payment or distribution of such amount or benefit would otherwise comply with Section 409A of the Code and not subject the Participant to taxes and interest pursuant to Section 409A of the Code. This provision does not prohibit the vesting of any Award or the vesting of any right to eventual payment or distribution of any amount or benefit under this Plan or any Award Agreement.

- (c) The Committee shall use its reasonable discretion to determine the extent to which the provisions of this Article 18.5 will apply to a Participant who is subject to taxation under the ITA.