

**MANAGEMENT INFORMATION CIRCULAR**

**AND**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**OF**

**YOURWAY CANNABIS BRANDS INC.**

**TO BE HELD ON APRIL 11, 2024**

**Dated: March 12, 2024**

## YOURWAY CANNABIS BRANDS INC.

### NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of the shareholders (the “**Shareholders**”) of YourWay Cannabis Brands Inc. (“**YourWay**” or the “**Corporation**”) will be held as a virtual meeting on April 11, 2024 at 11:00 a.m. (PT) for the following purposes:

1. to set the number of directors at three (3);
2. to elect the directors of the Corporation for the ensuing year; and
3. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Specific details of the matters proposed to be put before the Meeting are set forth in the Circular. Shareholders are reminded to review the Circular before voting.

We will hold the Meeting in a virtual-only format through the platform of AGM Connect (<https://agmconnect.com/yourway2024/>). Shareholders will not be able to physically attend the Meeting.

The Board has, by resolution, fixed the close of business on March 7, 2024 as the record date (the “**Record Date**”), for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting and any adjournment or postponement thereof. Only Shareholders whose names have been entered in the register of Shareholders and duly appointed proxy holders as of the close of business on the Record Date will be entitled to vote at the Meeting and any adjournment or postponement thereof. Just as they would be at an in-person meeting, registered Shareholders and duly appointed proxyholders will be able to virtually attend the Meeting, submit questions online and vote through the above noted phone numbers.

Non-registered Shareholders (being Shareholders who beneficially own common shares and/or proportionate voting shares of the Corporation that are registered in the name of an intermediary such as a bank, trust company, securities broker or other nominee, or in the name of a depository of which the intermediary is a participant) who have not duly appointed themselves as proxy holder will be able to virtually attend the Meeting online as guests, but guests will not be able to vote or ask questions at the Meeting.

In order to streamline the virtual meeting process, the Corporation requests that all Shareholders who will not be virtually attending the Meeting complete, date and sign the enclosed form of proxy (in the return envelope provided for that purpose), or, alternatively, vote by telephone, or over the internet, in each case in accordance with the instructions set out herein. The completed form of proxy must be deposited at the offices of Olympia Trust Company by mail at P.O. Box 128, STN M, Calgary, Alberta T2P 2H6, Attn: Proxy Dept., or the proxy vote must otherwise be registered in accordance with the instructions set forth herein. Non-registered Shareholders who receive the proxy-related materials through their broker or other intermediary should complete and send their form of proxy or voting instruction form in accordance with the instructions provided by their broker or other intermediary. The Board has, by resolution, fixed 11:00 am (PT) on April 9, 2024, or no later than 48 hours before the time of any adjourned or postponed Meeting (excluding Saturdays, Sundays and holidays), as the time before which proxies to be used or acted upon at the Meeting or any adjournment or postponement thereof must be deposited with the Corporation’s transfer agent. **Late proxies may be accepted or rejected by the Chair of the Meeting in his or her discretion.**

**The Corporation has elected to use the “notice-and-access” mechanism provided for under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* to deliver the Meeting materials to Shareholders, including this Notice of Annual General Meeting of Shareholders and the Circular. This means that, rather than receiving paper copies of the Meeting materials in the mail, Shareholders as of the Record Date will have access to electronic copies of the Meeting materials under the Corporation’s profile on the System for Electronic Document Analysis and Retrieval at [www.sedarplus.ca](http://www.sedarplus.ca) and [www.yourwayinvestors.com](http://www.yourwayinvestors.com). Shareholders as of the Record Date will receive a package in the mail containing information explaining how to access and review the Meeting materials electronically and how to request a paper copy of such materials free of charge, and a proxy form or a voting instruction form so that Shareholders can vote their common shares and/or proportionate voting shares in the capital of the Corporation. In addition, the package will include a place to request copies of the Corporation’s most recent annual financial statements and related management’s discussion and analysis.**

Prior to the Meeting and for up to one year thereafter, those Shareholders who wish to receive paper copies of the Meeting materials may request them by calling 833-618-2741. If a request for paper copies is received before the Meeting, the Meeting materials will be sent to such Shareholders at no cost within three business days of the request. If a request for paper copies is received on or after the Meeting, and within one year of the Meeting materials being

filed, the Meeting materials will be sent to such Shareholders within 10 calendar days after receiving the request. To receive paper copies of the Meeting materials in advance of the proxy deposit deadline, your request should be received by no later than April 4, 2024.

DATED at Phoenix, Arizona, this 12th day of March, 2024.

**BY ORDER OF THE BOARD**

*/signed/ "Mason Cave"*  
*Mason Cave*  
Chairman of the Board

## MANAGEMENT INFORMATION CIRCULAR

This management information circular (the “**Circular**”) has been prepared in connection with the solicitation of proxies by the management of YourWay Cannabis Brands Inc. (“**YourWay**” or the “**Corporation**”) for use at the annual general meeting (the “**Meeting**”) of holders (the “**Shareholders**”) of common shares (the “**Common Shares**”) and proportionate voting shares (the “**Proportionate Shares**” and, together with the Common Shares, the “**Shares**”) of the Corporation, to be held as a virtual meeting on April 11, 2024 at 11:00 am (PT) for the purposes set out in the accompanying notice of meeting (the “**Notice**”). References in this Circular to the Meeting include any adjournment or postponement thereof.

We will hold the Meeting in a virtual-only format, through the platform of AGM Connect (<https://agmconnect.com/yourway2024/>). Shareholders will not be able to physically attend the Meeting.

Registered Shareholders (“**Registered Shareholders**”) and duly appointed proxy holders will be able to attend, ask questions and vote at the Meeting. Non-registered Shareholders (being shareholders who beneficially own Shares that are registered in the name of an intermediary (an “**Intermediary**”) such as a bank, trust company, securities broker or other nominee, or in the name of a depository of which the intermediary is a participant) (“**Beneficial Shareholders**”) who have not duly appointed themselves as proxy holder will be able to attend the Meeting as guests, but guests will not be able to vote or ask questions at the Meeting.

Unless otherwise stated, the information contained in this Circular is as of March 12, 2024 and all dollar amounts referenced herein are expressed in United States dollars.

## GENERAL PROXY MATTERS

### Solicitation of Proxies

Proxies may be solicited by mail, telephone, email, facsimile or other electronic means. Proxies may be solicited personally by directors or regular employees of the Corporation. The cost of solicitation of proxies will be paid by the Corporation.

### Appointment of proxy holders

#### Registered Shareholders

Mason Cave, Chief Executive Officer (“**CEO**”) of the Corporation, or failing him, Jacob Cohen, Director of the Corporation, have agreed to act as the YourWay proxy holders. **You have the right to appoint someone other than the persons designated in the form of proxy to attend and act on your behalf at the Meeting by printing the name of the person you want in the blank space provided. This person does not need to be a Shareholder.**

#### Beneficial Shareholders

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purpose of voting Shares registered in the name of their Intermediary, a Beneficial Shareholder may attend the Meeting as a proxy holder for a Shareholder and vote Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Shares as proxy holder for the registered Shareholder should contact their Intermediary well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their Shares as a proxy holder. In addition, Beneficial Shareholders who wish to vote at the Meeting are required to register themselves as proxy holder as described under the heading “*Appointment of a Third Party as Proxy*”.

### Voting by Proxy Holder

#### Registered Shareholders

**On any ballot, your proxy holder must vote your Shares or withhold your vote according to your instructions and if you specify a choice on a matter, your Shares will be voted accordingly.**

In respect of any matter for which a choice is not specified, the YourWay representatives named in the accompanying form of proxy will vote FOR such matter identified on the form of proxy.

**The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting. At the time of the printing of this Circular, the management of YourWay knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice. However, if any other matters which at present are not known to the management of YourWay should properly**

**come before the Meeting, the nominees named on the accompanying form of proxy intend to vote on such matters in accordance with the best judgment or as stated above.**

If you appoint someone other than the YourWay proxy holders to be your proxy holder, that person must virtually attend and vote at the Meeting for your vote to be counted.

Only Registered Shareholders and duly appointed proxy holders as of the close of business on the Record Date (as defined herein) will be entitled to vote at the Meeting and any adjournment or postponement thereof. Just as they would be at an in-person meeting, Registered Shareholders and duly appointed proxy holders will be able to virtually attend the Meeting, submit questions online and vote, all in real time, provided they comply with all of the requirements set out in this Circular. A Registered Shareholder or a Beneficial Shareholder who has appointed themselves or a third-party proxy holder to represent themselves at the Meeting, will appear on a list of Shareholders prepared by the Corporation's transfer agent, Olympia Trust Company ("**Olympia**"). To have their Shares voted at the Meeting, each Registered Shareholder or proxyholder will be required to enter their control number or other passcode prior to the start of the Meeting.

#### Beneficial Shareholders

Beneficial Shareholder who have not duly appointed themselves as proxy holders may virtually attend the Meeting as guests. Guests will be able to listen to the Meeting but will not be able to vote or ask questions at the Meeting. This is because Olympia does not have a record of Beneficial Shareholders and, as a result, will have no knowledge of shareholdings or entitlement to vote, unless the Beneficial Shareholder appoints itself as proxy holder.

If you are a Beneficial Shareholder and wish to vote at the Meeting, you must (i) appoint yourself as proxy holder by inserting your own name in the space provided for appointing a proxy holder on the voting instruction form sent to you and follow all of the applicable instructions, including the deadline, provided by the Intermediary; and (ii) register with Olympia. See "*Appointment of a Third-Party as Proxy*" below for additional information on how Beneficial Shareholders can appoint themselves as proxy holder.

In order to streamline the virtual Meeting process, the Corporation encourages Shareholders to vote in advance of the Meeting using the form of proxy or voting instruction form, as applicable, mailed to them. Shareholders wishing to virtually attend the Meeting may do so through the platform of AGM Connect (<https://agmconnect.com/yourway2024/>) and instructions will be provided as to how Shareholders entitled to vote at the Meeting may participate and vote at the Meeting. If you virtually attend the Meeting, it is important that you remain connected to the platform for the duration of the Meeting in order to vote when balloting commences. It is your responsibility to ensure that you remain connected. The Meeting will begin promptly at 11:00 a.m. (PT) on April 11, 2024, unless the Meeting is otherwise adjourned or postponed. You should allow ample time for the virtual log-in procedures prior to the start of the Meeting.

A summary of the information Shareholders will need to virtually attend the Meeting is provided below:

- **Registered Shareholders** must log-in prior to the start of the Meeting and provide the control number located on the form of proxy.
- **Duly appointed proxyholders** will obtain from Olympia a passcode after the proxy voting deadline has passed and the proxyholder has been duly appointed AND registered as described under the heading "*Appointment of a Third-Party as Proxy*".
- **Guests, including Beneficial Shareholders who have not duly appointed themselves as proxyholder** can listen to the Meeting, but will not be able to vote or ask questions.

#### **Appointment of Third-Party as Proxy**

Shareholders who wish to appoint themselves or a third-party proxy holder to represent them at the Meeting must submit their form of proxy or voting instruction form, as applicable, prior to registering the proxy holder. Registering the proxy holder is an additional step once the Shareholder has submitted its proxy or voting instruction form, as applicable. Failure to register the proxy holder will result in the proxy holder not being able to participate in the Meeting. Requests for registration should be directed to the Corporation's transfer agent, Olympia Trust Company by mail at P.O. Box 128, STN M, Calgary, Alberta T2P 2H6, Attn: Proxy Dept. or by email at [proxy@olympiitrust.com](mailto:proxy@olympiitrust.com).

## **United States Beneficial Shareholders**

To virtually attend and vote at the Meeting, you must first obtain a valid legal proxy from your Intermediary and then register in advance to virtually attend the Meeting. Follow the instructions from your Intermediary included with these materials or contact your Intermediary to request a legal proxy form. After first obtaining a valid legal proxy from your Intermediary, to then register to attend the Meeting, you must submit a copy of your valid legal proxy to Olympia. Requests for registration should be directed to the Corporation's transfer agent, Olympia by mail at P.O. Box 128, STN M, Calgary, Alberta T2P 2H6, Attn: Proxy Dept., or by email at [proxy@olympiatrust.com](mailto:proxy@olympiatrust.com).

Requests for registration must be labeled as "Legal Proxy" and be received no later than 11:00 am (PT) on April 9, 2024. You will receive a confirmation of your registration by email after we receive your registration materials. You may virtually attend the Meeting and vote during the Meeting.

## **Changing Your Vote**

### Registered Shareholders

You can revoke your proxy by sending a new completed form of proxy with a later date, or a written note signed by you or by your attorney if he or she has your written authorization. You can also revoke your proxy in any manner permitted by law.

If you represent a Registered Shareholder that is a corporation, your written note must have the seal of the corporation, if applicable, and must be executed by an officer or an attorney, authorized in writing. The written authorization must accompany the revocation notice.

The Corporation must receive the written notice of revocation any time up to and including the last business day before the day of the Meeting or the day the Meeting is reconvened if it is postponed or adjourned. Please send the written notice to the Corporation's mailing address at: 3241 E Shea Blvd, Suite 1-469, Phoenix, Arizona 85028. If a Registered Shareholder virtually attends the Meeting, they must notify the Chair of the Meeting if they wish to revoke any previously submitted proxies. In such a case, the Registered Shareholder will be provided the opportunity to vote by ballot on the matters put forth at the Meeting.

### Beneficial Shareholders

Only Registered Shareholders have the right to revoke a proxy. Beneficial Shareholders can change their vote by contacting their Intermediary right away so they have enough time before the Meeting to arrange to change the vote and, if necessary, revoke the proxy.

## **Advice to Registered Shareholders**

A form of proxy will not be valid unless it is signed by the Registered Shareholder, or by the Registered Shareholder's attorney with proof that they are authorized to sign. If you represent a Registered Shareholder that is a corporation, your proxy should have the seal of the corporation, if applicable, and must be executed by an officer or an attorney, authorized in writing. If you execute a proxy as an attorney for an individual Registered Shareholder, or as an officer or attorney of a Registered Shareholder that is a corporation, you must include the original or notarized copy of the written authorization for the officer or attorney with your form of proxy.

If you are voting by proxy, send your completed form of proxy to Olympia by mail to P.O. Box 128, STN M, Calgary, Alberta T2P 2H6, Attn: Proxy Dept. or by fax at 403-668-8307. You may also vote on the internet or by phone by following the instructions set out in the form of proxy. Olympia must receive your proxy 11:00 am (PT) on April 9, 2024, or no later than 48 hours before the time of any adjourned or postponed Meeting (excluding Saturdays, Sundays and holidays). **Late proxies may be accepted or rejected by the Chair of the Meeting in his or her discretion.**

## **Advice to Beneficial Shareholders**

**The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold Shares in their own name.** Shareholders who do not hold their Shares in their own name (referred to in this Circular as Beneficial Shareholders) should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Shares can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided to a Shareholder by a broker, then, in almost all cases, those Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Shares will more likely be registered under the name of the Beneficial Shareholder's Intermediary. In Canada, the vast majority of such Shares are registered under the name CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). The Shares held by Intermediaries can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder.

Without specific instructions, a broker and its agents are prohibited from voting shares for the broker's clients. Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person.

Applicable regulatory rules require Intermediaries to seek voting instructions in advance of shareholders' meetings. Every Intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form provided to a Beneficial Shareholder by its Intermediary is limited to instructing the registered holder of the Shares on how to vote such shares on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Corporation ("**Broadridge**"). Broadridge typically supplies a voting instruction form, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of the Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that form to vote Shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure such Shares are voted.**

The Corporation will not pay for an intermediary to deliver proxy related materials and voting instruction forms to objecting beneficial owners ("**OBOs**"). OBOs have objected to their Intermediary disclosing ownership information about themselves to the Corporation. Accordingly, OBOs will not receive the materials unless their Intermediary assumes the cost of delivery.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purpose of voting Shares registered in the name of their Intermediary, a Beneficial Shareholder may attend the Meeting as a proxy holder for a Shareholder and vote Shares in that capacity. Beneficial Shareholders who wish to virtually attend the Meeting and indirectly vote their Shares as proxy holder for the Registered Shareholder should contact their Intermediary well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their Shares as a proxy holder.

If you are a Beneficial Shareholder and wish to vote at the Meeting, you have to insert your own name in the blank space provided on the form of proxy or voting instruction form sent to you by your Intermediary, follow the applicable instructions provided by your Intermediary and register yourself as your proxy holder, as described above under the heading "*Appointment of a Third-Party as Proxy*".

#### **Record Date and Shares Entitled to Vote**

The board of directors of the Corporation (the "**Board**") has fixed the close of business on March 7, 2024 as the record date for the purposes of determining Shareholders entitled to receive notice of the Meeting and vote at the Meeting (the "**Record Date**").

Only Shareholders of record as of the Record Date, who either virtually attend the Meeting or complete and deliver 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.

#### **Quorum and Approval**

A quorum of Shareholders is required to transact business at the Meeting. A quorum is at least one person who is, or who represents by proxy, one or more Shareholders who, in the aggregate, hold at least 5% of the issued Shares entitled to be voted at the Meeting.

To be effective, an ordinary resolution must be approved by a simple majority (50% plus 1) of the votes cast on the resolution by Shareholders present virtually or represented by proxy and entitled to vote at the Meeting.

#### **Notice-and-Access**

The Corporation has elected to use the "notice-and-access" provisions provided for under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* to deliver the Meeting materials to Shareholders, including the Notice and this Circular. This means that, rather than receiving paper copies of the Meeting materials in the mail, Shareholders as of the Record Date will have access to electronic copies of the Meeting materials under the Corporation's profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR+**") at [www.sedarplus.ca](http://www.sedarplus.ca) and at [www.yourwayinvestors.com](http://www.yourwayinvestors.com).



Shareholders will receive a package in the mail containing information explaining how to access and review the Meeting materials electronically and how to request a paper copy of such materials free of charge, and a proxy form or a voting instruction form so Shareholders can vote their Shares. In addition, the package may include a place to request copies of the Corporation's most recent annual financial statements and related management's discussion and analysis ("MD&A"). The Corporation believes that notice-and-access will substantially reduce printing, paper and postage costs and is a more environmentally friendly and cost-effective way to distribute the Meeting materials to Shareholders.

Prior to the Meeting and for up to one year thereafter, those Shareholders who wish to receive paper copies of the Meeting materials may request them by calling 833-618-2741. If a request for paper copies is received before the Meeting, the Meeting materials will be sent to such Shareholders at no cost within three business days of the request. If a request for paper copies is received on or after the Meeting, and within one year of the Meeting materials being filed, the Meeting materials will be sent to such Shareholders within 10 calendar days after receiving the request. To receive paper copies of the Meeting materials in advance of the proxy deposit deadline, your request should be received no later than April 4, 2024.

### **Shares Outstanding and Principal Holders**

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value, each carrying the right to one vote and unlimited number of Proportionate Shares, each carrying the right to 1,000 votes.

The Proportionate Shares carry a greater number of votes per share relative to the Common Shares. The Proportionate Shares are therefore "restricted securities" within the meaning of such term under applicable Canadian securities laws.

Holders of Proportionate Shares will be entitled to notice of and to attend at any meeting of Shareholders. At each such meeting, holders of Proportionate Shares will be entitled to 1,000 votes in respect of each Proportionate Share held. No dividend will be declared or paid on the Proportionate Shares unless the Corporation simultaneously declares or pays, as applicable, equivalent dividends (on an as-converted to Common Share basis) on the Common Shares. Each Proportionate Share will be convertible, at the option of the holder thereof, at any time after the date of issuance, into fully paid and non-assessable Common Shares as is determined by multiplying the number of Proportionate Shares by the conversion ratio, which will initially be 1,000 Common Shares for each Proportionate Share (the "**Conversion Ratio**"). In addition, each Common Share will be convertible, at the option of the holder thereof, at any time, into fully paid and non-assessable Proportionate Shares as is determined by multiplying the number of Common Shares by the inverse of the Conversion Ratio.

The Corporation obtained an exemption from the securities regulatory authorities in Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland from certain provisions governing disclosure and other matters applicable to issuers with "restricted securities" outstanding, including National Instrument 41-101 – *General Prospectus Requirements* ("**NI 41-101**") and Ontario Securities Commission Rule 56-501 – Restricted Shares. While the Common Shares are technically "restricted securities" because the Proportionate Shares will have more voting rights, on a per share basis, than the Common Shares, the purpose of these rules is to govern situations where a class of shares has voting rights that are not proportionate with the economic rights of such class, which is not the case with the Proportionate Shares.

The Corporation is also exempt from the requirements of Section 12 of NI 41-101 on the basis that the Corporation received the requisite prior majority approval of shareholders of the Corporation, at the annual meeting of shareholders held on November 22, 2021, in accordance with applicable law, including Section 12.3 of NI 41-101, for the creation of the Proportionate Shares. The creation of the Proportionate Shares constituted a "restricted security reorganization" within the meaning of such term under applicable Canadian securities laws.

As of the Record Date, there were a total of 197,191,152 Common Shares and 75,563.798 Proportionate Shares issued and outstanding.

The Corporation has no other classes of voting securities.

To the knowledge of the directors and executive officers of the Corporation, as of the date of this Circular, no person or company owns, or controls or directs, directly or indirectly, 10% or more of the outstanding Common Shares, Proportionate Shares or voting rights attached to the Shares, other than as set out below:



Shareholder Name	Number and Percentage of Common Shares <sup>(1)</sup>	Number and Percentage of Proportionate Shares <sup>(1)</sup>	Number of Shares and Percentage of Voting Rights <sup>(1)</sup>
Jacob Cohen	Nil	48,762.398 (65%)	48,762.398 (17.9%)
Ischgl Management LLC	31,527,600 (16.0%)	Nil	31,527,600 (11.6%)
Carl Saling	2,013,000 (1%)	26,801.4 (35%)	28,814,400 (10.6%)

Note:

(1) All percentages are calculated on a non-diluted basis.

**Interest of Certain Persons in Matters to be Acted Upon**

No (a) director or executive officer of the Corporation who has held such position at any time since January 1, 2023; (b) Nominee (as defined herein); or (c) associate or affiliate of a person in (a) or (b) has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors. See “*Particular of Matters to be Acted Upon – Election of Directors*”.

**Interest of Informed Persons in Material Transactions**

Other than as disclosed herein, the Corporation is not aware of any informed person or any Nominee, or any associate or affiliate of the foregoing, who has had a material interest, direct or indirect, in any transaction entered into since January 1, 2023 or any proposed transaction, which has materially affected or would materially affect the Corporation.

**PARTICULARS OF MATTERS TO BE ACTED UPON**

**Determination of Number of Directors**

The directors are elected at each annual general meeting to hold office until the next annual general meeting or until their successors are duly elected or appointed, unless such office is earlier vacated in accordance with the Articles of the Corporation or a director becomes disqualified to act as a director. The authority to determine the number of directors of the Corporation rests with the shareholders. The Articles of the Corporation provide that the number of directors, excluding additional directors, may be fixed or changed from time to time by ordinary resolution whether previous notice thereof has been given or not. It is intended to fix the number of directors at three (3) for the ensuing year.

**The Board recommends that Shareholders vote FOR the resolution to set the number of directors of the Corporation at three (3).**

**Election of Directors**

The Board presently consists of two directors, being Mason Cave and Jacob Cohen. The Board has nominated Mason Cave, Jacob Cohen and Brad Nightingale (collectively, the “**Nominees**”), to stand for election as directors at the Meeting. Messrs. Cave and Cohen are each a current director of the Corporation. Each elected director will serve for a one-year term which will expire at the next annual general meeting of Shareholders or until their successors are elected or appointed, or if the elected director otherwise ceases to be a director in accordance with the Articles of the Corporation or the provisions of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”). Each of the Nominees has confirmed his or her willingness to serve on the Board for the ensuing year and management of the Corporation does not contemplate that any of the Nominees will be unable to serve as a director.

**The Board recommends that Shareholders vote in favour of the election of the three Nominees. Unless otherwise indicated, the persons designated as proxy holders in the accompanying form of proxy will vote the Shares represented by such form of proxy, properly executed, FOR the election of the three Nominees.**

Advance Notice Provisions

Section 14.12 of the Corporation’s articles (the “**Articles**”) contains advance notice provisions for the nomination of directors (the “**Advance Notice Provisions**”). Under the Advance Notice Provisions, a director nomination must be made, in the case of an annual meeting of Shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of Shareholders, and in the case of a special meeting of Shareholders (which is not also an annual meeting of Shareholders) called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15<sup>th</sup> day following the day on which the first public announcement of the date

of the special meeting of Shareholders was made. The Advance Notice Provisions also sets forth the information that a Shareholder must include in the notice to the Corporation. No director nominations have been made by Shareholders in connection with the Meeting under the terms of the Advance Notice Provisions, and as such the only nominations for directors at the Meeting are the Nominees set forth below.

The following provides information on the Nominees including: (i) their province or state and country of residence; (ii) the period during which each has served as a director; (iii) their membership on committees of the Board; (iv) their present principal occupation, business or employment and in the last five years; and (v) their current equity ownership consisting of Common Shares, Proportionate Shares, stock options (“**Legacy Options**”) and common share purchase warrants (“**Warrants**”) beneficially owned, controlled or directed, directly or indirectly.

<b>Mason Cave</b>	
<p>Arizona, United States</p> <p>Director since: October 30, 2023</p> <p>Non Independent<sup>(1)</sup></p>	<p>Mason Cave has a broad base of experience in the marijuana industry, including as CEO of Mohave Grow, which operated a 50,000 sf hydroponic marijuana cultivation facility in Kingman Arizona, and through various consulting engagements with dispensaries, cultivators and extraction companies. Through his consulting services company, Mr. Cave typically serves as a key advisor to the CEO and CFO in streamlining, expanding or standardizing operations. Mr. Cave successfully lobbied SB1286 (access to medical marijuana in rural areas) and SB 1494 (marijuana testing) through the Arizona State Legislature. Mr. Cave serves on the Marijuana Testing Committee for the state of Arizona. Mr. Cave has also served as an expert and audited multiple dispensaries in Arizona in relation to dispensary legal disputes.</p> <p>Mason Cave is a licensed CPA in the State of Arizona. In addition to being a CPA, he received his MBA from ASU in 2000. He has a broad base of experience in the real estate and construction industries, including with on site labor supervision, public accounting, property acquisition, due diligence, pro-forma analysis and organizational management. Mr. Cave has provided financial oversight and supervision for both private and public construction companies. Additionally, Mr. Cave has worked for various developers, land speculators, non-profit agencies, and small businesses. Mr. Cave also served as Planning and Zoning Commissioner for the City of Peoria, Arizona’s Planning and Zoning Commission.</p> <p>Mason served as a partner with Intravest Development, a company he helped to form with Thomas Roskos. At its peak, Intravest Development controlled over \$75MM in real estate assets consisting of residential and commercial assets.</p> <p>Previously Mr. Cave served as Chief Financial Officer and Vice President of Operations for Santa Anna Homes, a top 25 home-builder in the Phoenix Metropolitan market with revenues in excess of \$80MM. In this role, he was responsible for all aspects of the operations of Santa Anna Homes. He has also provided consulting services for Queensridge Towers LLC, a Las Vegas Condominium construction project with over \$400MM in revenues, and closed the syndication of that project’s \$250MM construction loan. Additionally, Mason worked for Del Webb Corporation (NYSE company purchased by Pulte Homes in 2001) where he ultimately served as Controller of Pulte’s Arizona Region. His focus was financial responsibility for the Lifestyles, Active Adult and Traditional product lines which accounted for nearly 3,900 new home closings annually and nearly \$1 billion in revenues. Responsibilities included future land acquisition feasibilities, cost pool analysis, and month-to-month review of financial results for each division.</p> <p>Mason was previously a member of the Private Homebuilders’ Financial Officers Group whose membership consisted of the financial officers of 20+ Phoenix market homebuilders.</p>
	<b>Board Committees</b>
	None
	<b>Principal Occupation</b>
	Chief Executive Officer at the Corporation from November 2023 to present; Manager of Rural Arizona Opportunity Fund Management Company LLC from January 2019 to present; and CEO of Labtronix, Inc. from June 2018 through June 2019.

	<b>Ownership</b>			
	<b>Common Shares</b>	<b>Proportionate Shares</b>	<b>Legacy Options</b>	<b>Warrants</b>
	2,347,700	Nil	Nil	Nil

(1) Mr. Cave is not independent on the basis that he is an executive officer of the Corporation.

<b>Jacob Cohen</b>				
Arizona, United States	Mr. Cohen is the founder of Venom Extracts, one of the industry's premier award-winning cannabis concentrate brands. Venom Extracts sales were consolidated with YourWay's sales starting after the closing in March 2020 and contributed approximately 95% of the Corporation's overall sales. Venom Extracts' product suite is a category leader in Arizona with over 4 million grams of cannabis sold in 2020, accounting for up to 30% of category sales state-wide (per BDS Analytics). Venom Extracts has strong brand recognition and distribution, with products in the vast majority of dispensaries in Arizona.			
Director since: October 11, 2021				
Non-Independent				
<b>Board Committees</b>				
None				
<b>Principal Occupation</b>				
President of Arizona Operations of YourWay from September 2022 to October 2023; CEO of YourWay from October 2021 to September 2022; and CEO of Labtronix Inc. d.b.a Venom Extracts from 2017 to June 2018.				
<b>Ownership</b>				
<b>Common Shares</b>	<b>Proportionate Shares</b>	<b>Legacy Options</b>	<b>Warrants</b>	
Nil	48,762.398	1,000,000	Nil	

<b>Brad Nightingale</b>				
Arizona, United States	With a career that started in 1989 in the investment banking industry, Mr. Nightingale has held various positions in corporate finance, institutional/retail sales, and trading across several investment banks. During this time, he assisted in managing the funding and trading of many public companies, mainly in the technology and business/consumer products sectors. In recent years, Mr. Nightingale has been working closely with numerous early stage venture companies, both public and private. He has held several positions including CEO, CFO, Board Member, and advisor, gaining significant experience in directly managing and overseeing a wide range of business functions in small and growing companies. He has also accumulated extensive expertise in managing all aspects of public market execution and compliance.			
Director since: N/A				
Independent				
<b>Board Committees</b>				
N/A				
<b>Principal Occupation</b>				
Independent management consultant				
<b>Ownership</b>				
<b>Common Shares</b>	<b>Proportionate Shares</b>	<b>Legacy Options</b>	<b>Warrants</b>	
1,365,100	Nil	Nil	Nil	

As at the Record Date, to the Corporation's knowledge, the directors and the executive officers of the Corporation, as a group, beneficially owned, directly or indirectly, or exercised control over, a total of 3,712,800 Common Shares, representing approximately 1.9% of the issued and outstanding Common Shares on a non-diluted basis and a total of 48,762.398 Proportionate Shares, representing approximately 65% of the issued and outstanding Proportionate Shares on a non-diluted basis.

### Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than the issuance by the BCSC and the OSC, on behalf of the applicable Canadian securities regulatory authorities, of the CTO pursuant to National Policy 11-207 – *Failure to File Cease Trade Orders and Revocations in Multiple Jurisdictions* in respect of the securities of the Corporation as a result of the Corporation being unable to file its audited annual financial statements for the year ended December 31, 2021, the related MD&A and CEO and CFO certifications issued in respect of the Corporation on May 9, 2022, no proposed director:

- (a) is, as of the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that
  - (i) was subject to an order that was issued while the proposed director was acting in the capacity of director, chief executive officer or chief financial officer; or
  - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity of director, chief executive officer or chief financial officer; or
- (b) is, at the date of this Circular, or has been within 10 years before the date of this Circular, a director or an executive officer of any company (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
- (c) has within 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

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

## **CORPORATE GOVERNANCE**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Corporation.

National Policy 58-201 – *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies (the “**Guidelines**”). National Instrument 58-101 – *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices which disclosure is set out below, in accordance with Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)*.

### **Ethical Conduct**

The Board views good corporate governance as an integral component to the success of the Corporation and to meet responsibilities to Shareholders. As part of its responsibility for the stewardship of the Corporation, the Board seeks to foster a culture of ethical conduct by requiring the Corporation to carry out its business in line with high business and moral standards and applicable legal and financial requirements. The Board has adopted a written code of business conduct and ethics (the “**Code**”), which applies to all employees, contractors, consultants, officers and directors of the Corporation. The purpose of the Code is to, among other things, promote honest and ethical conduct, promote the avoidance of conflicts of interest, promote full, fair and accurate timely and understandable disclosure in filings and public communications, promote compliance with applicable laws, rules and regulations, promote internal reporting of Code violations, provide guidance to employees, contractors, consultants, officers and directors of the Corporation to help them recognize and deal with ethical issues and help foster a culture of honesty, respect, positivity and accountability for the Corporation. A copy of the Code is available under the Corporation’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) as well as on the Corporation’s website.

The Board has also adopted a written “Whistleblower Policy” which establishes procedures for: (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, auditing matters or violations of the Code; and (ii) the submission by employees, contractors, consultants, directors or officers of the Corporation, on a confidential and anonymous basis, of concerns regarding questionable accounting, auditing matters or violations of the Code, any other policy, charter or mandate of the Corporation, or applicable laws, rules and regulations.

The Board has also adopted a Corporate Disclosure and Insider Trading Policy to ensure, among other things: (i) that the Corporation complies with timely disclosure obligations under securities laws and the regulations of the stock exchanges on which the Corporation’s securities are listed; (ii) that the Corporation prevents the selective disclosure of “material information” (as defined in the policy); (iii) that all communications to the public are informative, timely, factual, balanced, accurate and broadly disseminated; (iv) that persons to whom the policy applies understand their obligations to preserve the confidentiality of “undisclosed material information”; (v) strict compliance by all Insiders (as defined in the policy) with all requirements relating to the reporting of insider trading and with respect to trading when in possession of undisclosed material information; and (vi) that individuals subject to scheduled and unscheduled blackout periods adhere to the restrictions on trading as set out in the policy.

In addition, the Board has adopted an Anti-Bribery and Anti-Corruption Policy to ensure that all interactions with government officials, business partners, third parties and community stakeholders are undertaken with integrity and in compliance with applicable anti-bribery and anti-corruption laws.

The Board has also found that the fiduciary duties placed on individual directors by governing corporate legislation and the common law, and the restrictions placed by the *Business Corporations Act* (British Columbia) (the “BCBCA”) on an individual director’s participation in decisions of the Board in which the director has an interest, have helped to ensure that the Board operates independently of management and in the best interests of the Corporation.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of a company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, if a director of a company also serves as a director or officer of another company engaged in similar business activities to the first company, that director must comply with the conflict of interest provisions of the BCBCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors that evoke such a conflict.

### **Orientation and Continuing Education**

The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. The Corporation has not yet developed an official orientation or training program for new directors or a formal continuing education program for existing directors. Nevertheless, new directors will be provided, through discussions and meetings with other directors, officers and employees, with a thorough description of the Corporation’s business, assets, operations and strategic plans and objectives. Board members are encouraged to communicate with management, legal counsel, auditors and consultants of the Corporation, to keep themselves current with industry trends and developments and changes in legislation with management’s assistance, and to attend related industry seminars and visit the Corporation’s operations. Board members will have full access to the Corporation’s records. Orientation activities are tailored to the particular needs and experience of each director and the overall needs of the Board and requests for education are encouraged and dealt with on an ad hoc basis.

### **Compensation Committee**

The Compensation, Nominating and Governance Committee (the “**Compensation Committee**”) is typically appointed by the Board to assist in fulfilling its corporate governance responsibilities under applicable law, to promote a culture of integrity throughout the Corporation, to assist the Board in setting director and senior executive compensation and to develop and submit to the Board recommendations with respect to other employee benefits as they see fit. The Compensation Committee is not currently active and the typical duties and responsibilities of the Compensation Committee are presently carried out by the Board.

#### *Nomination of Directors*

The Compensation Committee considers the size of the Board each year when it considers the number of directors to recommend to the Board and to the Shareholders for election at the annual meeting of Shareholders, taking into account the number required to carry out the Board’s duties effectively and to maintain a diversity of views and

experience. The Compensation Committee is responsible, among other things, for recommending candidates for nomination, appointment, election and re-election to the Board and its committees, and for annually assessing Board performance. The Compensation Committee assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors.

### Compensation

The Compensation Committee has the responsibility of reviewing and recommending to the Board the compensation of the directors and the senior executive officers of the Corporation, including the CEO and CFO, and for reviewing the CEO's recommendations regarding compensation of the other senior executives of the Corporation. To determine compensation payable, the Compensation Committee reviews compensation paid to directors and chief executive officers of other companies of similar size and stage of development in similar industries and then determines the appropriate compensation reflecting the responsibilities and time and effort expended by each director and senior executive while taking into account the financial and other resources of the Corporation. In setting compensation, the Compensation Committee annually reviews the performance of the directors and senior executives of the Corporation in light of the Corporation's objectives and considers other factors that may have influenced achievement of the Corporation's objectives.

The Compensation Committee also periodically reviews any bonus plans and security-based compensation plans of the Corporation, including the Corporation's 10% rolling stock option plan (the "**Legacy Option Plan**") and the Corporation's omnibus long term incentive plan (the "**LTIP**"), and considers these security-based compensation plans in light of new trends and practices of peers in the same industry. It also has the responsibility of reviewing and recommending to the Board for approval any special employment contracts including employment offers, retiring allowance agreements or any agreement to take effect in the event of termination or change in control affecting any senior executives of the Corporation.

For further details regarding the compensation of directors, as well as details regarding the Corporation's compensation program, see "*Executive Compensation – Oversight and Description of Director and Named Executive Officer Compensation*" below.

### **Board Committees**

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

### **Assessments**

On an ongoing annual basis, the Compensation Committee assesses the performance of the Board as a whole, each of the individual directors and each committee of the Board in order to satisfy itself that each is functioning effectively. The Compensation Committee also monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and its committees.

## **AUDIT COMMITTEE**

National Instrument 52-110 – *Audit Committees* ("**NI 52-110**") mandates the provision of certain disclosure regarding the Audit Committee of a "venture issuer" (as that term is defined in NI 52-110) which disclosure is set out below, in accordance with Form 52-110F2 – *Disclosure by Venture Issuers*.

### **The Audit Committee's Charter**

The purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing the financial information, which will be provided to the Shareholders and the public, the systems of corporate controls, which management and the Board have established and overseeing the audit process. The Audit Committee has general responsibility to oversee internal controls, accounting and auditing activities and legal compliance of the Corporation.

A copy of the Audit Committee Charter is attached hereto as Schedule "A".

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

The Audit Committee currently has no members and the typical functions of the Audit Committee are presently administered by the Board.

## Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of YourWay's external auditors not been adopted by the Board.

## Reliance on Certain Exemptions

At no time since the commencement of 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 (*Exemptions*) of NI 52-110.

### Exemption for Venture Issuers

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

## Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services by the Corporation's external auditor as set out in the Audit Committee Charter.

## External Auditor Service Fees (By Category)

Simple, Marchal & Cooper, LLP ("SMC") was the auditor of the Corporation but resigned on November 16, 2023. A Notice of Change of Auditor dated November 23, 2023 was filed under the Corporation's profile on SEDAR+ pursuant to Section 4.11 of NI 51-102. Macias Gini & O'Connell LLP ("MGO") was the previous auditor of the Corporation. A Notice of Change of Auditor dated August 17, 2023, respecting the change from MGO to SMC as auditor of the Corporation, was filed under the Corporation's profile on SEDAR+ pursuant to Section 4.11 of NI 51-102. The Audit Committee has reviewed the nature and amount of the non-audit services provided to the Corporation to ensure auditor independence. The following table sets out, by category, the aggregate fees billed by the Corporation's auditors for the financial years ended December 31, 2022 and December 31, 2021.

Year	Audit Fees <sup>(1)</sup>	Audit-Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
2021	302,418	Nil	Nil	Nil
2022	237,071	Nil	Nil	Nil

### Notes:

- "Audit Fees" include fees necessary to perform the annual audit of the Corporation's financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- "Audit-Related Fees" include the fees for assurance and related services by the Corporation's external auditor that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported under "Audit Fees" above.
- "Tax Fees" include the fees for professional services rendered to the Corporation's external auditor for tax compliance, tax advice and tax planning.
- "All Other Fees" include the fees billed in each of the last two financial years for products and services provided by the Corporation's external auditor, other than "Audit Fees", "Audit-Related Fees" and "Tax Fees" above.

## EXECUTIVE COMPENSATION

The following information is presented in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* ("Form 51-102F6V") and provides details of all compensation for each of the named executive officers or "NEOs", as defined in Form 51-102F6V, and directors of the Corporation for the financial year ended December 31, 2023. All dollar amounts referenced herein, unless otherwise indicated, are expressed in United States dollars.

During the financial year ended December 31, 2023, the Corporation had six NEOs: Mason Cave, the current CEO of the Corporation, Jakob Ripshtein, the former Executive Chairman of the Corporation and the former Acting CEO of the Corporation, Sandra Ceccacci, the former CFO of the Corporation, Jacob Cohen, the former Chief Operating Officer ("COO") of the Corporation, the former CEO of the Corporation and the former President of Arizona



Operations of the Corporation, Eula Adams, the former Interim CFO of the Corporation and Chris Lund, the former Chief Commercial Officer (“CCO”) of the Corporation.

### Director and Named Executive Officer Compensation – Excluding Compensation Securities

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation to each current and former NEO and director, in any capacity, for the financial years ended December 31, 2023 and 2022.

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all Other Compensation (\$)	Total Compensation (\$)
<b>Jakob Ripshtein</b> <sup>(1)</sup> Former Director, Former Executive Chairman and Former Acting CEO	2023	\$140,616	-	-	-	-	\$140,616
	2022	\$221,146	-	-	-	-	\$221,146
<b>Sandra Ceccacci</b> <sup>(2)</sup> Former CFO	2023	\$247,500	-	-	-	-	\$247,500
	2022	\$200,693	-	-	-	-	\$200,693
<b>Jacob Cohen</b> <sup>(3)</sup> Director and Former COO, CEO and President of Arizona Operations	2023	\$169,009	-	-	-	-	\$169,009
	2022	\$330,157	-	-	-	-	\$330,157
<b>Eula Adams</b> <sup>(4)</sup> Director and Former Interim CFO	2023	-	-	-	-	-	-
	2022	-	-	-	-	-	-
<b>Chris Lund</b> <sup>(5)</sup> Former CCO	2023	\$376,958	-	-	-	-	\$376,958
	2022	\$516,865	-	-	-	-	\$516,865
<b>Lily Dash</b> <sup>(6)</sup> Former Director	2023	-	-	-	-	-	-
	2022	-	-	-	-	-	-
<b>Kevin</b> <sup>(7)</sup> <b>Harrington</b> Former Director	2023	\$67,637	-	-	-	-	\$67,637
	2022	\$75,778	-	-	-	-	\$75,778
<b>Brett Mecum</b> <sup>(8)</sup> Former Director	2023	-	-	-	-	-	-
	2022	-	-	-	-	-	-
<b>Mason Cave</b> Interim CEO <sup>(9)</sup>	2023	\$27,000	-	-	-	-	\$27,000
	2022	Nil	-	-	-	-	Nil

Notes:

- (1) Mr. Ripshtein was appointed as a director of the Corporation on August 30, 2021, as the Executive Chairman of the Corporation on March 21, 2022 and as the Acting CEO of the Corporation on September 11, 2022. Mr. Ripshtein resigned as a director of the Corporation on October 20, 2023. Mr. Ripshtein resigned from his position as the Executive Chairman of the Corporation and the Acting CEO of the Corporation on October 27, 2023.
- (2) Ms. Ceccacci was appointed as the CFO of the Corporation on April 4, 2022 and was terminated for cause on November 3, 2023.
- (3) Mr. Cohen was appointed as the COO of the Corporation on November 18, 2020 and as the CEO of the Corporation on October 11, 2021. Mr. Cohen resigned from his position as the CEO of the Corporation on September 11, 2022. Mr. Cohen was appointed as President of Arizona Operations of the Corporation on September 11, 2022. Mr. Cohen resigned from his position as President of Arizona Operations of the Corporation on October 16, 2023.
- (4) Mr. Adams was appointed as the Interim CFO of the Corporation on October 11, 2021 and elected as a director of the Corporation on November 22, 2021. Mr. Adams resigned from his position as the Interim CFO of the Corporation on April 4, 2022. Mr. Adams resigned from his board post on October 31, 2023.

- (5) Mr. Lund was appointed as the CCO of the Corporation on October 11, 2021 and resigned July 31, 2023.  
(6) Ms. Dash was appointed as a director of the Corporation on October 11, 2021. Ms. Dash resigned on October 31, 2023.  
(7) Mr. Harrington was appointed as a director of the Corporation on August 30, 2021. Mr. Harrington resigned as a director of the Corporation on October 31, 2023.  
(8) Mr. Mecum was appointed as a director of the Corporation on October 11, 2021. Mr. Mecum resigned on December 27, 2023.  
(9) Mr. Cave was appointed as Interim CEO of the Corporation on October 30, 2023.

### Legacy Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each NEO and director by the Corporation for services provided or to be provided, directly or indirectly, to the Corporation up to the financial year ended December 31, 2023.

Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities, and Percentage of Class <sup>(1)</sup>	Date of Issue or Grant	Issue, Conversion, or Exercise price (\$)	Closing Price of Security or Underlying Security on Date of Grant (\$)	Closing Price of Security or Underlying Security at Year End (\$) <sup>(2)</sup>	Expiry Date
<b>Jakob Ripshtein</b> <sup>(3)(4)</sup> Former Director, Former Executive Chairman and Former Acting CEO	Legacy Options <sup>(5)(6)</sup>	2,000,000	August 30, 2021	CAD\$0.27	CAD\$0.27	CAD\$0.085	August 30, 2026
<b>Sandra Ceccacci</b> <sup>(7)(8)</sup> Former CFO	Nil <sup>(9)</sup>	Nil	Nil	Nil	Nil	Nil	Nil
<b>Jacob Cohen</b> <sup>(10)(11)</sup> Director and Former COO, CEO and President of Arizona Operations	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Eula Adams</b> <sup>(12)(13)</sup> Former Director and Interim CFO	Legacy Options <sup>(5)(6)</sup>	1,750,000	October 11, 2021	CAD\$0.22	CAD\$0.22	CAD\$0.085	October 11, 2026
<b>Chris Lund</b> <sup>(14)(15)</sup> Former CCO	Legacy Options <sup>(5)(6)</sup>	1,000,000	October 11, 2021	CAD\$0.22	CAD\$0.22	CAD\$0.085	October 11, 2026
<b>Lily Dash</b> <sup>(16)(17)</sup> Former Director	Legacy Options <sup>(5)(6)</sup>	750,000	October 11, 2021	CAD\$0.22	CAD\$0.22	CAD\$0.085	October 11, 2026
<b>Kevin Harrington</b> <sup>(18)</sup> <sup>(19)</sup> Former Director	Legacy Options <sup>(5)(20)</sup>	4,000,000	August 30, 2021	CAD\$0.27	CAD\$0.27	CAD\$0.085	August 30, 2026
<b>Brett Mecum</b> <sup>(21)(22)</sup> Former Director	Legacy Options <sup>(5)(6)</sup>	750,000	October 11, 2021	CAD\$0.22	CAD\$0.22	CAD\$0.085	October 11, 2026
<b>Mason Cave</b> Interim CEO <sup>(23)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Percentage of class represents % of compensation securities granted over the total number of the class of underlying securities of the Corporation outstanding as of December 31, 2023.
- (2) Closing price of the Common Shares on the CSE as at May 9, 2022, the date on which the CSE issued a cease trade order against the Corporation, being CAD\$0.0850.
- (3) As at December 31, 2023, Mr. Ripshtein held 2,000,000 Legacy Options.
- (4) Mr. Ripshtein was appointed as a director of the Corporation on August 30, 2021, as the Executive Chairman of the Corporation on March 21, 2022 and as the Acting CEO of the Corporation on September 11, 2022. Mr. Ripshtein resigned as a director of the Corporation on October 20, 2023. Mr. Ripshtein resigned from his position as the Executive Chairman of the Corporation and the Acting CEO of the Corporation on October 27, 2023.
- (5) Each Legacy Option entitles the holder to acquire one Common Share upon exercise.
- (6) The Legacy Options will vest 25% annually from the date of grant.
- (7) As at December 31, 2023, Ms. Ceccacci held a total of nil Legacy Options.
- (8) Ms. Ceccacci was appointed as the CFO of the Corporation on April 4, 2022 and was terminated for cause on November 3, 2023.
- (9) Pursuant to the Ceccacci Employment Agreement, Ms. Ceccacci is entitled to a grant of 1,000,000 Legacy Options, subject to the approval of the Board.
- (10) As at December 31, 2023, Mr. Cohen held a total of nil Legacy Options.
- (11) Mr. Cohen was appointed as the COO of the Corporation on November 18, 2020 and as the CEO of the Corporation on October 11, 2021. Mr. Cohen resigned from his position as the CEO of the Corporation on September 11, 2022. Mr. Cohen was appointed as President of Arizona Operations of the Corporation on September 11, 2022. Mr. Cohen resigned from his position as President of Arizona Operations of the Corporation on October 16, 2023.
- (12) As at December 31, 2023, Mr. Adams held a total of 1,750,000 Legacy Options.
- (13) Mr. Adams was appointed as the Interim CFO of the Corporation on October 11, 2021 and elected as a director of the Corporation on November 22, 2021. Mr. Adams resigned from his position as the Interim CFO of the Corporation on April 4, 2022. Mr. Adams resigned his post on October 31, 2023.
- (14) As at December 31, 2023, Mr. Lund held a total of 1,000,000 Legacy Options.
- (15) Mr. Lund was appointed as the CCO of the Corporation on October 11, 2021 and resigned on July 31, 2023.
- (16) As at December 31, 2023, Ms. Dash held a total of 750,000 Legacy Options.
- (17) Ms. Dash was appointed as a director of the Corporation on October 11, 2021. Ms. Dash resigned from the board on October 31, 2023.
- (18) As at December 31, 2022, Mr. Harrington held a total of 4,000,000 Legacy Options.
- (19) Mr. Harrington was appointed as a director of the Corporation on August 30, 2021. Mr. Harrington resigned as a director of the Corporation on October 31, 2023.
- (20) 75% of the Legacy Options have vested. The remaining 25% will vest on August 30, 2024.
- (21) As at December 31, 2023, Mr. Mecum held a total of 750,000 Legacy Options.
- (22) Mr. Mecum was appointed as a director of the Corporation on October 11, 2021 and resigned on December 27, 2023.
- (23) Mr. Cave was appointed as Interim CEO of the Corporation on October 30, 2023.

**Exercise of Compensation Securities by Directors and Named Executive Officers**

The following table sets out all compensation securities exercised or vested by each NEO and director during the financial year ended December 31, 2023.

Name and Position	Type of Compensation Security	Number of Underlying Securities Exercised / Vested	Exercise Price per Security (\$)	Date of Exercise/ Vesting	Closing Price of Security or Underlying Security on Date of Exercise/ Vesting <sup>(1)</sup> (\$)	Difference between Exercise Price and Closing Price on Date of Exercise/ Vesting (\$)	Total Value on Exercise/ Vesting Date (\$)
<b>Jakob Ripshtein</b> <sup>(2)</sup> Former Director, Former Executive Chairman and Former Acting CEO	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sandra Ceccacci</b> <sup>(3)</sup> Former CFO	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Name and Position	Type of Compensation Security	Number of Underlying Securities Exercised / Vested	Exercise Price per Security (\$)	Date of Exercise/ Vesting	Closing Price of Security or Underlying Security on Date of Exercise/ Vesting <sup>(1)</sup> (\$)	Difference between Exercise Price and Closing Price on Date of Exercise/ Vesting (\$)	Total Value on Exercise/ Vesting Date (\$)
<b>Jacob Cohen</b> <sup>(4)</sup> Director and Former COO, CEO and President of Arizona Operations	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Eula Adams</b> <sup>(5)</sup> Former Director and Interim CFO	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Chris Lund</b> <sup>(6)</sup> Former CCO	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Lily Dash</b> <sup>(7)</sup> Former Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Kevin Harrington</b> <sup>(8)</sup> Former Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Brett Mecum</b> <sup>(9)</sup> Former Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Mason Cave</b> <sup>(10)</sup> Interim CEO	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Reflects the closing price of the Common Shares on the CSE on the date of exercise or vesting, as applicable.
- (2) Mr. Ripshtein was appointed as a director of the Corporation on August 30, 2021, as the Executive Chairman of the Corporation on March 21, 2022 and as the Acting CEO of the Corporation on September 11, 2022. Mr. Ripshtein resigned as a director of the Corporation on October 20, 2023. Mr. Ripshtein resigned from his position as the Executive Chairman of the Corporation and the Acting CEO of the Corporation on October 27, 2023.
- (3) Ms. Ceccacci was appointed as the CFO of the Corporation on April 4, 2022 and was terminated for cause on November 3, 2023.
- (4) Mr. Cohen was appointed as the COO of the Corporation on November 18, 2020 and as the CEO of the Corporation on October 11, 2021. Mr. Cohen resigned from his position as the CEO of the Corporation on September 11, 2022. Mr. Cohen was appointed as President of Arizona Operations of the Corporation on September 11, 2022. Mr. Cohen resigned from his position as President of Arizona Operations of the Corporation on October 16, 2023.
- (5) Mr. Adams was appointed as the Interim CFO of the Corporation on October 11, 2021 and elected as a director of the Corporation on November 22, 2021. Mr. Adams resigned from his position as the Interim CFO of the Corporation on April 4, 2022. Mr. Adams resigned on October 31, 2023.
- (6) Mr. Lund was appointed as the CCO of the Corporation on October 11, 2021 and resigned July 31, 2023.
- (7) Ms. Dash was appointed as a director of the Corporation on October 11, 2021. Ms. Dash resigned on October 31, 2023.
- (8) Mr. Harrington was appointed as a director of the Corporation on August 30, 2021. Mr. Harrington resigned as a director of the Corporation on October 31, 2023.
- (9) Mr. Mecum was appointed as a director of the Corporation on October 11, 2021 and resigned December 27, 2023.
- (10) Mr. Cave was appointed as Interim CEO of the Corporation on October 30, 2023.

## Legacy Option Plans and Other Incentive Plans

### Legacy Option Plan

The Board adopted a 10% rolling stock option plan dated November 19, 2019 (the “**Legacy Option Plan**”). The purpose of the Legacy Option Plan was to provide the Corporation with a share related mechanism to enable the Corporation to attract, retain and motivate qualified directors, officers, employees and other service providers, to reward directors, officers, employees and other service providers for their contribution toward the long-term goals of

the Corporation and to enable and encourage such individuals to acquire shares of the Corporations as long-term investments.

See “*Securities Authorized For Issuance Under Equity Compensation Plans – Legacy Option Plan*” for a brief description of the terms of the Legacy Option Plan

### **Employment, Consulting and Management Agreements**

The material terms of each agreement under which compensation was provided during the financial year ended December 31, 2023 or is payable in respect of services provided to the Corporation by each NEO or director, is set out below.

#### *Mason Cave, Interim CEO and Director*

Mr. Cave was appointed as a Director and as interim CEO of the Corporation on October 30, 2023.

On October 30, 2023, the Corporation entered into an employment agreement with Mr. Cave whereby Mr. Cave was appointed as the Interim CEO and Director of the Corporation (the “**Cave Employment Agreement**”). The term of the Cave Employment Agreement commenced on October 30, 2023 and will continue unless terminated in accordance with the terms of the Cave Employment Agreement. Pursuant to the Cave Employment Agreement, Mr. Cave is eligible for an annual base salary of up to \$180,000 per year.

The Cave Employment Agreement provided that, if the Cave Employment Agreement was terminated, Mr. Cave would receive all unpaid but earned salary, less all applicable deductions, as well as any unpaid but earned bonus.

#### *Jakob Ripshtein, Former Executive Chairman, Former Acting CEO and Former Director*

Mr. Ripshtein was appointed as Chairman of the Board on August 30, 2021, as the Executive Chairman of the Corporation on March 21, 2022 and as the Acting CEO of the Corporation on September 11, 2022.

On March 17, 2022, the Corporation entered into a consulting agreement with Mr. Ripshtein whereby Mr. Ripshtein was appointed as the Executive Chairman of the Corporation (the “**Ripshtein Consulting Agreement**”). The term of the Ripshtein Consulting Agreement commenced on March 21, 2022 and were to continue unless terminated in accordance with the terms of the Ripshtein Consulting Agreement. Pursuant to the Ripshtein Consulting Agreement, Mr. Ripshtein was eligible to receive a monthly fee of \$10,416.67 plus applicable HST and, subject to Shareholder approval of the LTIP, on each six-month anniversary of the Ripshtein Consulting Agreement, a grant of RSUs in an amount equal to \$62,500 divided by the closing price of the Common Shares on the day immediately prior to the date of grant.

Pursuant to the Ripshtein Consulting Agreement, Mr. Ripshtein was entitled to a bonus (the “**Ripshtein Bonus**”) in the event that the Corporation expanded operations into a State other than Arizona (each, a “**Bonus State**”) and achieved minimum annual revenue of \$5,000,000 in such Bonus State within 18 months of the commencement of operations in such Bonus State (the “**Ripshtein Bonus Criteria**”), provided that calculation for determining the Ripshtein Bonus Criteria for the State of California only begins as of March 21, 2022. The Ripshtein Bonus was to be paid by way of a grant of RSUs in such number as is equal to \$500,000 divided by the closing price of the Common Shares on any date on which the Ripshtein Bonus Criteria were satisfied.

The Ripshtein Consulting Agreement provided that, if the Ripshtein Employment Agreement was terminated, Mr. Ripshtein would receive all unpaid but earned salary, less all applicable deductions, as well as any unpaid but earned bonus.

Mr. Ripshtein resigned from his position as Chairman of the Board effective October 20, 2023 and from his position as the Executive Chairman of the Corporation and the Acting CEO of the Corporation effective October 27, 2023.

#### *Jacob Cohen, Director and Former CEO, COO and President of Arizona Operations*

Mr. Cohen was appointed as the COO of the Corporation on November 18, 2020, as the CEO of the Corporation on October 11, 2021 and as President of Arizona Operations of the Corporation on September 11, 2022.

On October 11, 2021, the Corporation entered into an employment agreement with Mr. Cohen whereby Mr. Cohen was appointed as the CEO of the of the Corporation (the “**Cohen Employment Agreement**”). The term of the Cohen Employment Agreement commenced on October 11, 2021 and were to continue unless terminated in accordance with the terms of the Cohen Employment Agreement. Pursuant to the Cohen Employment Agreement, Mr. Cohen was

eligible for an annual base salary of \$250,000.

Pursuant to the Cohen Employment Agreement, Mr. Cohen was entitled to a bonus (the “**Cohen Bonus**”) of \$1,000,000 payable in Common Shares in the event that the Corporation expanded operations into a State other than Arizona and California (each, a “**New State**”) and achieved minimum annual revenue of \$10,000,000 in such New State within 18 months of the commencement of operations in such New State, provided that the Corporation’s earnings before interest, taxes, depreciation and amortization in such New State is at least 20% of revenue (the “**Cohen Bonus Criteria**”); and provided further that the maximum bonus amount is \$5,000,000.

If Mr. Cohen terminated the Cohen Employment Agreement upon 30 days written notice, Mr. Cohen was to receive all unpaid but earned salary, less all applicable deductions, as well as any unpaid but earned bonus. If the Corporation terminated the Cohen Employment Agreement for cause or without cause, the Corporation was to pay all of Mr. Cohen’s unpaid but earned salary, less applicable deductions, as well as any unpaid but earned bonus. In addition, if the Corporation terminated the Cohen Employment Agreement without cause, the Corporation was to conditionally provide Mr. Cohen with a severance payment equal to 12 months of his salary as of the date of termination, less applicable deductions, provided Mr. Cohen executed a separation agreement in a form and manner reasonably acceptable to the Board (the “**Cohen Separation Agreement**”). The severance payment was to be payable in a lump sum not later than six months following Mr. Cohen’s execution of the Cohen Separation Agreement. In addition, if the Cohen Employment Agreement was terminated by the Corporation for cause before the Cohen Bonus Criteria had been strictly met, Mr. Cohen will not be eligible for the Cohen Bonus in whole or in part. If the Cohen Employment Agreement was terminated by the Corporation without cause after at least 75% of the Cohen Bonus Criteria for any New State had been strictly met, Mr. Cohen would have been eligible to receive post-termination that *pro rata* portion of the Cohen Bonus achieved.

Mr. Cohen resigned from his position as the CEO of the Corporation effective September 11, 2022.

On September 11, 2022, the Corporation entered into an employment agreement with Mr. Cohen whereby Mr. Cohen was appointed as the President of Arizona Operations of the Corporation (the “**Second Cohen Employment Agreement**”). The term of the Second Cohen Employment Agreement commenced on September 11, 2022 and was to continue unless terminated in accordance with the terms of the Second Cohen Employment Agreement. Pursuant to the Second Cohen Employment Agreement, Mr. Cohen was eligible for an annual base salary of \$150,000.

Pursuant to the Second Cohen Employment Agreement, Mr. Cohen was eligible to earn incentive compensation in the form of bonuses of up to 35% of Mr. Cohen’s base salary, at the Board’s discretion. In addition, Mr. Cohen was also entitled to a grant of 250,000 Legacy Options on an annual basis, subject to the approval of the Board.

If Mr. Cohen were to terminate the Second Cohen Employment Agreement upon 30 days written notice, Mr. Cohen would have been entitled to receive all unpaid but earned salary, less all applicable deductions. If the Corporation terminated the Second Cohen Employment Agreement for cause or without cause, the Corporation would have been required to pay all of Mr. Cohen’s unpaid but earned salary, less applicable deductions. In addition, if the Corporation terminated the Cohen Employment Agreement without cause, the Corporation would have conditionally provided Mr. Cohen with a severance payment equal to 12 months of his salary as of the date of termination, less applicable deductions, provided Mr. Cohen executed a separation agreement in a form and manner reasonably acceptable to the Board (the “**Second Cohen Separation Agreement**”). The severance payment was to be payable in a lump sum not later than six months following Mr. Cohen’s execution of the Second Cohen Separation Agreement.

On October 16, 2023, the Corporation entered into an amending agreement with Mr. Cohen whereby the Second Cohen Employment Agreement was amended such that upon the termination of the Second Cohen Employment Agreement, Mr. Cohen would not be deemed to have resigned from the Board.

Mr. Cohen resigned from his position as President of Arizona Operations of the Corporation effective October 16, 2023.

#### Sandra Ceccacci, Former CFO

Ms. Ceccacci was appointed as the CFO of the Corporation on April 4, 2022.

On October 11, 2021, the Corporation entered into an employment agreement with Ms. Ceccacci whereby Ms. Ceccacci was appointed as the CFO of the of the Corporation (the “**Ceccacci Employment Agreement**”). The term of the Ceccacci Employment Agreement commenced on April 4, 2022 and were to continue unless terminated in accordance with the terms of the Ceccacci Employment Agreement. Pursuant to the Ceccacci Employment Agreement, Ms. Ceccacci was eligible for an annual base salary of \$200,000. Pursuant to the Ceccacci Employment

Agreement, Ms. Ceccacci was entitled to a grant of 1,000,000 Legacy Options, subject to the approval of the Board.

If Ms. Ceccacci were to have terminated the Ceccacci Employment Agreement upon 30 days written notice, Ms. Ceccacci was to receive all unpaid but earned salary, less all applicable deductions, as well as any unpaid but earned bonus. If the Corporation terminated the Ceccacci Employment Agreement for cause or without cause, the Corporation was to pay all of Mr. Ceccacci's unpaid but earned salary, less applicable deductions, as well as any unpaid but earned bonus. In addition, if the Corporation terminated the Ceccacci Employment Agreement without cause, the Corporation would have provided Ms. Ceccacci with a severance payment equal to 12 months of her salary as of the date of termination, less applicable deductions, provided that such amount was not less than Ms. Ceccacci's entitlements under the Ontario *Employment Standards Act, 2000*, as amended.

Ms. Ceccacci was terminated for cause on November 3, 2023.

#### Chris Lund, Former CCO

On October 11, 2021, the Corporation entered into a consulting agreement with Mr. Lund (the "**Lund Consulting Agreement**"), whereby Mr. Lund agreed to provide services to the Corporation in the capacity of CCO of the Corporation.

The Lund Consulting Agreement was to continue on an indefinite basis, until terminated in accordance with the terms of the Lund Consulting Agreement. On signing of the Lund Consulting Agreement, the Corporation issued to Mr. Lund such number of Common Shares as was equal to \$5,000 divided by the closing price of the Common Shares on October 11, 2021. As further consideration for the entering into of the Lund Consulting Agreement, the Corporation granted Mr. Lund 1,000,000 Legacy Options.

Either Mr. Lund or the Corporation was entitled to terminate the Lund Consulting Agreement at any time by providing the other party with 30 days written notice. In addition, the Corporation was entitled to terminate the Lund Consulting Agreement at any time without notice or any payment in lieu thereof in the event of a material breach of the Lund Consulting Agreement, as described in the Lund Consulting Agreement, by Mr. Lund.

Mr. Lund resigned as CCO on July 31, 2023.

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

The Compensation Committee assumes responsibility for reviewing, approving and recommending to the Board for approval the remuneration of the Corporation's senior executives and directors, including the Corporation's CEO and CFO. In determining compensation, the Compensation Committee considers industry standards and the Corporation's financial situation, but the Corporation does not have any formal objectives or criteria and did not use any formal peer group evaluation to determine executive compensation. The performance of each executive officer is informally monitored by the Compensation Committee, having in mind the competitive position and individual performance of the individual and the purpose of originally appointing the individual as an officer.

When considering the appropriate executive compensation to be paid to the Corporation's senior executives and directors, the Compensation Committee has regard to a number of factors including: (i) offering competitive compensation to attract, retain and motivate the very best qualified executives to allow the Corporation to meet its goals; (ii) establishing sound corporate governance practices that are in the interest of the Shareholders and contribute to effective and efficient decision-making; and (iii) acting in the interests of the Corporation and the Shareholders by being fiscally responsible.

The Corporation has limited financial resources and as a result, the Compensation Committee must consider the financial situation of the Corporation. As Legacy Options do not require cash disbursement by the Corporation, they have been used as an important element of executive compensation.

#### Compensation Review Process

The Compensation Committee has assessed the Corporation's compensation plans and programs for its executive officers to ensure alignment with the Corporation's business plan and to evaluate the potential risks associated with those plans and programs. The Compensation Committee has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Corporation. The Compensation Committee considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Corporation has not adopted a policy restricting its executive officers or directors from purchasing financial



instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Corporation, none of the executive officers or directors has purchased such financial instruments. The Compensation Committee is responsible for reviewing and approving corporate goals and objectives relevant to an executive officer's compensation, evaluating the executive officer's performance in light of those goals and objectives and making recommendations with respect to the executive officer's future compensation, based on the evaluation.

Executive compensation consists of short-term compensation in the form of a base salary, annual bonuses and long-term ownership through the grant of Legacy Options and, if approved at the Meeting, the grant of Awards through the LTIP, to ensure that a portion of executive compensation is both long-term and "at risk". Accordingly, executive compensation is linked to the achievement of business results and the creation of long-term Shareholder value.

The Compensation Committee determines the number of Legacy Options to be awarded under its Legacy Option Plan. Legacy Options are generally awarded to executive officers at the commencement of employment and periodically thereafter. Legacy Options are granted to reward individuals for current performance, expected future performance and value to the Corporation. The size of awards made subsequent to the commencement of employment takes into account Legacy Options already held by the individual.

If the LTIP receives Shareholder approval, the Corporation intends to issue Awards pursuant to the LTIP. The Compensation Committee will determine the number of Awards to be awarded under the LTIP. Awards will be granted to reward individuals for current performance, expected future performance and value of the Corporation. The size of awards made subsequent to the LTIP receiving Shareholder approval will take into account Legacy Options already held by the individual. The Awards tie pay to performance of the Corporation because the value of the Awards is based on the Common Share price on the vesting date. Accordingly, declines in Common Share price have a negative impact on compensation, while increases have a positive impact.

At this time NEO's and directors are not allowed to hedge any risk in the Corporation's securities.

#### Compensation of Board Members and Named Executive Officers

Compensation for each of the Board members and each of the NEOs is reviewed and recommended by the Compensation Committee to the Board for approval but the Compensation Committee does not use any formal peer group evaluation. The Compensation Committee has not proceeded with a formal evaluation of the implications of the risks associated with the Corporation's compensation policies and practices. Risk management is a consideration of the Compensation Committee when implementing its compensation program, and the Compensation Committee does not believe that the Corporation's compensation program results in unnecessary or inappropriate risk-taking including risks that are likely to have a material adverse effect on the Corporation.

#### Philosophy and Objectives

The compensation program for senior management of the Corporation is designed to ensure that the level and form of compensation achieves certain objectives, as set forth above. The Corporation relies on the Compensation Committee for determining executive compensation without any formal objectives, criteria and analysis.

#### Elements of NEO Compensation

The Corporation's compensation program consists of the following elements:

- (i) base salary or consulting fees;
- (ii) bonus payments; and
- (iii) equity participation through the Legacy Option Plan and the LTIP (if approved at the Meeting).

#### Base Salary or Consulting Fees

The primary element of the Corporation's compensation program is base salary. The Corporation's view is that a competitive base salary is a necessary element for retaining qualified executive officers. The amount payable to an executive officer as base salary is determined primarily (i) the particular responsibilities related to the position; (ii) the experience level of the executive officer; (iii) the amount of time and commitment which the executive officer devotes to the Corporation; and (iv) the executive officer's overall performance and performance in relation to the achievement of corporate milestones and objectives.

#### Bonus

Each of the executive officers, as well as all employees, are eligible for an annual bonus, payable in cash or through Legacy Option-based compensation. The amount paid is based on the Compensation Committee's assessment of

individual performance and the Corporation's performance for the year, including financial criteria (such as cash flow and share price performance) and operational criteria. The Corporation did not award any bonuses for the financial years ended December 31, 2023 or December 31, 2022.

### *Equity Participation*

The Corporation believes that encouraging its executives and employees to become Shareholders is the best way to align their interests with those of Shareholders. Equity participation is accomplished through the Legacy Option Plan and the LTIP (if approved at the Meeting). Legacy Options are granted to executives and employees taking into account a number of factors, including the amount and term of Legacy Options previously granted, base salary and bonuses and other competitive factors. The amounts and terms of Legacy Options granted are determined by the Compensation Committee and subject to Board approval. If the LTIP receives the requisite Shareholder approval, the Corporation intends to cease issuing Legacy Options pursuant to the Legacy Option Plan and to instead only issue Awards pursuant to the LTIP going forward. The Awards will be granted to executives and employees taking into account a number of factors, including the amount and term of Awards and Legacy Options previously granted, base salary and bonuses and other competitive factors.

Given the evolving nature of the Corporation's business, the Compensation Committee continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

### **Pension Disclosure**

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Corporation and none are proposed at this time.

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

The following table provides details of compensation plans under which equity securities of the Corporation are authorized for issuance as of December 31, 2023.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options and rights</b> <b>(a)</b>	<b>Weighted-average exercise price of outstanding options and rights</b> <b>(b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b> <b>(c)</b>
Equity compensation plans approved by security holders	26,278,333 <sup>(1)</sup>	\$0.257	997,162 <sup>(2)</sup>
Equity compensation plans not approved by security holders	N/A	N/A	N/A
<b>Total</b>	<b>26,278,333</b>	<b>\$0.257</b>	<b>997,162</b>

#### Notes:

- (1) Represents the number of Common Shares reserved for issuance upon exercise of outstanding Legacy Options granted under the Legacy Option Plan as of December 31, 2023.
- (2) Represents the maximum number of additional Common Shares, on an as-converted basis, remaining available for future issuance under the Legacy Option Plan based on an aggregate of 197,191,152 Common Shares issued and outstanding and 75,754,950 Proportionate Shares issued and outstanding on an as-converted basis, as at December 31, 2023.

### **Legacy Option Plan**

The Legacy Option Plan was approved by Shareholders on November 19, 2019. The purpose of the Legacy Option Plan was to provide the Corporation with a share related mechanism to enable the Corporation to attract, retain and motivate qualified directors, officers, employees and other service providers, to reward directors, officers, employees and other service providers for their contribution toward the long-term goals of the Corporation and to enable and encourage such individuals to acquire shares of the Corporations as long-term investments.

The following is a summary of the material terms of the Legacy Option Plan. This summary is qualified in its entirety by reference to the Legacy Option Plan, which is attached as Schedule “B” to the management information circular of the Corporation dated September 9, 2020, which is available under the Corporation’s profile on SEDAR+ at www.sedarplus.ca.

Following Shareholder approval of the LTIP at the Corporation’s annual general and special meeting of Shareholders on August 8, 2023, the Corporation ceased issuing Legacy Options pursuant to the Legacy Option Plan and instead only issues stock options (“**Options**”) pursuant to the LTIP. All unallocated Common Shares issuable pursuant to the Legacy Option Plan ceased to be reserved for issuance under the Legacy Option Plan. All outstanding Legacy Options that were issued pursuant to the Legacy Option Plan will continue to be governed by the Legacy Option Plan, but upon the expiration or termination of such Legacy Options, the Common Shares underlying the Legacy Options will no longer be available for issuance under the Legacy Option Plan.

#### Administration

The Legacy Option Plan must be administered by the Board, a special committee of the Board (the “**Committee**”) or by an administrator appointed by the Board or the Committee (the “**Administrator**”) either of which will have full and final authority with respect to the granting of all Legacy Options thereunder. Legacy Options may be granted under the Legacy Option Plan to such directors, officers, employees or consultants of the Corporation, as the Board, the Committee or the Administrator may from time to time designate.

#### Number of Common Shares Reserved

Subject to adjustment as provided for in the Legacy Option Plan, the aggregate number of Common Shares which will be available for purchase pursuant to Legacy Options granted under the Legacy Option Plan will not exceed 10% of the number of Common Shares which are issued and outstanding on the particular date of grant. If any Legacy Option expires or otherwise terminates for any reason without having been exercised in full, the number of Common Shares in respect of such expired or terminated Legacy Option shall again be available for the purposes of granting Legacy Options pursuant to this Legacy Option Plan.

#### Exercise Price

The exercise price at which a Legacy Option holder may purchase a Common Share upon the exercise of a Legacy Option shall be determined by the Committee and shall be set out in the Legacy Option certificate issued in respect of the Legacy Option. The exercise price shall not be less than the price determined in accordance with CSE policies while, and if, the Common Shares are listed on the CSE.

#### Maximum Term of Legacy Options

The term of any Legacy Option granted under the Legacy Option Plan (the “**Term**”) shall be determined by the Board, the Committee or the Administrator, as applicable, at the time the Legacy Option is granted, subject to earlier termination in the event of termination, or in the event of death or disability of the Legacy Option holder. Subject to such other terms or conditions that may be attached to Legacy Options granted under the Legacy Option Plan, a Legacy Option holder may exercise a Legacy Option in whole or in part at any time and from time to time during the Term. Any Legacy Option or part thereof not exercised within the Term shall terminate and become null, void and of no effect as of the date of expiry of the Legacy Option. Legacy Options granted under the Legacy Option Plan are not to be transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

In the event of death or disability, the Legacy Option shall expire on the earlier of the date which is six months following the date of disability or death and the applicable expiry date of the Legacy Option.

If the Board, the Committee or the Administrator does not establish an expiry date, the expiry date will be determined in accordance with the below (subject to death or disability or in the event of certain triggering events occurring as provided for under the Legacy Option Plan):

- *Ceasing to Hold Office* - In the event that the Legacy Option holder holds his or her Legacy Option as an executive and such Legacy Option holder ceases to hold such position other than by reason of death or disability, the expiry date of the Legacy Option shall be, unless otherwise expressly provided for in the Legacy Option certificate, the 90<sup>th</sup> day following the date the Legacy Option holder ceases to hold such position unless the Legacy Option holder ceases to hold such position as a result of:
  - (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Corporation;

- (ii) a special resolution having been passed by the shareholders of the Corporation removing the Legacy Option holder as a director of the Corporation or any subsidiary; or
- (iii) an order made by any regulatory authority having jurisdiction to so order;

in each such case, the expiry date shall be the date the Legacy Option holder ceases to hold such position.

- *Ceasing to be Employed or Engaged* - In the event that the Legacy Option holder holds his or her Legacy Option as an employee or consultant, other than a Legacy Option holder who is engaged in investor relations activities, and such Legacy Option holder ceases to hold such position other than by reason of death or disability, the expiry date of the Legacy Option shall be, unless otherwise expressly provided for in the Legacy Option certificate, the 90<sup>th</sup> day following the date the Legacy Option holder ceases to hold such position, or, in the case of a Legacy Option holder that is engaged in investor relations activities, the 30<sup>th</sup> day after the date such Legacy Option holder ceases to hold such position, unless the Legacy Option holder ceases to hold such position as a result of:
  - (i) termination for cause;
  - (ii) resigning or terminating his or her position; or
  - (iii) an order made by any regulatory authority having jurisdiction to so order;

in each such case, the expiry date shall be the date the Legacy Option holder ceases to hold such position.

In the event that the Legacy Option holder ceases to hold the position of executive, employee or consultant for which the Legacy Option was originally granted, but comes to hold a different position as an executive, employee or consultant prior to the expiry of the Legacy Option, the Committee, the Board or the Administrator, as applicable, may, in its sole discretion, choose to permit the Legacy Option to stay in place for that Legacy Option holder with such Legacy Option then to be treated as being held by such holder in his or her new position. Notwithstanding anything else contained in the Legacy Option Plan, in no case will a Legacy Option be exercisable later than the expiry date of the Legacy Option.

## **LTIP**

The LTIP was approved by the Board on March 24, 2022 and by Shareholders on August 8, 2022. The purpose of the LTIP is to advance the interests of the Corporation and the Shareholders by attracting, retaining and motivating directors, officers, employees, consultants and management of high caliber and potential, and to encourage and enable such persons to acquire an ownership interest in the Corporation.

The following is a summary of the material terms of the LTIP. This summary is qualified in its entirety by reference to the LTIP, which is attached as Schedule “B” to the management information circular of the Corporation dated June 29, 2022, which is available under the Corporation’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### Eligibility

Any directors, officers, senior executives, consultants, management company employees and other employees of the Corporation or a subsidiary of the Corporation, providing ongoing services to the Corporation and its affiliates (each as described in the LTIP and each for the purposes of this section, an “**LTIP Eligible Person**”) is eligible to receive Awards (as defined herein).

### Granting of Awards

The LTIP is a “rolling” plan which sets the total number of Common Shares reserved and available for grant and issuance pursuant to the Awards, together with all other security-based compensation arrangements of the Corporation, at an amount not to exceed 10% of the total issued and outstanding Common Shares, including all issued and outstanding Common Shares and all issued and outstanding Proportionate Shares on an as-converted basis, from time to time. The LTIP provides for a variety of equity-based Awards that may be granted to certain LTIP Eligible Persons, including Options, restricted share units (“**RSUs**”) and performance share units (“**PSUs**” and collectively with the Options and RSUs, the “**Awards**”). Each Option represents the right to receive Common Shares and each RSU and PSU (together, the “**Share Units**”) represents the right to receive Common Shares, or the market value of such Common Shares in cash, or a combination of the two, in accordance with the terms of the LTIP.

There are currently no Options, RSUs or PSUs outstanding under the LTIP.

Participation in the LTIP is voluntary and, if an LTIP Eligible Person agrees to participate, the grant of Awards will be evidenced by a grant agreement with each such LTIP Eligible Person. The interest of any LTIP Eligible Person in

any Award is not assignable or transferable, whether voluntary, involuntary, by operation of law or otherwise, other than by will or the laws of descent and distribution.

The maximum number of Common Shares that may be: (i) issued to insiders of the Corporation within any one-year period; or (ii) issuable to insiders of the Corporation at any time, in each case, under the LTIP alone, or when combined with any other proposed or established security-based compensation arrangement of the Corporation cannot exceed 10% of the aggregate number of Common Shares issued and outstanding from time to time determined on a non-diluted basis.

### Types of Awards

#### *Options*

An Option is an option granted by the Corporation to an LTIP Eligible Person entitling such LTIP Eligible Person to acquire a designated number of Common Shares from treasury at a designated exercise price (the “**Exercise Price**”) until a certain expiry date.

Subject to the terms of any applicable employment agreement, option grant agreement or any other agreement between the LTIP Eligible Person and the Corporation, each Option will vest as to one-third on the date of grant, one-third on the first anniversary of the date of grant, and one-third on the second anniversary of the date of grant.

The Exercise Price per Common Share shall not be less than the Market Value (as defined in the LTIP) of such Common Shares at the time of grant. The Exercise Price will be fixed by the Board when each Option is granted, but, as long as the Common Shares are traded on a stock exchange, will not be less than the greater of the closing market price of the Common Shares on (i) the trading day prior to the date of grant of the Option; and (ii) the date of grant of the Option.

Subject to adjustment, each Option must be exercised no later than 10 years after the date the Option is granted (the “**Expiry Date**”) or such shorter period as set out in the applicable grant agreement. Notwithstanding the foregoing, each Option that would expire during a period when securities of the Corporation may not be traded under applicable law by insiders or other specified persons (a “**Black-Out Period**”), will expire on the date that is 10 business days immediately following the expiration of the Black-Out Period.

An LTIP Eligible Person will be entitled to exercise an Option granted to such LTIP Eligible Person until the Expiry Date, subject to applicable vesting conditions and the satisfaction of any applicable performance criteria. Options may be exercised by delivering a notice in writing signed by the LTIP Eligible Person and stating the LTIP Eligible Person’s intention to exercise the Option, together with cash, a bank draft or certified cheque in an amount equal to the aggregate Exercise Price of the Common Shares to be purchased pursuant to the exercise of the Options and any applicable tax withholdings.

In order to facilitate the payment of the Exercise Price of the Options, the LTIP has a cashless exercise feature pursuant to which an LTIP Eligible Person may elect to undertake a broker assisted “cashless exercise” subject to the procedures set out in the LTIP, including the consent of the Board and the CSE, where required. This may include a sale of such number of Common Shares as is necessary to raise an amount equal to the aggregate Exercise Price for all Options being exercised by that LTIP Eligible Person. The LTIP Eligible Person may authorize a broker to sell Common Shares on the open market or by means of a short sale and forward the proceeds of such sale to the Corporation to satisfy the Exercise Price for the Options, following which the Corporation will issue the Common Shares underlying the number of Options exercised. An LTIP Eligible Person may also elect to surrender Options by delivering a notice of surrender to the Corporation and electing to receive that number of Common Shares calculated in accordance with the formula set forth in the LTIP.

No fractional Common Shares will be issued upon the exercise of Options granted under the LTIP and, accordingly, if an LTIP Eligible Person would become entitled to a fractional Common Share upon the exercise of an Option, such LTIP Eligible Person will only have the right to acquire the next lowest whole number of Common Shares, and no payment or other adjustment will be made with respect to this fractional interest.

#### *Share Units*

A Share Unit is an RSU or PSU entitling the recipient to acquire Common Shares, at such purchase price (which may be zero) as determined by the Board, subject to such restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre-established performance goals and objectives. Unless otherwise determined by the Board in its discretion, an Award of a Share Unit is considered a bonus for services rendered in the calendar year in which the Award is made.

The terms and conditions of grants of RSUs and PSUs, including the quantity, type of award, grant date, vesting conditions, vesting periods, settlement date and other terms and conditions with respect to these Awards, will be set out in the LTIP Eligible Person’s grant agreement.

Subject to applicable vesting, performance criteria and other conditions set forth in the grant agreement, the Board is entitled to determine whether the RSUs and/or PSUs awarded to an LTIP Eligible Person will entitle the LTIP Eligible Person to receive Common Shares, the cash equivalent of Common Shares underlying the Award based on the prevailing Market Value of the Common Shares on the stock exchange on which the Common Shares are then listed, or a combination of the two. For the purposes of determining the cash equivalent of a Share Unit, the calculation will be made on the Share Unit Settlement Date (as defined herein) based on the Market Value of the Common Shares on such date, or, if the Common Shares are not listed on any stock exchange as of such date, the value as determined by the Board, acting reasonably and in good faith.

Unless otherwise specified in a grant agreement, RSUs awarded will vest one-third on the date of grant, one-third on the first anniversary of the date of grant, and one-third on the second anniversary of the date of grant. PSUs will vest upon the achievement of specific performance criteria established by the Board, and any other vesting conditions that may be set forth in the applicable grant agreement. The applicable restriction period in respect of a particular Share Unit shall be determined by the Board but in all cases shall end no later than December 31 of the calendar year which is three years after the calendar year in which the Award is granted (the “**Restriction Period**”). For each award of PSUs, the Board will establish the period in which any performance criteria and other vesting conditions must be met in order for an LTIP Eligible Person to be entitled to receive Common Shares in exchange for all or a portion of the PSUs held by such LTIP Eligible Person, provided that such period may not expire after the end of the Restriction Period, being no longer than three years after the calendar year in which the Award was granted.

Subject to the terms of any employment agreement or other agreement between the LTIP Eligible Person and the Corporation, or the Board expressly providing to the contrary, Share Units may be settled at any time beginning on the first business day following the date on which the Board determines that the performance and/or other vesting conditions with respect to a Share Unit have been met (the “**Share Unit Vesting Determination Date**”), and no later than the Restriction Period (the “**Share Unit Settlement Date**”). In the event that a Share Unit Settlement Date falls during a Black-Out Period, then such Share Unit Settlement Date will be automatically extended to the 10th business day following the date that such Black-out Period is terminated. Where a Share Unit Settlement Date falls immediately after a Black-Out Period (and not later than 10 business days after the Black-Out Period), then the Share Unit Settlement Date will be automatically extended by such number of days equal to 10 business days less the number of business days that a Share Unit Settlement Date is after the Black-Out Period.

Under the terms of the LTIP, each non-employee director of the Corporation may elect to receive all or a portion of his or her annual retainer fee in the form of a grant of RSUs in each fiscal year.

*Dividend Share Units*

When dividends (other than stock dividends) are paid on Common Shares, LTIP Eligible Persons are entitled to receive additional RSUs and/or PSUs, as applicable (“**Dividend Share Units**”) as of the dividend payment date. The number of Dividend Share Units to be granted to the LTIP Eligible Person will be determined by multiplying the aggregate number of RSUs and/or PSUs, as applicable, held by the LTIP Eligible Person on the relevant record date by the amount of the dividend paid by the Corporation on each Common Share, and dividing the result by the Market Value on the dividend payment date. Dividend Share Units will be in the form of RSUs and/or PSUs, as applicable, and will be subject to the same vesting conditions applicable to the related RSUs and/or PSUs.

Termination of Employment

The following table describes the impact of certain events upon the rights of Options and/or Share Units under the LTIP, including termination for cause, retirement, resignation, ceasing to be an LTIP Eligible Person for any reason (other than for cause, resignation or death), and death, subject to the terms of an LTIP Eligible Person’s employment agreement, grant agreement and the change of control provisions described below:

Event Provisions	Termination of Award(s)
Termination for Cause	Immediate termination of all vested and unvested Options and/or Share Units on the date of termination.
Retirement	All unvested Options and/or Share Units will vest in accordance with their vesting schedules, and all vested Options and/or Share Units held may be exercised until

	the earlier of the expiry date of such Options and/or Share Units or one year following the date that the holder ceases to be an LTIP Eligible Person under the LTIP, subject to certain exceptions.
Resignation	All vested Options and/or Share Units will expire on the earlier of the original expiry date and 90 days after resignation, or such longer period as the Board may determine in its sole discretion. All unvested Options and/or Share Units will terminate on the effective date of resignation.
Ceasing to be an LTIP Eligible Person for Any Reason (other than for cause, resignation or death)	In the event an LTIP Eligible Person ceases to be an LTIP Eligible Person for any reason (other than for cause, resignation or death), all unvested Options and/or Share Units may vest subject to pro ration over the applicable vesting or performance period and will expire on the earlier of 90 days after the effective date of termination, or the expiry date of such Option and/or Share Unit.
Death	All unvested Options and/or Share Units immediately vest and expire 180 days after the death of such LTIP Eligible Person.
Change of Control	If an LTIP Eligible Person is terminated without cause or resigns for good reason during the 12 month period following a change of control, or after the Corporation has signed a written agreement to effect a change of control but before the change of control is completed, then any unvested Options and/or Share Units will immediately vest and may be exercised prior to the earlier of 30 days after such date or the expiry date of such Options and/or Share Units.

Adjustments

The LTIP provides that appropriate adjustments, if any, will be made by the Board in connection with a reclassification, reorganization or other change of the Common Shares, consolidation, distribution, merger or amalgamation, to the Common Shares issuable or amounts payable to preclude a dilution or enlargement of the benefits under the LTIP.

Amendments

The Board may amend the LTIP or any Award granted under the LTIP at any time without the consent of an LTIP Eligible Person provided that such amendment: (i) does not adversely alter or impair any Award previously granted except as permitted by the terms of the LTIP; (ii) is in compliance with applicable law and subject to any regulatory



approvals including, where required, the approval of the CSE; and (iii) is subject to Shareholder approval, where required by law, the requirements of the CSE or the provisions of the LTIP.

Shareholder approval will not be required for the following amendments:

- a) amendments of a general “housekeeping” or clerical nature that, among others, clarify, correct or rectify any ambiguity, defective provision, error or omission in the LTIP;
- b) changes that alter, extend or accelerate the terms of vesting or settlement applicable to any Award;
- c) any amendment regarding the effect of termination of an LTIP Eligible Person’s employment or engagement;
- d) any amendment to add or amend provisions relating to the granting of cash-settled Awards, provision of financial assistance or clawbacks and any amendment to a provision relating to cash-settled Awards, financial assistance or clawbacks which are adopted;
- e) any amendment regarding the administration of the LTIP;
- f) any amendment necessary to comply with applicable law or the requirements of the CSE or any other regulatory body having authority over the Corporation, the LTIP or the Shareholders (provided, however, that the CSE will have the overriding right in such circumstances to require shareholder approval of any such amendments); and
- g) any other amendment that does not require Shareholder approval.

The Board is required to obtain Shareholder approval for the following amendments:

- a) any change to the maximum number of Common Shares issuable from treasury under the LTIP, except for any increases in the event that the Corporation cancels or purchases to cancel any of its issued and outstanding Common Shares (“**Cancellation**”) and as a result of such Cancellation the Corporation exceeds the maximum number of Common Shares. No approval from Shareholders will be required for the issuance of Common Shares on the exercise of any Options which were granted prior to such Cancellation and in the event of an adjustment;
- b) to reduce the exercise price of Awards, except in accordance with the adjustment provisions of the LTIP;
- c) to permit the introduction or re-introduction of non-employee directors as LTIP Eligible Persons on a discretionary basis or any amendment that increases the limits previously imposed on non-employee director participation;
- d) to remove or exceed the insider participation limits; or
- e) to amend the amendment provisions of the LTIP.

#### Change of Control

In connection with a change of control of the Corporation, the surviving, successor or acquiring entity shall assume any Awards or shall substitute similar options or share units for the outstanding Awards, as applicable. If the surviving, successor or acquiring entity does not assume the outstanding Awards or substitute similar options or share units for the outstanding Awards, as applicable, or if the Board otherwise determines in its discretion, the Corporation shall give written notice to all LTIP Eligible Persons advising that the LTIP shall be terminated effective immediately prior to the change of control and all Options, RSUs (and related Dividend Share Units) and a specified number of PSUs (and related Dividend Share Units) shall be deemed to be vested and, unless otherwise exercised, settled, forfeited or cancelled prior to the termination of the LTIP, shall expire or, with respect to RSUs and PSUs be settled, immediately prior to the termination of the LTIP. The number of PSUs which are deemed to be vested shall be determined by the Board, in its sole discretion, having regard to the level of achievement of such applicable performance criteria prior to the change of control.

In the event of a change of control, the Board has the power to: (i) make such other changes to the terms of the Awards as it considers fair and appropriate in the circumstances, provided such changes are not adverse to the LTIP Eligible Persons; (ii) otherwise modify the terms of the Awards to assist the LTIP Eligible Persons to tender into a takeover bid or other arrangement leading to a change of control, and thereafter; and (iii) terminate, conditionally or otherwise, the Awards not exercised or settled, as applicable, following successful completion of such change of control. If the

change of control is not completed within the time specified therein (as the same may be extended), the Awards which shall be returned by the Corporation to the LTIP Eligible Persons and, if exercised or settled, as applicable, the Common Shares issued on such exercise or settlement shall be reinstated as authorized but unissued Common Shares and the original terms applicable to such Awards shall be reinstated

#### Tax Withholdings

All distributions, delivery of Common Shares or payments to an LTIP Eligible Person under the LTIP will be made net of applicable source deductions. If the event giving rise to the withholding obligation involves an issuance or delivery of Common Shares, then, the withholding obligation may be satisfied by having the LTIP Eligible Person elect to have the appropriate number of such Common Shares sold by the Corporation or any other mechanism as may be required or appropriate to confirm with local tax and other rules. Notwithstanding the forgoing, the applicable tax withholdings may be waived in certain circumstances where the LTIP Eligible Person directs in writing that a payment be made directly to the LTIP Eligible Person's registered retirement savings.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

As at the date of this Circular, no executive officer, director, employee or former executive officer, director or employee of the Corporation or any of its subsidiaries is indebted to the Corporation, or any of its subsidiaries. No person who is, or at any time during the most recently completed financial year was, a director or executive officer of the Corporation, a proposed nominee for election as a director of the Corporation or any associate of any one of the foregoing persons is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Corporation or any of its subsidiaries. Neither the Corporation nor any of its subsidiaries has provided a guarantee, support agreement, letter of credit or other similar arrangement for any indebtedness of any of these individuals to any other entity.

### **MANAGEMENT CONTRACTS**

No management functions of the Corporation or its subsidiaries are performed to any substantial degree by a person other than the directors or executive officers of the Corporation or its subsidiaries.

### **OTHER BUSINESS**

While there is no business other than that mentioned in the Notice of Meeting to be presented for action by the Shareholders at the Meeting, it is intended that proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment thereof, in accordance with the discretion of the persons authorized to act thereunder.

### **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available under the Corporation's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Corporation's website at <https://www.yourwaycannabis.com/>.

Financial information relating to the Corporation will be provided in the Corporation's most recent annual financial statements and related MD&A. Shareholders may obtain the financial statements and related MD&A under the Corporation's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) or by contacting the Corporation directly to request copies of the financial statements and MD&A by: (i) mail to 3241 East Shea Boulevard, Suite 1-469, Phoenix, Arizona 85028; or (ii) email to [ir@yourwaycannabis.ca](mailto:ir@yourwaycannabis.ca).

The Board has approved the contents of this Circular and the sending thereof to the Shareholders.

**ON BEHALF OF THE BOARD**

*/signed/ "Mason Cave"*  
Mason Cave  
Chairman of the Board

**SCHEDULE "A"**  
**AUDIT COMMITTEE CHARTER**

See attached.

## YOURWAY CANNABIS BRANDS INC.

### CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

#### 1. PURPOSE OF THIS CHARTER

The Audit Committee (the “**Committee**”) is appointed by the Board of Directors (the “**Board**”) of YourWay Cannabis Brands Inc. (the “**Corporation**”) to assist the Board in fulfilling its oversight responsibilities relating to financial accounting, reporting and internal controls for the Corporation. The Committee’s primary duties and responsibilities are to:

- a) conduct such reviews and discussions with management and the external auditors relating to the audit and financial reporting as are deemed appropriate by the Committee;
- b) assess the integrity of internal controls and financial reporting procedures of the Corporation and ensure implementation of such controls and procedures;
- c) review the quarterly and annual financial statements and management’s discussion and analysis of the Corporation’s financial position and operating results and in the case of the annual financial statements and related management’s discussion and analysis, report thereon to the Board for approval of same;
- d) select and monitor the independence and performance of the Corporation’s external auditors, including attending at private meetings with the external auditors and reviewing and approving all renewals or dismissals of the external auditors and their remuneration; and
- e) provide oversight of all disclosure relating to, and information derived from, financial statements and management’s discussion and analysis.

The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may request the external auditors, as well as any officer of the Corporation, or outside counsel for the Corporation, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee shall have unrestricted access to the books and records of the Corporation and has the authority to retain, at the expense of the Corporation, special legal, accounting, or other consultants or experts to assist in the performance of the Committee’s duties.

The Committee shall review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board for approval.

In fulfilling its responsibilities, the Committee will carry out the specific duties set out in Part 4 of this Charter.

#### 2. AUTHORITY OF THE AUDIT COMMITTEE

The Committee shall have the authority to:

- a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- b) set and pay the compensation for advisors employed by the Committee; and
- c) communicate directly with the internal and external auditors of the Corporation.

### 3. COMPOSITION AND MEETINGS

The Committee and its membership shall meet all applicable legal, regulatory and listing requirements, including, without limitation, those of the British Columbia Securities Commission (“**BCSC**”), any exchange upon which the securities of the Corporation are listed, the *British Columbia Business Corporations Act* and all applicable securities regulatory authorities.

- a) The Committee shall be composed of three or more directors as shall be designated by the Board from time to time. Unless a Chair is elected by the Board, the members of the Committee shall designate from amongst themselves by majority vote of the full Committee a member who shall serve as Chair. The position description and responsibilities of the Chair are set out in Schedule “A” attached hereto.
- b) Each of the members of the Committee shall meet all applicable legal, regulatory and listing requirements, including, without limitation, those of the Toronto Stock Exchange, the *British Columbia Business Corporations Act*, and all applicable securities regulatory authorities. Each of the members of the Committee shall be “independent” and “financially literate”. An “independent” director is a director who has no direct or indirect material relationship with the Corporation. A “material relationship” is a relationship which, in the view of the Board, could be reasonably expected to interfere with the exercise of the director’s independent judgement or a relationship deemed to be a material relationship pursuant to Sections 1.4 and 1.5 of National Instrument 52-110 — *Audit Committees*, as set out in Schedule “B” hereto. A “financially literate” director is a director who has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the accounting issues that can be reasonably expected to be raised in the Corporation’s financial statements.
- c) Each member of the Committee shall serve at the pleasure of the Board. The Committee shall report to the Board.
- d) The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements. A minimum of two and at least 50% of the members of the Committee present, either in person or by telephone, shall constitute a quorum.
- e) If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the next business day following the date of such meeting at the same place. If at the adjourned meeting a quorum is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum is not present, the quorum for the adjourned meeting shall consist of the members then present (a “**Reduced Quorum**”).
- f) If, and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office or a Reduced Quorum is present in respect of a specific Committee meeting.
- g) The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other means of communication, by giving at least 48 hours’ notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.

- h) Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for the purposes hereof, to be present in person at the meeting.
- i) The Committee shall keep minutes of its meetings. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.
- j) Any director of the Corporation may attend meetings of the Committee, and the Committee may invite such officers and employees of the Corporation and its subsidiaries as the Committee may see fit, from time to time, to attend at meetings of the Committee.
- k) Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. The Committee shall report its determinations to the Board at the next scheduled meeting of the Board, or earlier as the Committee deems necessary.
- l) The Committee members will be appointed annually at the first meeting of the Board following the annual general meeting of shareholders.
- m) The Board may at any time amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.

#### **4. RESPONSIBILITIES**

##### **a) Financial Accounting and Reporting Process and Internal Controls**

- i. The Committee shall review the annual audited and interim financial statements and related management's discussion and analysis before the Corporation publicly discloses this information to satisfy itself that the financial statements are presented in accordance with applicable accounting principles and in the case of the annual audited financial statements and related management's discussion and analysis, report thereon and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. With respect to the annual audited financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the external auditors as and when the Committee deems it appropriate to do so. The Committee shall consider whether the Corporation's financial disclosures are complete, accurate, prepared in accordance with International Financial Reporting Standards and fairly present the financial position of the Corporation. The Committee shall also satisfy itself that, in the case of the annual financial statements, the audit function has been effectively carried out by the auditors and, in the case of the interim financial statements, that the review function has been effectively carried out.
- ii. The Committee shall review and assess the adequacy and effectiveness of the Corporation's systems of internal control and management information systems through discussion with management and the external auditor to ensure that the Corporation maintains appropriate systems, is able to assess the pertinent risks

of the Corporation and that the risk of a material misstatement in the financial disclosures can be detected.

- iii. The Committee shall be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, management's discussion and analysis and annual and interim financial press releases, and periodically assess the adequacy of these procedures in consultation with any disclosure committee of the Corporation.
- iv. The Committee shall review any press releases containing disclosure regarding financial information that are required to be reviewed by the Committee under any applicable laws or otherwise pursuant to the policies of the Corporation (including before the Corporation publicly discloses this information).
- v. The Committee shall meet no less than annually with the external auditors and the Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, to review accounting practices, internal controls and such other matters as the Committee, Chief Financial Officer or, in the absence of a Chief Financial Officer, the officer of the Corporation in charge of financial matters, deem appropriate.
- vi. The Committee shall inquire with management and the external auditors about significant financial and internal control risks or exposures and assess the steps management has taken to minimize such risks.
- vii. The Committee shall review the post-audit or management letter, if any, containing the recommendations of the external auditors and management's response and subsequent follow-up to any identified weaknesses.
- viii. The Committee shall periodically review and make recommendations regarding the Code of Business Conduct and Ethics adopted by the Board.
- ix. The Committee shall periodically review and make recommendations regarding the Whistleblower Policy and the Anti-Bribery and Anti-Corruption Policy adopted by the Board.
- x. The Committee shall follow procedures established as set out in the Corporation's Whistleblower Policy, for:
  - the receipt, retention, and treatment of complaints received by management of the Corporation regarding financial statement disclosures, accounting, internal accounting controls, or auditing matters; and
  - the submission by employees, consultants, contractors, directors or officers of the Corporation, on a confidential and anonymous basis, of concerns regarding financial statement disclosures, questionable accounting, internal accounting controls, auditing matters or violations to the Corporation's Code of Business Conduct and Ethics or any other policy, charter or mandate of the Corporation, applicable laws, rules and regulations, discrimination, harassment or retaliation.
- xi. The Committee shall ensure that management establishes and maintains an appropriate budget process, which shall include the preparation and delivery of periodic reports from the Chief Financial Officer to the Committee comparing actual spending to the budget. The budget shall include assumptions regarding



economic parameters that are well supported and shall take into account the risks facing the Corporation.

- xii. The Committee shall have the authority to adopt such policies and procedures as it deems appropriate to operate effectively.

**b) External Auditors**

- i. The Committee shall recommend to the Board the external auditors to be nominated for the purpose of preparing or issuing an auditors' report or performing other audit, review or attest services for the Corporation, shall set the compensation for the external auditors, provide oversight of the external auditors and shall ensure that the external auditors report directly to the Committee.
- ii. The Committee shall ensure that procedures are in place to assess the audit activities of the external auditors and the internal audit functions.
- iii. The pre-approval of the Committee shall be required as further set out in Schedule "C" prior to the undertaking of any non-audit services not prohibited by law to be provided by the external auditors in accordance with this Charter.
- iv. The Committee shall monitor and assess the relationship between management and the external auditors and monitor, support and assure the independence and objectivity of the external auditors and attempt to resolve disagreements between management and the external auditors regarding financial reporting.
- v. The Committee shall review the external auditors' audit plan, including the scope, procedures and timing of the audit.
- vi. The Committee shall review the results of the annual audit with the external auditors, including matters related to the conduct of the audit.
- vii. The Committee shall obtain timely reports from the external auditors describing critical accounting policies and practices, alternative treatments of information within International Financial Reporting Standards that were discussed with management, their ramifications, and the external auditors' preferred treatment and material written communications between the Corporation and the external auditors.
- viii. The Committee shall review fees paid by the Corporation to the external auditors and other professionals in respect of audit and non-audit services on an annual basis.
- ix. The Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditors of the Corporation.
- x. The Committee shall have the authority to engage the external auditors to perform a review of the interim financial statements.

**c) Other Responsibilities**

The Committee shall perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate.

**5. APPROVAL**

Approved by the Board of Directors on October 18, 2021.

## **SCHEDULE “A”**

### **YOURWAY CANNABIS BRANDS INC.**

#### **POSITION DESCRIPTION FOR THE CHAIR OF THE AUDIT COMMITTEE**

##### **1. PURPOSE**

The Chair of the Committee shall be an independent director who is elected by the Board or designated by a majority vote of the Committee to act as the leader of the Committee in assisting the Board in fulfilling its financial reporting and control responsibilities to the shareholders of the Corporation.

##### **2. WHO MAY BE CHAIR**

The Chair will be selected from amongst the independent directors of the Corporation who have a sufficient level of financial sophistication and experience in dealing with financial issues to ensure the leadership and effectiveness of the Committee.

The Chair will be selected annually at the first meeting of the Board following the annual general meeting of shareholders or designated by a majority vote of the Committee.

##### **3. RESPONSIBILITIES**

The following are the primary responsibilities of the Chair:

- a) chair all meetings of the Committee in a manner that promotes meaningful discussion;
- b) ensure adherence to the Committee’s Charter and that the adequacy of the Committee’s Charter is reviewed annually;
- c) provide leadership to the Committee to enhance the Committee’s effectiveness, including:
  - i. act as liaison and maintain communication with the Board to coordinate input from directors and to optimize the effectiveness of the Committee. This includes ensuring that Committee materials are available to any director upon request and reporting to the Board on all decisions of the Committee at the first meeting of the Board after each Committee meeting and at such other times and in such manner as the Committee considers advisable;
  - ii. ensure that the Committee works as a cohesive team with open communication, as well as to ensure open lines of communication among the independent auditors, financial and senior management and the Board for financial and control matters;
  - iii. ensure that the resources available to the Committee are adequate to support its work and to resolve issues in a timely manner;
  - iv. ensure that the Committee serves as an independent and objective party to monitor the Corporation’s financial reporting process and internal control systems, as well as to monitor the relationship between the Corporation and the independent auditors to ensure independence;

- v. ensure that procedures as determined by the Committee are in place to assess the audit activities of the independent auditors and the internal audit functions; and
  - vi. ensure that procedures as determined by the Committee are in place to review the Corporation's public disclosure of financial information and assess the adequacy of such procedures periodically, in consultation with any disclosure committee of the Corporation;
- d) ensure that procedures as determined by the Committee are in place for dealing with complaints received by the Corporation regarding accounting, internal controls and auditing matters, and for employees to submit confidential anonymous concerns;
- e) manage the Committee, including:
- i. adopt procedures to ensure that the Committee can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;
  - ii. prepare the agenda of the Committee meetings and ensure pre-meeting material is distributed in a timely manner and is appropriate in terms of relevance, efficient format and detail;
  - iii. ensure Committee meetings are appropriate in terms of frequency, length and content;
  - iv. obtain a report from the independent auditors on an annual basis, review the report with the Committee and arrange meetings with the auditors and financial management to review the scope of the proposed audit for the current year, its staffing and the audit procedures to be used;
  - v. oversee the Committee's participation in the Corporation's accounting and financial reporting process and the audits of its financial statements;
  - vi. ensure that the auditors report directly to the Committee, as representatives of the Corporation's shareholders;
  - vii. annually review with the Committee its own performance, report annually to the Board on the role of the Committee and the effectiveness of the Committee in contributing to the effectiveness of the Board;
  - viii. together with the Board, oversee the structure, composition and membership of, and activities delegated to, the Committee from time to time;
  - ix. ensure Committee's work plan for the year is scheduled and monitor progress at each meeting; and
  - x. ensure Committee minutes are reviewed and approved;
- f) perform such other duties as may be delegated from time to time to the Chair of the Committee by the Board.

## SCHEDULE "B"

### YOURWAY CANNABIS BRANDS INC.

#### NATIONAL INSTRUMENT 52-110 AUDIT COMMITTEES ("NI 52-110")

##### Section 1.4 — Meaning of Independence

- (1) An audit committee member is independent if he or she has no direct or indirect material relationship with the issuer.
- (2) For the purposes of subsection (1), a "material relationship" is a relationship which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgment.
- (3) Despite subsection (2), the following individuals are considered to have a material relationship with an issuer:
  - (a) an individual who is, or has been within the last three years, an employee or executive officer of the issuer;
  - (b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
  - (c) an individual who:
    - (i) is a partner of a firm that is the issuer's internal or external auditor,
    - (ii) is an employee of that firm, or
    - (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
  - (d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
    - (i) is a partner of a firm that is the issuer's internal or external auditor,
    - (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or
    - (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
  - (e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the issuer's current executive officers serves or served at that same time on the entity's compensation committee; and
  - (f) an individual who received, or whose immediate family member who is employed as an executive officer of the issuer received, more than \$75,000 in direct compensation from the issuer during any 12 month period within the last three years.
- (4) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because

- (a) he or she had a relationship identified in subsection (3) if that relationship ended before March 30, 2004; or
  - (b) he or she had a relationship identified in subsection (3) by virtue of subsection (8) if that relationship ended before June 30, 2005.
- (5) For the purposes of clauses (3)(c) and (3)(d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service.
- (6) For the purposes of clause (3)(f), direct compensation does not include:
- (a) remuneration for acting as a member of the board of directors or of any board committee of the issuer, and
  - (b) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.
- (7) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because the individual or his or her immediate family member
- (a) has previously acted as an interim chief executive officer of the issuer, or
  - (b) acts, or has previously acted, as a chair or vice-chair of the board of directors or of any board committee of the issuer on a part-time basis.
- (8) For the purpose of section 1.4, an issuer includes a subsidiary entity of the issuer and a parent of the issuer.

### **Section 1.5 — Additional Independence Requirements for Audit Committee Members**

- (1) Despite any determination made under section 1.4 of NI 52-110, an individual who
- (a) accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee; or
  - (b) is an affiliated entity of the issuer or any of its subsidiary entities,
- is considered to have a material relationship with the issuer.
- (2) For the purposes of subsection (1), the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes acceptance of a fee by
- (a) an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or
  - (b) an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and

which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer.

- (3) For the purposes of subsection (1), compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

## **SCHEDULE “C”**

### **YOURWAY CANNABIS BRANDS INC.**

#### **PROCEDURES FOR APPROVAL OF NON-AUDIT SERVICES**

1. The Corporation’s external auditors shall be prohibited from performing for the Corporation the following categories of non-audit services:
  - (a) bookkeeping or other services related to the Corporation’s accounting records or financial statements;
  - (b) appraisal or valuation services, fairness opinion or contributions-in-kind reports;
  - (c) actuarial services;
  - (d) internal audit outsourcing services;
  - (e) management functions;
  - (f) human resources;
  - (g) broker or dealer, investment adviser or investment banking services;
  - (h) legal services; and
  - (i) any other service that the Canadian Public Accountability Board or International Accounting Standards Board or other analogous board which may govern the Corporation’s accounting standards, from time to time determines is impermissible.
2. In the event that the Corporation wishes to retain the services of the Corporation’s external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Corporation shall consult with the Chair of the Committee, who shall have the authority, subject to confirmation that such services will not compromise the independence of the Corporation’s external auditors, to approve or disapprove on behalf of the Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Committee as a whole.
3. The Chief Financial Officer of the Corporation shall maintain a record of non-audit services approved by the Chair of the Committee or the Committee for each fiscal year and provide a report to the Committee no less frequently than on a quarterly basis.