

EUREKA 93 INC.

MANAGEMENT INFORMATION CIRCULAR

FOR

**ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON JULY 17, 2019**

DATED: JUNE 25, 2019

TABLE OF CONTENTS

	Page
FORWARD-LOOKING STATEMENTS	2
GLOSSARY OF TERMS.....	3
APPOINTMENT AND REVOCATION OF PROXIES	5
ADVICE TO SHAREHOLDERS.....	5
VOTING OF SHARES REPRESENTED BY MANAGEMENT PROXIES	7
INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON.....	8
VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES	8
PARTICULARS OF MATTERS TO BE ACTED UPON	9
I. ELECTION OF DIRECTORS	9
II. NEW STOCK OPTION PLAN.....	11
III. EXISTING STOCK OPTION PLAN.....	13
IV. APPOINTMENT AND REMUNERATION OF AUDITORS	13
EXECUTIVE COMPENSATION.....	13
SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS.....	21
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS	21
INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS	21
MANAGEMENT CONTRACTS.....	22
CORPORATE GOVERNANCE	22
ADDITIONAL INFORMATION.....	27
OTHER MATTERS	27

FORWARD-LOOKING STATEMENTS

This Management Information Circular (the “**Circular**”) may contain forward-looking information within the meaning of applicable securities laws (“**forward-looking statements**”). Such forward-looking statements, if and when made, include projections or estimates made by the Corporation and its management as to the Corporation’s future business operations. Forward-looking statements include all disclosures regarding possible events, conditions or results of operations that are based on assumptions about future economic conditions and courses of action. Forward-looking statements may also include, without limitation, any statement relating to future events, conditions or circumstances. The Corporation cautions the reader not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. Often, but not always, forward-looking statements can be identified by the use of words or phrases such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “does not anticipate”, “believes”, and similar expressions or state that certain actions, events or results “may”, “could”, “would”, “might”, or “will” be taken, occur or be achieved, and may be based on management’s current assumptions and expectations related to all aspects of the Corporation’s business, industry and the global economy.

Forward-looking statements relate to, among other things, realizing the value of the Corporation’s assets and executing the Corporation’s strategic plan. Forward-looking statements are based on management’s current plans, estimates, projections, beliefs and opinions. Readers are cautioned not to place undue reliance on forward-looking information.

If and when forward-looking information is set out in this Circular, the Corporation will also set out the specific material risk factors or assumptions used to develop the forward-looking information. Additional information identifying risks and uncertainties relating to the Corporation’s business are contained under the heading “Risk Factors” in the Corporation’s Filing Statement and its other filings available on-line at www.sedar.com.

Forward-looking information will be updated as required pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) and except as required by applicable laws, the Corporation assumes no obligation to update forward-looking statements should circumstances or management’s estimates or opinions change.

All of the forward-looking statements made and forward-looking information contained in this Circular are qualified by this cautionary statement.

GLOSSARY OF TERMS

Unless otherwise indicated, whenever used in this Circular, the following words and terms have the indicated meanings or, if not defined herein, have the meanings set out in Canadian Securities Exchange Policy 1, Section 3. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders. All dollar amounts herein are in Canadian dollars, unless otherwise stated.

“**Board**” means the board of directors of the Corporation, as constituted from time to time;

“**Business Day**” means a day other than a Saturday, Sunday or other than a day when banks in the City of Toronto, Ontario are not generally open for business;

“**CBCA**” means the *Canada Business Corporations Act*, as amended;

“**CEO**” means Chief Executive Officer of the Corporation;

“**CFO**” means Chief Financial Officer of the Corporation;

“**Common Shares**” means common shares of the Corporation issued and outstanding as of the date of this Circular;

“**Corporation**” means Eureka 93 Inc.;

“**CSE**” means the Canadian Securities Exchange;

“**Exchange**” means the Canadian Securities Exchange;

“**Existing Stock Option Plan**” means the Amended and Restated Fixed Stock Option Plan established at a special meeting of the Corporation’s shareholders on April 11, 2019 and amended and restated on May 23, 2019;

“**Meeting**” means the meeting of shareholders of the Corporation contemplated herein to consider, among other things, the matters set forth herein;

“**NEO**” means (a) the CEO; (b) the CFO; (c) the three (3) most highly compensated executive officers of the Corporation (other than the CEO and CFO) during the financial year ended December 31, 2018 earning more than \$150,000 annually, including, in aggregate, all salaries, fees, bonuses and perquisites; and (d) each individual who would be captured under (c) but for the fact that the individual is neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the financial year;

“**New Stock Option Plan**” means the proposed stock option plan to be adopted upon shareholder approval at the Meeting;

“**NI 52-110**” means National Instrument 51-110 – *Audit Committees*;

“**NI 54-101**” means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*;

“**NI 58-101**” means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*;

“**NOBO**” refers to non-objecting beneficial owner as defined in NI 54-101;

“**Notice of Meeting**” means the notice of meeting accompanying this Circular;

“**NYSE**” means the New York Stock Exchange;

“**OTC BB**” means the Over-the-Counter Bulletin Board operated by the Financial Industry Regulatory Authority;

“**Proxy**” means the proxy in the form solicited by management pursuant to this Circular, which form accompanies this Circular;

“**PVG**” means Positive Venture Group Inc.

“**Record Date**” means the record date for determination of persons entitled to receive notice of the Meeting;

“**Registered Shareholder**” means a registered holder of Common Shares as recorded in the shareholder register of the Corporation maintained by the Transfer Agent;

“**RRIF**” means registered retirement income fund;

“**RRSP**” means registered retirement savings plan;

“**Shareholders**” mean shareholders of the Corporation; and

“**Transfer Agent**” means TSX Trust Company.

“**TSX**” means the Toronto Stock Exchange;

“**TSX-V**” means the TSX Venture Exchange;

“**U.S. Exchange Act**” means the *Securities Exchange Act of 1934* (United States);

“**Vitality**” means Vitality CBD Natural Health Products Inc., a corporation incorporated under the CBCA; and

“**Vitality Combination**” has the meaning ascribed thereto in the Corporation’s management information circular dated March 11, 2019.

EUREKA 93 INC.
MANAGEMENT INFORMATION CIRCULAR FOR THE
ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
to be held on July 17, 2019

SOLICITATION OF PROXIES

This management information circular (the “**Circular**”) is furnished in connection with the solicitation by the management of **EUREKA 93 INC.** (the “**Corporation**”) of proxies to be used at the Corporation’s annual and special meeting of the Shareholders of the Corporation to be held on July 17, 2019 at 10:00 a.m. (Ottawa time) at 79 Wellington St. W., 33rd Floor, Toronto, Ontario M5K 1N2 or at any adjournment thereof (the “**Meeting**”). Unless otherwise stated, all information contained in this Circular is presented as at June 20, 2019. The purpose of the Meeting is as set out in the accompanying Notice of Meeting.

The solicitation of proxies by this Circular is being made by or on behalf of the management of the Corporation. It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally or by telephone by directors, officers and regular employees of the Corporation without special compensation. The cost of solicitation will be borne by the Corporation.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are officers or directors of the Corporation. **If you are a Shareholder entitled to vote at the Meeting, you have the right to appoint a person or corporation other than any of the persons designated in the Proxy, who need not be a Shareholder, to attend and act for you on your behalf at the Meeting.** A Shareholder desiring to appoint some other person to attend and act on his or her behalf at the Meeting may do so by inserting the name of such person in the blank space provided in the form of proxy or by completing another proper form of proxy and, in either case, delivering the form not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the Meeting to the office of TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, ON, M5H 4H1.

A Shareholder executing the enclosed form of proxy has the right to revoke it under section 148(4) of the CBCA. A Shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder’s authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to the Transfer Agent at any time up to 5 p.m. (Toronto time) on the last Business Day preceding the date of the Meeting or, if the Meeting is adjourned, the last Business Day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the registered Shareholder’s Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

ADVICE TO SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders of the Corporation, as a substantial number of Shareholders do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (referred to in this 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 Common Shares can be recognized and acted upon at the Meeting.

Voting in Person at the Meeting

A registered Shareholder whose name has been provided to the Corporation's registrar and transfer agent, TSX Trust Company, will appear on a list of Shareholders prepared by the registrar and transfer agent for purposes of the Meeting. To vote in person at the Meeting each registered Shareholder will be required to register for the Meeting by identifying themselves at the registration desk. Beneficial Shareholders must appoint themselves as a proxyholder to vote in person at the Meeting. Please also refer to "*Beneficial Shareholders*" below.

Voting by Proxy at the Meeting

If a registered Shareholder cannot attend the Meeting but wishes to vote on the resolutions, the registered Shareholder should sign, date and deliver the enclosed form of proxy to the Corporation's registrar and transfer agent, TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, ON, M5H 4H1 so it is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof. **The persons named in the enclosed form of proxy are directors and/or officers of the Corporation. A Shareholder giving a proxy can strike out the names of the nominees printed in the accompanying form of proxy and insert the name of another nominee in the space provided, or the Shareholder may complete another form of proxy. A proxy nominee need not be a Shareholder of the Corporation.** A Shareholder giving a proxy has the right to attend the Meeting, or appoint someone else to attend as his or her proxy at the Meeting and the proxy submitted earlier can be revoked in the manner described under "*Appointment and Revocation of Proxies*".

Beneficial Shareholders

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name. If Common Shares are listed in an account statement provided to the Shareholder by a broker, then in almost all cases those Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In many cases, Common Shares owned by a Beneficial Shareholder are registered either:

- (a) in the name of an intermediary that the Beneficial Shareholder deals with in respect of the Common Shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or,
- (b) in the name of a depository (such as The Canadian Depository for Securities Limited or "CDS").

Beneficial Shareholders do not appear on the list of Shareholders of the Corporation maintained by the Transfer Agent.

Objecting Beneficial Shareholders

In accordance with Canadian securities law, the Corporation has distributed copies of the Notice of Meeting, this Circular and the form of proxy (collectively, the "**meeting materials**") to CDS and intermediaries for onward distribution to Beneficial Shareholders.

Intermediaries are required to forward meeting materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. Typically, intermediaries will use a service company to forward the meeting materials to Beneficial Shareholders. Management of the Corporation does not intend to pay for intermediaries to forward meeting materials to Beneficial Shareholders under NI 54-101. Beneficial Shareholders will not receive the meeting materials unless the applicable intermediary assumes cost of delivery. Beneficial Shareholders will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Beneficial Shareholders to direct the voting of the Common Shares they beneficially own. Beneficial Shareholders should follow the procedures set out below, depending on which type of form they receive.

- B. *Voting Instruction Form.* In most cases, a Beneficial Shareholder will receive, as part of the meeting materials, a voting instruction form. If the Beneficial Shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the holder's behalf), the voting instruction form

must be completed, signed and returned in accordance with the directions on the form. If a Beneficial Shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the holder's behalf), the Beneficial Shareholder must complete, sign and return the voting instruction form in accordance with the directions provided and a form of proxy giving the right to attend and vote will be forwarded to the Beneficial Shareholder.

Or,

- C. *Form of Proxy.* Less frequently, a Beneficial Shareholder will receive, as part of the meeting materials, a form of proxy that has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of shares beneficially owned by the Beneficial Shareholder but which is otherwise uncompleted. If the Beneficial Shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the holder's behalf), the Beneficial Shareholder must complete the form of proxy and deposit it with the Corporation's registrar and transfer agent, TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1, as described above. If a Beneficial Shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the holder's behalf), the Beneficial Shareholder must strike out the names of the persons named in the Proxy and insert the Beneficial Shareholder's (or such other person's) name in the blank space provided.

Non-Objecting Beneficial Owners

If you are a NOBO, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with NI 54-101 and other applicable securities regulatory requirements from the intermediary holding Common Shares on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding Common Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions or form of proxy delivered to you.

Notice to United States Shareholders

The solicitation of proxies is not subject to the requirements of Section 14(a) of the U.S. Exchange Act by virtue of an exemption applicable to proxy solicitations by foreign private issuers as defined in Rule 3b-4 of the U.S. Exchange Act. Accordingly, this Circular has been prepared in accordance with applicable Canadian disclosure requirements. Residents of the United States should be aware that such requirements differ from those of the United States applicable to proxy statements under the U.S. Exchange Act.

Any information concerning any properties and operations of the Corporation has been prepared in accordance with Canadian standards under applicable Canadian securities laws and may not be comparable to similar information for U.S. companies.

Financial statements included or incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board, and are subject to auditing and auditor independence standards in Canada. Such consequences for Shareholders who are resident in, or citizens of, the U.S. may not be described fully in this Circular.

The enforcement by Shareholders of civil liabilities under the U.S. federal securities laws may be affected adversely by the fact that the Corporation is incorporated or organized under the laws of a foreign country, that some or all of the Corporation's officers and directors and the experts named herein are residents of a foreign country and that some of the assets of the Corporation are located outside of the U.S.

VOTING OF SHARES REPRESENTED BY MANAGEMENT PROXIES

The persons named in the enclosed form of proxy will vote the Common Shares in respect of which they are appointed proxy on any ballot that may be called for in accordance with the instructions on the Proxy. If you specify

a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. In the absence of such instructions, such Common Shares will be voted **IN FAVOUR** of each of the resolutions referred to in the Proxy.

The form of proxy accompanying this Circular confers discretionary authority upon the persons named in the Proxy with respect to amendments to or variations of matters identified in the Notice of Meeting and with respect to other matters, if any, which may properly come before the Meeting. At the date of this Circular, the management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting. **However, if any other matters, which are not known to management, should properly come before the Meeting, the Proxy will be voted on such matters in accordance with the best judgment of the named proxy.**

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

No director or executive officer of the Corporation, nor any person who has held such a position since the beginning of the last completed financial year end of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor, and as otherwise set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Only holders of Common Shares who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or have their Common Shares voted at the Meeting. The Board has fixed June 10, 2019 as the Record Date for determination of persons entitled to receive notice of the Meeting. As of the date of this Circular, there are 73,138,424 Common Shares issued and outstanding. Each holder of record of a Common Share at the close of business on the Record Date established for notice of the Meeting, will, unless otherwise specified in this Circular, be entitled to one vote for each Common Share held by such holder on all matters coming before the Meeting, except to the extent that such holder has transferred any such Common Shares after the Record Date and the transferee of such Common Shares establishes ownership of such Common Shares and makes a written demand, not later than ten Business Days before the Meeting, to be included in the list of Shareholders entitled to vote at the Meeting, in which case the transferee will be entitled to vote such Common Shares at the Meeting.

To the knowledge of the directors and officers of the Corporation, there are no persons who, except as noted below, as of the date hereof, beneficially own, directly or indirectly, or exercise control or direction over Common Shares of the Corporation carrying more than 10% of the voting rights attached to all Common Shares of the Corporation.

Name and Municipality	Number of Common Shares Held	Percentage of Issued and Outstanding Common Shares
Owen Kenney ⁽¹⁾ <i>Kerville, Texas</i> <i>United States of America</i>	11,022,125	15.10%
Kent Hoggan ⁽²⁾ <i>Sandy, Utah</i> <i>United States of America</i>	11,819,443	16.16%

Notes:

(1) Owen Kenney owns 80,440 Common Shares personally, and the remainder beneficially through O&D Investments, LLC, an investment company wholly owned by Owen Kenney.

(2) Kent Hoggan owns his Common Shares beneficially through USA Land Investment LLC, an investment company wholly owned by Kent Hoggan.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Corporation’s directors, the only matters to be placed before the Meeting are those matters set forth in the accompanying notice of Meeting relating to:

- (i) election of directors;
- (ii) adoption of the New Stock Option Plan;
- (iii) ratification of the amended and restated Existing Stock Option Plan;
- (iv) appointment of auditors and authorization of directors to fix its remuneration; and
- (v) transact such other business as may properly come before the Meeting.

I. ELECTION OF DIRECTORS

The articles of the Corporation provide that the number of directors shall be a minimum of 3 and a maximum of 10 directors. It is proposed that the 6 directors listed below will be nominated at the meeting.

Management of the Corporation recommends that Shareholders vote in favour of the recommended directors. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of the each of the nominees described below as director of the Corporation. The Corporation does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, **Proxies held by the persons designated as proxyholders in the accompanying enclosed form of proxy will be voted for another nominee in their discretion unless the Shareholder has specified in his or her form of proxy that his or her Common Shares are to be withheld from voting in the election of directors.**

Each director elected as a director will hold office from the close of the Meeting until the earlier of the next annual meeting of Shareholders or until their successors are elected or appointed, unless his office is earlier vacated in accordance with the articles of the Corporation or the provisions of the CBCA.

The following sets forth the name of each of the persons proposed to be nominated for election as a director of the Corporation, all proposed positions and offices in the Corporation to be held by such nominee, the nominees’ municipality of residence, principal occupation at the present time and during the preceding 5 years, the period for which the respective nominees have served as directors, and the number of Common Shares beneficially owned by the nominees, directly or indirectly, or over which control or direction is exercised, as of the date hereof.

Name, Municipality of Residence	Office	Principal Occupation and Positions During Last Five Years (Principal Organization)	Common Shares Beneficially Owned or Controlled
David Rendimonti <i>Whitby, ON Canada</i> Non-independent (executive officer)	Director, Chief Executive Officer; December 2018 to present	President & CEO, LiveWell Canada Inc.; President, LiveWell Foods Canada Inc.; Consultant, LiveWell Foods Canada Inc.; Consultant, Four4More Inc.	3,036,587

Name, Municipality of Residence	Office	Principal Occupation and Positions During Last Five Years (Principal Organization)	Common Shares Beneficially Owned or Controlled
Michael Mueller, <i>Toronto, ON</i> <i>Canada</i> Independent	Director, Chairman, Audit Committee Member, Compensation Committee Member; March 2018 to present	Chairman of the board of directors of Laurentian Bank of Canada and Revera Inc.; Former Chairman of the board of directors of the Public Sector Pension Investment Board (and former chair of its Human Resources and Compensation Committee); Member of the board of directors of: PediaPharm Inc., Emily's House, Gensource Potash Corporation and Smarter Alloys Inc.	974,139
William Mackinnon, <i>Toronto, ON</i> <i>Canada</i> Independent	Director, Audit Committee Chairman; August 2018 to present	Chairperson of the board of directors of the Toronto Foundation and the Woodgreen Foundation. Former director and chairman of the board of Telus Corporation. Former director of the Corporation of Massey Hall & Roy Thomson Hall. Former director and chair of the audit committee of NOVODAQ Technologies. Former director of Pioneer Energy LP.	130,200
Owen Kenney ⁽¹⁾ <i>Kerrville, TX</i> <i>United States of America</i> Non-Independent (former executive officer)	Director; November 2018 to present	Entrepreneur	11,022,125
Kent Hoggan ⁽²⁾ <i>Sandy, Utah</i> <i>United States of America</i> Non-Independent (former executive officer)	Director, Compensation Committee Chairman; November 2018 to present	Real Estate Developer	11,819,443
Paul G. Smith, <i>Toronto, ON</i> <i>Canada</i> Independent	Director, Audit Committee Member, Compensation Committee Member; December 2018 to present	Chairman & CEO, Frontline Broadband Inc. since September 2015; consultant, March 2014 to August 2015; CEO & CFO, Equity Financial Holdings Inc., December 2004 to February 2014	Nil

Notes:

(1) Owen Kenney owns 80,440 Common Shares personally, and the remainder beneficially through O&D Investments, LLC, an investment company wholly owned by Owen Kenney.

(2) Kent Hoggan owns his Common Shares beneficially through USA Land Investment LLC, an investment company wholly owned by Kent Hoggan.

As a group, the directors of the Corporation exercise control or direction over 30,462,779 Common Shares or 41.65% of total issued and outstanding Common Shares at June 20, 2019.

II. NEW STOCK OPTION PLAN

The Corporation intends to adopt the New Stock Option Plan upon Shareholder approval at the Meeting. The Shareholders will be asked at the Meeting to consider, and if thought advisable, to pass an ordinary resolution approving the New Stock Option Plan. The resolution must be ratified by a majority of the votes cast at the Meeting. **Management of the Corporation recommends that Shareholders vote in favour of approving the New Stock Option Plan. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the approval of the resolution to approve the New Stock Option Plan.**

The material features of the New Stock Option Plan are summarized below.

Purpose

The purpose of the New Stock Option Plan is to attract, retain and motivate employees, directors, officers and consultants by granting to them stock options (“**Options**”).

Administration and Eligibility

The New Stock Option Plan is administered by the Board, provided that the Board may delegate its administrative powers under the New Stock Option Plan to a committee thereof. Employees, directors, officers and consultants of the Corporation and its designated subsidiaries are eligible to participate in the New Stock Option Plan.

Shares Subject to the New Stock Option Plan

The maximum number of Common Shares that are available for issuance under the New Stock Option Plan cannot exceed 20% of the number of issued and outstanding Common Shares from time to time, subject to applicable adjustments. If any Options granted under the New Stock Option Plan expire, terminate or are cancelled for any reason without being exercised, the Common Shares underlying such Options will be available for subsequent issuance. As of the date hereof, no Options have been granted under the New Stock Option Plan.

Options

Subject to applicable regulatory requirements, the exercise price for Options will be determined by the Board, provided that the exercise price cannot be less than the greater of: (i) the fair market value of a Common Share on the grant date; and (ii) the fair market value of a Common Share on the trading day immediately prior to the grant date.

The Board will determine when an Option will become vested and may determine that the Option will become vested in installments and may make vesting of the Option conditional on the achievement of performance targets. The Board may at any time permit the vesting of any or all Options held by the participant in the manner and on the terms authorized by the Board.

To facilitate the payment of the exercise price of the Options, the New Stock Option Plan has a cashless exercise feature. The participant may elect to receive (i) an amount in cash equal to the cash proceeds realized upon the sale of the Common Shares underlying the Options by a securities dealer in the capital markets, minus the aggregate exercise price, any applicable withholding taxes and any transfer costs charged by the securities dealer, (ii) a number of Common Shares that is equal to the number of Common Shares underlying the unexercised Options, minus the number of Common Shares sold by a securities dealer in the capital markets as required to realize cash proceeds equal to the aggregate exercise price, any applicable withholding taxes and any transfer costs charged by the securities dealer, or (iii) a combination of (i) and (ii). Options can also be exercised by payment in full of the aggregate exercise price and any applicable withholding taxes.

Termination of Employment

If a participant's employment or services is terminated for cause, all Options held by the participant on the participant's termination date, whether vested or unvested, will automatically terminate and be forfeited for no consideration.

Unless otherwise set out in a participant's grant agreement or determined by the Board, if a participant resigns, dies or his or her employment or services is terminated without cause, all unvested Options will automatically terminate and be forfeited for no consideration. The participant (or the participant's personal legal representative) may, within 90 days after the participant's termination date, or such shorter period as is remaining in the term of the Options, exercise the participant's vested Options. At the end of such 90-day period or such shorter period as is remaining in the term of the Options, the unexercised Options will automatically terminate and be forfeited for no consideration. The Board may, in its discretion, extend such 90-day period, but any such extension cannot exceed the period as is remaining in the term of the Options.

Change of Control

In the event of a change of control, the surviving, successor or acquiring entity may assume any outstanding Options or substitute similar Options for the outstanding Options. If they do not, or if the Board otherwise determines, the Corporation will give written notice to all participants advising that the New Stock Option Plan will be terminated effective immediately prior to the change of control and all Options will be deemed to be vested and will expire immediately prior to the termination of the New Stock Option Plan.

In the event of a change of control, subject to the applicable policies of the stock exchange on which the Common Shares are listed, the Board has the power to: (i) make such other changes to the terms of the Options as it considers fair and appropriate in the circumstances, provided such changes are not adverse to the participants; (ii) otherwise modify the terms of the Options to assist the participants to tender into a takeover bid or other arrangement leading to a change of control, and thereafter; and (iii) terminate, conditionally or otherwise, the Options not exercised following successful completion of such change of control. If the change of control is not completed within the time specified therein, the Options which vest will be returned by the Corporation to the participant and, if exercised, the Common Shares issued on such exercise will be reinstated as authorized but unissued Common Shares and the original terms applicable to such Options will be reinstated.

Adjustments

In the event of any stock dividend, stock split, combination or exchange of shares, merger, amalgamation, arrangement, consolidation, reclassification, spin-off or other distribution (other than normal cash dividends) of the Corporation's assets to its Shareholders, or any other change in the capital of Corporation affecting Common Shares, the Board will make such proportionate adjustments, if any, as the Board in its discretion deems appropriate to reflect such change (for the purpose of preserving the value of the Options), with respect to: (i) the number or kind of shares or other securities reserved for issuance pursuant to the New Stock Option Plan; (ii) the number or kind of shares or other securities subject to any outstanding Options; and (iii) the exercise price of any outstanding Options, provided, however, that no adjustment will obligate the Corporation to issue or sell fractional securities.

Amendment or Discontinuance

The Board may, without notice and without Shareholder approval, amend, modify, change, suspend or terminate the New Stock Option Plan, or any portion thereof, or, subject to the applicable policies of the stock exchange on which the Common Shares are listed, any Options granted pursuant to the plan as it determines appropriate, provided, however, that no amendment, modification, change, suspension or termination of the New Stock Option Plan or any Option may materially impair any rights of a participant or materially increase any obligations of a participant under any Option, or any rights pursuant thereto, previously granted to the participant without the written consent of the affected participant, unless the Board determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements.

Assignment

Except as required by law or as permitted by the Board, the rights of a participant under the New Stock Option Plan are not transferable or assignable.

III. EXISTING STOCK OPTION PLAN

The Shareholders will be asked at the Meeting to consider, and if thought advisable, to pass an ordinary resolution ratifying the Existing Stock Option Plan, which was amended and restated by the Corporation on May 23, 2019, as discussed below. The resolution must be ratified by a majority of the votes cast at the Meeting.

The Corporation has amended and restated the Existing Stock Option Plan effective May 23, 2019 in order to provide that options under the Existing Stock Option Plan do not automatically expire 30 days after a Change of Control (as defined in the Existing Option Plan).

The purposes of the Existing Stock Option Plan are to attract and retain the best available personnel, to provide additional incentives to Employees, Executive Officers, Directors and Consultants (as such terms are defined in the Existing Stock Option Plan) and to promote the success of the Corporation's business by allowing such persons to partake in the equity of the Corporation.

On May 23, 2019 the Board approved the amended and restated Existing Stock Option Plan and recommends that Shareholders vote in favour of ratifying the amended and restated Existing Stock Option Plan.

Management of the Corporation recommends that Shareholders vote in favour of ratifying the amended and restated Existing Stock Option Plan. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the approval of the resolution to ratify the amended and restated Existing Stock Option Plan.

IV. APPOINTMENT AND REMUNERATION OF AUDITORS

MNP LLP, Chartered Accountants, have been the auditors of the Corporation since August 10, 2018. Previously, Welch LLP, Chartered Accountants, had been the auditors of the Corporation since August 31, 2015. A reporting package in respect of the change of auditors was filed with the securities regulators on August 13, 2018. A copy of the reporting package is attached to this Circular as Exhibit 2. The Shareholders will be asked at the Meeting to consider, and if thought advisable, to pass an ordinary resolution, to appoint MNP LLP as auditors of the Corporation for the ensuing year and to authorize the directors to fix their remunerations.

Management of the Corporation recommends that Shareholders vote in favor of appointing MNP LLP as auditors of the Corporation and to authorize the directors to fix their remuneration. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the approval of the resolution to appoint MNP LLP and to authorize the directors to fix their remuneration.

EXECUTIVE COMPENSATION

The following table of compensation, compensation securities, provides a summary of the compensation paid to NEOs and directors of the Corporation for the three completed financial years ended December 31, 2018, 2017 and 2016 (in CAD).

<u>Name and Principal Position</u>	<u>Year</u>	<u>Salary, Consulting Fees (\$)</u>	<u>Bonus (\$)</u>	<u>Value of perquisites (⁸) (\$)</u>	<u>Total (\$)</u>
David Rendimonti ⁽¹⁾ <i>President & CEO and Director</i>	2018	216,423	220,000	10,277	446,700
	2017	30,000	15,000	-	45,000

	2016	-	-	-	-
Seann Poli⁽²⁾ <i>(former co-CEO and Director)</i>	2018	172,987	60,000	13,857	246,844
	2017	62,218	20,000	4,001	86,219
	2016	24,000	-	-	24,000
Walid (Peter) Abboud⁽³⁾ <i>(former co-CEO and Director)</i>	2018	133,509	60,000	13,857	207,366
	2017	28,795	20,000	17,707	66,502
	2016	-	-	-	-
Steven Archambault⁽⁴⁾ <i>Chief Financial Officer and Chief Administrative Officer</i>	2018	193,114	110,000	9,306	312,420
	2017	-	-	-	-
	2016	-	-	-	-
Peter Ostapchuk⁽⁵⁾ <i>(former Chief Financial Officer)</i>	2018	5,000	-	-	5,000
	2017	20,000	-	-	20,000
	2016	-	-	-	-
Robert Leaker⁽⁶⁾ <i>Chief Science and Innovation Officer</i>	2018	167,923	100,000	9,277	287,200
	2017	-	-	-	-
	2016	-	-	-	-
Timothy McCunn⁽⁷⁾ <i>Chairman of the Board</i>	2018	205,000	6,000	11,000	222,000
	2017	60,000	-	-	60,000
	2016	-	-	-	-
Lawrence Cannon <i>Director</i>	2018	45,143	-	-	45,143
	2017	-	-	-	-
	2016	-	-	-	-
Hugh Notman <i>Director</i>	2018	-	-	-	-
	2017	-	-	-	-
	2016	-	-	-	-
Paul G. Smith	2018	50,000	-	-	50,000

<i>Director</i>	2017	-	-	-	-
	2016	-	-	-	-

Notes:

- (1) In September 2017, Mr. Rendimonti agreed to serve as our President and in October 2018, he was promoted to CEO. The consulting fee was set at CAD \$10,000 per month. Starting on April 1, 2018, Mr. Rendimonti became a full-time employee and his base salary was set at CAD \$222,000. Mr. Rendimonti was also appointed as a director in December 2018.
- (2) On March 1, 2017, the Corporation entered an employment agreement with Mr. Poli for the Co-CEO role. Mr Poli's annual base salary was set at CAD \$350,000; however, in order to preserve liquidity during the start-up phase, Mr. Poli received a lower base salary during the year ended December 31, 2017. On April 5, 2018, Mr. Poli changed roles to sole CEO. In April 2018, Mr. Poli entered an amended and restated employment agreement and his base salary was adjusted to CAD \$174,500. On October 5, 2018, Mr. Poli resigned as CEO and was appointed Special Advisor to the Board.
- (3) On March 1, 2017, the Corporation entered an employment agreement with Mr. Abboud to retain his services as Co-CEO. In 2017, Mr. Abboud's annual base salary was set at CAD \$350,000; however, in order to preserve liquidity during the start-up phase, he received a lower base salary during the year ended December 31, 2017. On April 5, 2018, Mr. Abboud changed roles to Special Advisor. In April 2018, Mr. Abboud entered an amended and restated employment agreement and his base salary was adjusted to \$174,500. He was also a co-founder and served as a director of the Board from inception to April 2019.
- (4) On January 22, 2018, the Corporation entered an agreement with Mr. Archambault to serve as its CFO. Mr. Archambault's annual salary was initially CAD \$140,000 and was subsequently adjusted to CAD \$222,000 during 2018.
- (5) Effective August 23, 2017, the Corporation entered into a Statement of Work with PVG to retain the services of Peter Ostapchuk (Partner of PVG) as our virtual CFO for one business day per week. On December 6, 2017, Mr. Ostapchuk stepped down as the CFO and was elected to serve as a director of our Board and Chair the Audit & Finance Committee. Mr. Ostapchuk resigned from the Board on March 8, 2018.
- (6) In December 2017, Mr. Leaker agreed to serve as our Chief Science and Innovation Officer. The consulting fee was set at CAD \$10,000 per month. Starting on April 1, 2018, Mr. Leaker became a full-time employee and his base salary was set at CAD \$222,000.
- (7) On April 12, 2018, the Corporation entered an officer agreement with Mr. McCunn in which the Corporation agreed to pay a consulting fee of \$5,000 per day worked to Mr. McCunn.
- (8) Value of perquisites includes car allowance (Messrs. Rendimonti, Poli, Abboud, McCunn, Archambault and Leaker) and health benefits (for Messrs. Poli and Leaker). The value of the perquisites was based on actual cash outlay made by the Corporation.

Stock options and other compensation securities

The following table sets forth all compensation securities granted to each NEO or director during the financial year ended December 31, 2018, on post share consolidation adjustment of 15 to 1. Amounts reflect the grant date fair value of option awards calculated in accordance with IFRS, using the Black-Scholes option pricing model. Refer to Note 19 of the Corporation's audited financial statements for the years ended December 31, 2018 and 2017 for the key assumptions used in the Black-Scholes option pricing model.

Compensation Securities								
Name and Position	Type of compensation security	Number of compensation securities	% of Class	Date of issue or grant	Issue, conversion or Exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at December 31, 2018 (\$)	Expiry Date
Steven Archambault Chief Financial Officer and Chief Administrative Officer	Options	89,029	8.2%	January 22, 2018	6.45	6.45	11.10	January 22, 2023

The following table sets forth all compensation securities granted to each NEO or director as at the financial year ended December 31, 2018.

Compensation Securities								
Name and Position	Type of compensation security	Number of compensation securities	% of Class	Date of issue or grant	Issue, conversion or Exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at December 31, 2018 (\$)	Expiry Date
David Rendimonti President and CEO	Options	142,447	13.1%	December 31, 2017	6.45	6.45	11.10	December 31, 2022
Steven Archambault Chief Financial Officer and Chief Administrative Officer	Options	89,029	8.2%	January 22, 2018	6.45	6.45	11.10	January 22, 2023
Robert Leaker Chief Scientific and Innovation Officer	Options	71,223	6.5%	December 31, 2017	6.45	6.45	11.10	December 31, 2022
Seann Poli Director (formerly co-CEO)	Options	71,223	6.5%	December 31, 2017	6.45	6.45	11.10	December 31, 2022
Walid (Peter) Abboud Director (formerly co-CEO)	Options	71,223	6.5%	December 31, 2017	6.45	6.45	11.10	December 31, 2022
Timothy McCunn Chairman of the Board	Options	53,417	4.9%	December 31, 2017	6.45	6.45	11.10	December 31, 2022
		3,523	0.3%	December 21, 2015	4.50	4.50	11.10	December 21, 2020
Lawrence Cannon Director	Options	7,122	0.7%	December 31, 2017	6.45	6.45	11.10	December 31, 2022
Hugh Notman Director	Options	3,523	0.3%	December 21, 2015	4.50	4.50	11.10	December 21, 2020

Exercise of compensation securities by NEOs and directors

None of the NEOs and directors have exercised stock options during the financial year ended December 31, 2018.

Stock option plans and other incentive plans

The Corporation's Existing Stock Option Plan, as amended and restated on May 23, 2019, was previously approved by Shareholders on April 11, 2019 and is a part of a legacy compensation program pursuant to which employees, directors, officers, and consultants of the Corporation and its affiliates were eligible to receive grants of stock options. No additional stock options will be granted under the Existing Stock Option Plan, but stock options previously granted under the plan will remain outstanding in accordance with their terms and continue to be governed by the provisions of the Existing Stock Option Plan.

The Existing Stock Option Plan is administered by the Board. The term of any stock options granted under the Existing Stock Option Plan were fixed by the Board and could not exceed five years. The Board may, at its discretion at the time of any grant, impose terms under which the stock options will vest and become exercisable by the participant for Common Shares. Any stock options granted pursuant to the Existing Stock Option Plan that have vested will terminate at the earlier of (i) the expiry date of such options, and (ii) 90 days or such shorter period as set out in the applicable option agreement after the participant ceases to act as a director, officer, employee of, or consultant to, the Corporation or any of its affiliates, unless such cessation is on account of death or termination of employment or consultancy for cause. If such cessation is on account of death, the stock options terminate on the first anniversary of such cessation or such shorter period as set out in the applicable option agreement, and if it is on account of termination of employment or consultancy for cause, the stock options terminate immediately. The Existing Stock Option Plan also provides for accelerated vesting in the event of a change of control and adjustments to outstanding stock options in the event of any consolidation, subdivision, redivision, reclassification, reorganization, conversion or exchange of the Common Shares or a merger or amalgamation of the Corporation. Subject to any required approval of the Exchange and any required shareholder approval, the Board may terminate, suspend or amend the terms of the Existing Stock Option Plan, provided that any amendment does not adversely impair any stock options previously granted.

In 2018, the Board granted 46,733 options to the CFO with vesting subject to successful listing on the TSX-V. As the Corporation successfully listed on the TSX-V in June 2018, the 43,733 options vested in June 2018. The aggregate number of Common Shares reserved for issuance under the Existing Stock Option Plan was a maximum of 14,464,862 Common Shares, representing 20% of the issued and outstanding Common Shares as of the Special Meeting of Shareholders that took place on April 11, 2019.

As further described above, the Corporation intends to adopt the New Stock Option Plan (see in the section "*Particulars Matters To Be Acted On – Option Plan*").

Employment and Other Agreements with NEOs

Except for Messrs. Poli, Abboud, and McCunn, the NEOs did not enter into formal executive employment agreements in 2016 to 2018. The following table summarizes the key salient terms of their respective employment agreements in force at December 31, 2018.

	Base Salary / Consulting Fee	Annual Bonus Target as a % of Base salary	Vacation Weeks	Monthly Vehicle Allowance	Monthly Health Allowance
Tim McCunn	Note 1	None	8 weeks	\$1,000	\$500
Seann Poli	\$184,000	None	8 weeks	\$1,000	\$500
Peter Abboud	\$184,000	None	8 weeks	\$1,000	\$500

Notes:

- (1) Consulting fee at a rate of \$5,000 per day.

See "*Termination and Change of Control Benefits*" section for additional benefits in which Messrs. Poli, Abboud, and McCunn entitled to.

During the first quarter of 2019, Messrs. Rendimonti, Archambault, and Leaker have entered executive

employment agreements with the Corporation, with a revised base salary adjusted retroactively to April 1, 2018. The following table summarizes the key salient terms of their respective employment agreements.

	Annual Bonus Target as a % of Base Salary	Annual Bonus Target as a % of Base salary	Vacation Weeks	Monthly Vehicle Allowance
David Rendimonti	\$325,000	100%	6 weeks	\$2,000
Steven Archambault	\$250,000	50%	6 weeks	\$1,000
Robert Leaker	\$250,000	100%	4 weeks	\$1,000

We may also grant stock options to our NEOs under our New Stock Option Plan (see above). We also provide employment benefits generally made available to our NEOs.

The employment agreements also provide for three-month notice period in the event of voluntarily resignation, a 12 month non-competition provision (or 24 months in the case of a termination following a change of control), and a 12 month non-solicitation provision from the date of termination of the NEOs employment for any reason.

Termination and Change of Control Benefits

At December 31, 2018, in the event of termination without cause, Messrs. Rendimonti, Archambault and Leaker are entitled to the following:

- Salary continuance of 12 months;
- Continuation of all benefits except for disability and life insurance which will terminate at the end of the minimum notice period prescribed by the *Employment Standards Act*, Ontario (the “ESA”); and
- Pro-rated bonus equal to the greater of the NEO’s bonus target or the previous year’s bonus.

At December 31, 2018, in the event of termination without cause, Messrs. Poli, Abboud, and McCunn are entitled to the following:

- Eight weeks of vacation;
- A lump sum payment equal to 24 months of the average monthly earnings (salary and bonus) over the twelve-month period immediately preceding the date of termination, which payment is inclusive of all notice and severance pay entitlements under the ESA;
- Continuation of benefits for the minimum notice period prescribed by ESA; and
- Any unvested stock options will be immediately vested.

The table below reflects estimates of the incremental amounts of compensation that would be paid to the NEOs and Mr. McCunn in the event of their termination without cause, assuming such termination was effective as of December 31, 2018, based on employment agreements currently in effect.

NEO/Director	Option Vesting ⁽¹⁾	Salary Payment	Bonus Payment	Vacation Weeks	Continuation of Benefits	Total (\$)
David Rendimonti	\$662,379	\$325,000	\$220,000	\$37,500	\$28,781	\$1,273,660
Steven Archambault	\$413,987	\$250,000	\$110,000	\$28,846	\$16,781	\$819,614
Robert Leaker	\$331,190	\$250,000	\$110,000	\$28,846	\$16,840	\$736,876
Tim McCunn	\$271,649	\$276,000 ⁽²⁾	Nil	\$200,000 ⁽³⁾	\$36,000	\$783,649

Notes:

- (1) Based on the last closing price of CAD \$0.74.
- (2) Based on actual consulting fee earned in 2018 and 2017.

(3) Based on \$5,000 daily rate for 8 weeks (40 business days)

If a “change of control” event is triggered as defined under their respective agreements, they are entitled to all of the benefits listed above. In the event of a change of control in the 12-month period preceding a termination without cause, Messrs. Rendimonti, Archambault, and Leaker’s salary continuation period will be increased to 24 months.

Effective January 21, 2019, Messrs. Poli and Abboud terminated their employment and entered into minutes of settlement with the Corporation, which supersedes the above termination benefits. The following table summarizes the terms of the minutes of settlements.

	Seann Poli	Peter Abboud
Severance payable in 24 instalments; however, upon closing a \$50 million capital raise, 50% of the remaining balance will become due immediately and the remaining balance on January 31, 2020	\$499,000	\$499,000
Stock options – immediately vested	71,226 options; exercisable at \$6.45 each; intrinsic value of \$331,200 at December 31, 2018	71,226 options; exercisable at \$6.45 each; intrinsic value of \$331,200 at December 31, 2018
Other	Furniture and laptop – nominal value	Assumes ownership of corporate vehicle and remaining car loan – nominal net benefit

Messrs. Poli and Abboud have entered into a Mutual Release and Non-Disparagement Agreement with The Corporation.

See above “*Employment and Other Agreements with NEOs*” for executive employment agreements entered during the first quarter of 2019.

External management companies

The Corporation does not have any contract, agreements, plans or arrangements that provide payment for NEOs or directors of external management companies.

Oversight and description of director and named executive officer compensation

The Corporation’s Human Resources & Corporate Governance Committee (the “Compensation Committee”) oversees and determines compensation for directors and senior management. To determine compensation payable, the Compensation Committee reviews compensation paid for directors and senior management of companies of similar size and stage of development in the cannabis sector, including payments to consultants doing the work instead, and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management, all while taking in to account the financial and other resources of the Corporation.

Elements of Compensation

The NEOs compensation consists of base salary and stock options. Given the start-up phase of the Corporation in 2016 to 2018, the base salary for the NEOs was initially set below market to retain as much cash for operations as possible. The NEOs agreed to this arrangement with the mutual understanding that the base salary would be adjusted as the Corporation makes progress with capital and financial stability. To compensate for the lower base salary, the Board granted significant stock options to the NEOs to incentivize and motivate them to deliver on business objectives. No stock options were specifically linked to a performance objective except for the CFO’s options of

46,733 (adjusted for share consolidation) granted in January 2018 which vested only upon a successful listing on the TSX-V. This performance objective was achieved in June 2018 and therefore these options vested immediately on this day. The vesting for the other options were set to be over three years, subject to immediate vesting in the event of a change of control (as was the case with the Vitality Combination). All of the outstanding options were granted under the Existing Stock Option Plan.

For 2016 to 2018, the Board did not establish compensation for the independent directors. As noted above, The Corporation entered into an officer agreement with Mr. McCunn. Additionally, The Corporation entered into a consulting agreement with Mr. Cannon at a rate of \$4,000 per month for advisory services.

During 2019, the Board intends to hire an external consulting firm to review and recommend appropriate, competitive compensation plans for the NEOs and directors.

Compensation Policies and Risk Management

The Board considers the implications of the risks associated with the Corporation's compensation policies and practices when determining rewards for its NEOs.

The Corporation's executive compensation is biased towards long-term ownership in the Corporation via its equity compensation plans that provide for the grant of stock options. As previously noted above in the summary compensation table, the NEOs total current compensation significantly comprise of stock options which generally vest over three years. Accordingly, these stock options are both long-term and "at risk" and therefore these are directly linked to the achievement of business results and the creation of long-term shareholder value. As a result, it is unlikely an NEO would take inappropriate or excessive risks at the expense of the Corporation or its shareholders when their long-term compensation might be put at a risk from their actions.

Due to the start-up phase of the Corporation, the Board did not establish a formal Human Resources & Compensation Committee in 2016 to 2018 as the Board was able to closely monitor and consider the risks which may be associated with The Corporation's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of the Corporation are reviewed. For the year ended December 31, 2018, no risks have been identified arising from the Corporation's compensation policies and practices that are reasonably likely to have a material adverse effect on the Corporation.

Commencing in 2019, the Board will review at least once annually the risks, if any, associated with the Corporation's compensation policies and practices at such time.

Hedging of Economic Risks in The Corporation's Securities

The Corporation has not adopted a policy prohibiting directors and NEOs from purchasing financial instruments that are designed to hedge or offset in market value of The Corporation's securities granted as compensation or held, directly or indirectly, by the directors or officers. However, The Corporation has an insider trading policy that prohibits trading securities during blackout periods.

Option-Based Awards and Board Governance

Our Board has broad authority to administer the Existing Stock Option Plan, including the authority to select eligible participants, determine the exercise price of options, term, restrictions and conditions applicable to each award. Notwithstanding this authority, the Existing Stock Option Plan prohibits the issuance to any one individual within a 12-month period of a number of shares exceeding 5% of the outstanding issue of the Corporation.

In determining the number of options to be granted to the NEO, the Board considers the potential value that each optionee is contributing to The Corporation. Additionally, the Board takes into account the number of options, if any, previously granted to each NEO, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the CSE, and closely align the interests of the NEOs with the interests of shareholders.

As previously noted, during 2019 the Board plans to engage an independent consulting firm to perform a peer review and benchmarking and provide recommendations to the Board for its NEOs and directors.

Annual Incentive Plan

The Corporation does not have any incentive plans for the NEOs in which compensation is triggered based on achieving certain goals or similar conditions within a specified period.

Pension Disclosure

The Corporation does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information concerning the Corporation's compensation plans under which securities of the Corporation are authorized for issuance, as at the June 20, 2019.

<u>Plan Category</u>	<u>Number of securities to be issued upon exercise of outstanding options, warrants and rights</u>	<u>Weighted-average exercise price of outstanding options, warrants and rights</u>	<u>Number of securities remaining available for future issuance under equity compensation plans</u>
Options	6,589,936	\$2.33	7,874,926
Total	6,589,936	\$2.33	7,874,926

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or executive officer of the Corporation, or an associate of any such director or executive officer, is currently or during the previously completed financial year has been:

- (a) indebted to the Corporation or any of its subsidiaries;
- (b) subject of a guarantee, support agreement, letter of credit, or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries; or
- (c) indebted for security purchase programs or any other programs.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the directors or executive officers or principal shareholders who control or have direction over more than 10% of any class or series of the outstanding voting securities of the Corporation, or any associates or affiliate of the foregoing, have had a material interest, direct or indirect, in any transaction within the three-year period prior to the date of this Circular, or will have any material interest in any proposed transaction, which has materially affected or will materially affect the Corporation or any of its subsidiaries except for the following:

- The Corporation entered into a license agreement dated September 1, 2017, with Relief Effects Inc. (“**RFx**”) in order to use RFx’s proprietary technology to extract oils and isolates from cannabis. In return, the Corporation will pay RFx a licensing fee of 10% of the Corporation’s gross Canadian sales on extracted oil and isolates from its cannabis. This contract expires December 15, 2037. To date, the Corporation has made a prepayment of CAN\$184,000 to RFx. Additionally, effective January 1, 2019, Vitality has entered a one-year consulting services agreement with RFx for engineering and processing optimization at Vitality’s facility in Eureka, Montana. The total annual consulting fee will be CAN\$390,000. RFx is a non-arm’s length party because the Corporation’s Chief Executive Officer owns approximately 20.74% of the common

shares of RFX and the Corporation's President & Chief Operations Officer owns approximately 20.74% of the common shares of RFX. Further the Corporation's Chief Financial Officer has provided financing to RFX and holds warrants to purchase common shares of RFX.

MANAGEMENT CONTRACTS

Except as set out herein, there are no management functions of the Corporation which are to any substantial degree performed by a person or Corporation other than the directors or executive officers of the Corporation.

CORPORATE GOVERNANCE

The Board believes that good corporate governance improves corporate performance and benefits all Shareholders. NI 58-101 requires that if management of an issuer solicits proxies from its securityholders for the purpose of electing directors that certain prescribed disclosure respecting corporate governance matters be included in its information circular.

Board of Directors

The Board is responsible for the management of the Corporation, including the identification of long-term goals and corporate strategies, the main risks associated with its business and the setting up of risk management and control mechanisms, succession planning, the establishment of a communication policy and the efficiency and integrity of the internal control system and the release of financial information of the Corporation. The Board discharges its responsibilities directly and through its committees, which currently consists of the Audit Committee and the Compensation Committee.

The Corporation currently has a Board comprised of six directors. The Chairman of the Board, Michael Mueller, is an independent director. The role and responsibilities of the Chairman of the Board including fostering responsible, ethical and effective decision making; overall leadership to the Board; coordinating with management to ensure appropriate processes are in place to develop and review the Corporation's strategic and business plans; taking reasonable steps to ensure that the Board understand their responsibilities and execute them as effectively as possible; presiding at each meeting of the Board and at each meeting of the shareholders of the Corporation; coordinating with the General Counsel of the Corporation to ensure that the Board is taking appropriate steps to ensure compliance with reporting obligations as a public company and effective oversight of management by the Board in accordance with the Board's fiduciary duties; arranging for in-camera meetings of independent directors, where necessary or appropriate; collaborating with committees of the Board to retain appropriate external advisors to discharge the duties of the Board; and providing advice, counsel and mentorship on various matters that the Chief Executive Officer or Chief Financial Officer might request.

All other Board members, with the exception of David Rendimonti, Owen Kenney and Kent Hoggan are independent within the meaning of section 1.4 of NI 52-110. David Rendimonti, as Chief Executive Officer, is non-independent because he is an "executive officer" of the Corporation within the meaning of NI 52-110. Owen Kenney and Kent Hoggan are non-independent because within the past three years they were each an "executive officer" of Vitality, a predecessor company to the Corporation.

The independent directors do not hold regularly scheduled meetings at which non-independent directors are not in attendance. The Board facilitates its exercise of independent supervision over management by in-camera meetings of independent directors when necessary or desirable.

The full text of the mandate of the Board is set out in Appendix A. The Board has developed written position descriptions for the Chairman, as set out in Appendix B. The Board has developed a written position description for the Chief Executive Officer, as set out in Appendix C.

Other Reporting Issuer Experience

The following table summarizes other public company experience from our current directors and officers for the past five (5) years.

Name	Name and Jurisdiction of Reporting Issuer	Name of Exchange or Market	Position	From	To
William Mackinnon	Telus Corporation	TSX	Director	May 2009	Present
	Novadaq Technologies Inc.	TSX	Director	May 2009	September 2017
Paul G. Smith	BlueRush Inc.	TSX-V	Director	February 2019	Present
	Delivra Corp.	TSX-V	Director	December 2015	Present
	Equity Financial Holdings Inc.	TSX	Director & CEO	December 2004	February 2014
	StorageVault Inc.	TSX-V	Director	July 2007	April 2015
	Park Lawn Corporation	TSX-V	Director	May 2016	Present
	Royal Standard Minerals Inc.	OTC BB	Director	February 2009	January 2014
Michael Mueller	Laurentian Bank of Canada	TSX	Director & Chairman	December 2018	Present
	Annidis Corporation	TSX-V	Chairman	November 2010	April 2015
	Annidis Corporation	TSX-V	Director	September 2009	August 2015
	Magor Corporation	TSX-V	Director	November 2010	November 2017
	Medexus Pharmaceuticals	TSX-V	Director	May 2013	Present
	Gensource Potash Corporation	TSX-V	Director	August 2018	Present
Steven Archambault	Novra Technologies Inc.	TSX-V	CFO	July 2016	May 2018
	International Datacasting Corporation (acquired by Novra Technologies Inc. in June 2016)	TSX / TSX-V (up to June 2016)	President	June 2016	May 2018
			Interim CEO	February 2016	June 2016
			Director	July 2015	June 2016
			CFO	December 2013	May 2018
AXIS Capital Holdings Limited	NYSE	SVP, Group Financial Reporting	April 2012	January 2018	
Patrick McGrade	Tim Hortons Inc.	NYSE & TSX	VP & Associate General Counsel and Assistant	May 2013	March 2015

	Restaurant Brands International Inc.	NYSE & TSX	Secretary Chief Corporate Affairs Officer	March 2015	June 2018
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Corporate Cease Trade Orders or Bankruptcies

No director or officer of the Corporation or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, is, or within 10 years before the date of this Circular, has been, a director or officer of any other issuer that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (c) 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
- (d) 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.

Penalties or Sanctions

No director, officer, or shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation has:

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

Personal Bankruptcies

Kent Hoggan, a director of the Corporation and a principal shareholder of the Corporation, declared personal bankruptcy on May 20, 2010 in the United States Bankruptcy Court in the District of Utah. He was declared discharged on August 1, 2010.

Other than Kent Hoggan, no director nor officer of the Corporation, nor a Shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation, or a personal holding company of any such persons, has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager, or trustee appointed to hold the assets of the director or officer.

Conflicts of Interest

The Corporation's directors and officers may serve as directors or officers, or may be associated with, other reporting companies, or have significant shareholdings in other companies. To the extent that such other companies may participate, the directors and officers of the Corporation may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Corporation will follow the provisions of its governing corporate statute, the CBCA, that address conflicts of interest. The CBCA requires each director and officer to disclose in writing (or request to have entered in the minutes of the board meeting) the nature and extent of the director's or officer's interest in a material contract or transaction, whether made or proposed, with the Corporation. The CBCA further requires such a director to refrain from voting on a resolution to approve the contract or transaction except in narrow circumstances set out in the CBCA. In all circumstances, the directors and officers of the Corporation are required to act honestly, in good faith, and in the best interest of the Corporation.

The Corporation's directors, officers and principal shareholders together will control a large percentage of the Common Shares and therefore collectively they are in a position to influence the shareholder voting results at a special meeting, which might include matters that could delay or prevent a change in control of the Corporation. The Corporation may not be able to effectively manage its growth and operations, which could materially and adversely affect the Corporation's business.

Orientation and Continuing Education

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Nomination of Directors

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the board new director nominees for the next annual meeting of Shareholders.

Compensation

The process of compensation is described in the above section "*Executive Compensation*".

Board Committees

There are currently two committees of the Board: (a) the Audit Committee and (b) the Compensation Committee, each of which is briefly described below. Each Committee has a committee charter. Committee chairs report to the Board, providing updates on the committee's deliberations and any recommendations that require the Board's approval. The committees review their charter annually and update as necessary.

Audit Committee

The Corporation's Audit Committee has various responsibilities as set forth in National Instrument 52-110 *Audit Committees* ("**NI 52-110**") concerning constitution of its Audit Committee and its relationship with its independent auditor.

Composition of the Audit Committee

Pursuant to the provisions of the CBCA and of applicable securities regulations, the Corporation is required to have an audit committee (the “**Audit Committee**”). The Audit Committee of the Corporation currently consists of Mike Mueller, Paul G. Smith, and William (Bill) MacKinnon. The three committee members meet the requirements of “financial literacy” and “independent” set forth in National Instrument 52-110 (“**NI 52-110**”).

For year ending December 31, 2018 the Corporation has not relied upon any exemptions to NI 52-110, other than as set out previously in this section. There have been no instances where the Board has not adopted the Audit Committee’s recommendations in the year ending on December 31, 2018. Please see “*Audit Fees*” for details of the Corporation’s external auditor service fees by category.

It is proposed that following the election of the board, Bill MacKinnon will continue as the Chairman of the Audit Committee.

Audit Committee Oversight

At no time since the commencement of the Corporation’s most recently completed financial year did the board of directors of the Corporation decline to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

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 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

The Corporation has relied on the exemption provided by section 6.1 of NI 52-110, which provides that the Corporation, as a venture issuer, is not required to comply with 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 as set out in the charter of the audit committee, a copy of which is attached as Schedule “A” to this Annual Information Form.

External Auditor

The current auditors of the Corporation are MNP SENCRL, LLP, 1155 Rene-Levesque Blvd W, 23rd Floor, Montreal, Quebec H3B 2K2. MNP SENCRL LLP was first appointed auditors of the Corporation effective as of the year ended December 31, 2016. MNP SENCRL LLP issued their first retainer fee to the Corporation on March 21, 2017.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Corporation’s external auditor in each of the two last financial years for audit fees are as follows:

Financial Year Ended	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2018	\$422,340 ⁽¹⁾	\$21,710 ⁽²⁾	\$3,675	\$16,398 ⁽³⁾
December 31, 2017	\$124,173	\$4,963	Nil	Nil

Notes:

- (1) During December 31, 2018, the Corporation performed two audits as a result of changing its fiscal year from June 30th to December 31st.
- (2) Aggregate audit related fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported as "Audit Fees".
- (3) Aggregate tax fees billed for RRSP eligibility review in connection with the Corporation's private placements.

Compensation Committee

Chair: Kent Hoggan

Other Members: Paul G. Smith, Michael Mueller

On May 29, 2019, the Board established a Compensation Committee and adopted a Compensation Committee Charter. The Compensation Committee conducts an annual review with regard to the directors' and the CEO's compensation. To make its recommendation on directors' and the CEO's compensation, the Compensation Committee takes into account the types of compensation and the amounts paid to directors and CEOs of comparable Canadian companies.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information is contained in the Corporation's consolidated financial statements and management's discussion and analysis for the year ended December 31, 2018 and information with respect to the business of the Corporation is contained in the Corporation's annual information form for the year ended December 31, 2018. Shareholders may obtain copies of the Corporation's financial statements and management's discussion and analysis by contacting the Corporation at 179 Promenade du Portage, Gatineau, Quebec, J8X 2K5.

OTHER MATTERS

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Circular.

The contents of this Circular and its distribution to Shareholders has been approved by the Board.

DATED at Ottawa, Ontario, June 25, 2019

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*David Rendimonti*"

David Rendimonti

Chief Executive Officer

APPENDIX A

EUREKA 93 INC. BOARD MANDATE

INTRODUCTION

The term “Company” herein shall refer to Eureka 93 Inc. and the term “Board” shall refer to the Board of Directors of the Company.

The Board is elected by the shareholders and is responsible for the stewardship of the business and affairs of the Company. The Board seeks to discharge such responsibility by reviewing, discussing and approving the Company’s strategic planning and organizational structure and supervising management to oversee that the foregoing enhance and preserve the underlying value of the Company.

Although directors may be elected by the shareholders to bring special expertise or a point of view to Board deliberations, they are not chosen to represent a particular constituency. The best interests of the Company as a whole must be paramount at all times.

QUALIFICATIONS OF DIRECTORS

A majority of the directors will be “independent.” No director will be deemed independent unless the Board affirmatively determines the director has no material relationship with the Company, directly or as an officer, shareholder or partner of an organization that has a material relationship with the Company. The Board will observe all additional criteria for determining director independence pursuant to the rules of any and all securities exchange(s) on which the securities of the Company are listed and posted for trading, and other governing laws and regulations. The Board shall consider and affirmatively determine whether each individual director is independent on an annual basis.

DUTIES OF DIRECTORS

The Board discharges its responsibility for overseeing the management of the Company’s business by delegating to the Company’s senior officers the responsibility for day-to-day management of the Company. The Board discharges its responsibilities both directly and through its committees, the Audit Committee and the Human Resources and Corporate Governance Committee. Only independent members may serve on any of the foregoing committees of the Board. In addition to these regular committees, the Board may appoint ad hoc committees periodically to address certain issues of a more short-term nature. Each of the standing committees of the Board will have its own charter. The charter will set forth the responsibilities of each committee, procedures of the committee and how the committee will report to the Board.

Directors must fulfill their responsibilities consistent with their fiduciary duty to the Company in compliance with all applicable laws and regulations. Directors will take into consideration the interests of shareholders, employees, the members of communities in which the Company operates, and all other stakeholders in the Company.

In addition to the Board’s primary roles of overseeing corporate performance and providing quality, depth and continuity of management to meet the Company’s strategic objectives, principal duties include, but are not limited to the following categories:

Appointment of Management

1. The Board has the responsibility for approving the appointment of the Chief Executive Officer and all other officers of the Company and approving the compensation of the executive officers for whom compensation is required to be individually reported under applicable securities laws (or “**named executive officers**”), following a review of the recommendations of the Human Resources and Corporate Governance Committee.

To the extent feasible, the Board shall satisfy itself as to the integrity of the named executive officers and other executive officers and ensure the named executive officers and other executive officers create a culture of integrity throughout the Company.

2. The Board from time to time delegates to senior management the authority to enter into certain types of transactions, including financial transactions, subject to specified limits. Investments and other expenditures above the specified limits and material transactions outside the ordinary course of business are reviewed by and subject to the prior approval of the Board.
3. The Board oversees that succession planning programs are in place, including programs to appoint, train, develop and monitor management.

Board Organization

4. The Board will respond to recommendations received from the Human Resources and Corporate Governance Committee, but retains the responsibility for managing its own affairs by giving its approval for its composition and size, the selection of the Chair of the Board, candidates nominated for election to the Board, committee and committee chair appointments, committee charters and director compensation.
5. The Board supports the separation of the role of the Chair of the Board from the role of Chief Executive Officer. In the event the Chair of the Board is not independent, the independent directors shall appoint an independent lead director.
6. The Board may delegate to Board committees matters it is responsible for, including the approval of compensation of the Board and management, the conduct of performance evaluations and oversight of internal controls systems, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.
7. Independent directors will meet in camera as needed. Normally, such meetings will occur at the end of regularly schedule board meetings.
8. The Board has the authority to hire independent legal, financial or other advisors as it deems necessary.

Strategic Planning

9. The Board has oversight responsibility to participate directly, and through its committees, in reviewing, questioning and approving the mission of the business and its objectives and goals.
10. The Board is responsible for adopting a strategic planning process and approving and reviewing, on at least an annual basis, the business, financial and strategic plans by which it is proposed the Company may reach those goals, and such strategic plans will take into account, among other things, the opportunities and risks of the business.
11. The Board has the responsibility to provide input to management on emerging trends and issues and on strategic plans, objectives and goals that management develops.

Monitoring of Financial Performance and Other Financial Reporting Matters

12. The Board is responsible for enhancing congruence between shareholder expectations, Company plans and management performance.
13. The Board is responsible for:

- (a) adopting processes for monitoring the Company's progress toward its strategic and operational goals, and to revise and alter its direction to management in light of changing circumstances affecting the Company; and
 - (b) taking action when Company performance falls short of its goals or as other special circumstances warrant.
14. The Board shall be responsible for approving the audited consolidated financial statements; interim consolidated financial statements and the notes and Management's Discussion and Analysis accompanying such consolidated financial statements.
15. The Board is responsible for reviewing and approving material transactions outside the ordinary course of business and those matters the Board is required to approve under the Company's governing statute, including the payment of dividends, issuance, purchase and redemption of securities, acquisitions and dispositions of material property, plant and equipment and material capital expenditures.

Risk Management

16. The Board has responsibility for the identification of the principal risks of the Company's business and ensuring the implementation of appropriate systems to effectively monitor and manage such risks with a view to the long-term viability of the Company and achieving a proper balance between the risks incurred and the potential return to the Company's shareholders.
17. The Board is responsible for the Company's internal control and management information systems.

Policies and Procedures

18. The Board is responsible for:
- (a) developing the Company's approach to corporate governance and approving and monitoring compliance with all significant policies and procedures related to corporate governance; and
 - (b) approving policies and procedures designed to ensure the Company operates at all times within applicable laws and regulations and to the highest ethical and moral standards and, in particular, adopting a written code of business conduct and ethics which is applicable to directors, officers and employees of the Company and which constitutes written standards that are reasonably designed to promote integrity and to deter wrongdoing.
19. The Board enforces its policy respecting confidential treatment of the Company's proprietary information and Board deliberations.
20. The Board is responsible for monitoring compliance with the Company's Code of Ethics. Any waivers from the code that may be granted for the benefit of the Company's directors or executive officers must be granted by the Board (or a Board committee) only.

Communications and Reporting

21. The Board has approved and will revise from time to time as circumstances warrant a Corporate Disclosure Policy to address communications with shareholders, employees, financial analysts, the media and such other outside parties as may be appropriate.
22. The Board is responsible for:
- (a) overseeing the accurate reporting of the financial performance of the Company to shareholders, other security holders and regulators on a timely and regular basis;

- (b) overseeing that the financial results are reported fairly and in accordance with Canadian generally accepted accounting standards and related legal disclosure requirements;
- (c) taking steps to enhance the timely disclosure of any other developments that have a significant and material impact on the Company;
- (d) reporting annually to shareholders on its stewardship for the preceding year; and
- (e) overseeing the Company's implementation of systems that accommodate feedback from stakeholders.

Position Descriptions

23. The Board is responsible for:

- (a) developing position descriptions for the Chair of the Board, the chair of each Board committee and the Chief Executive Officer (which will include delineating management's responsibilities);
- (b) approving the corporate goals and objectives that the Chief Executive Officer is responsible for meeting; and
- (c) developing a position description for the directors which sets out the expectations and responsibilities of directors, including basic duties and responsibilities with respect to attendance at Board meetings and advance review of meeting materials.

Orientation and Continuing Education

24. The Board is responsible for:

- (a) ensuring all new directors receive a comprehensive orientation, that they fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make (including the commitment of time and resources that the Company expects from its directors) and that they understand the nature and operation of the Company's business; and
- (b) providing continuing education opportunities for all directors, so that individuals may maintain or enhance their skills and abilities as directors, as well as to ensure their knowledge and understanding of the Company's business remains current.

Human Resources of Directors

25. In connection with the nomination or appointment of individuals as directors, the Board is responsible for:

- (a) considering what competencies and skills the Board, as a whole, should possess;
- (b) assessing what competencies and skills each existing director possesses;
- (c) considering the appropriate size of the board with a view to facilitating effective decision making; and
- (d) considering whether or not each new nominee can devote sufficient time and resource to his or her duties as a board member.

in carrying out each of these responsibilities, the Board will consider the advice and input of the Human Resources and Corporate Governance Committee.

26. While the Board does not restrict the number of public company boards on which a director may serve, each director should ensure that he or she is able to devote sufficient time and resources to carrying out their duties as a board member effectively. As a general rule, directors are not permitted to join a board of another public company on which two or more other directors of the Company serve.
27. The Board supports the principle that its membership should represent a diversity of backgrounds, experience and skills and should include women.
28. Director nominees shall be selected by a majority of the independent directors.

Board Evaluation

29. The Board is responsible for ensuring that the Board, its committees and each individual director are regularly assessed regarding his, her or its effectiveness and contribution. An assessment will consider, in the case of the Board or a Board committee, its mandate or charter and in the case of an individual director, any applicable position description, as well as the competencies and skills each individual director is expected to bring to the Board.

Annual Review

30. The Human Resources and Corporate Governance Committee shall review and reassess the adequacy of this mandate at least annually and otherwise as it deems appropriate and recommend changes to the Board, as necessary. The Human Resources and Corporate Governance Committee will ensure this mandate or a summary that has been approved by the Human Resources and Corporate Governance Committee is disclosed in accordance with all applicable securities laws or regulatory requirements in the Company's annual management information circular or such other annual filing as may be permitted or required by applicable securities regulatory authorities.

APPENDIX B

EUREKA 93 INC. POSITION DESCRIPTION – CHAIRMAN OF THE BOARD OF DIRECTORS

The Chairman of the Board of Directors (the "**Board**") of Eureka 93 Inc. (the "**Company**") shall have the responsibilities, authorities and specific duties as described below.

Appointment

1. The Chairman will be a duly elected member of the Board and will be appointed, serve and be removed at the pleasure of the Board. The Chief Executive Officer or any other full-time executive officer of the Company may not serve as Chairman.

Duties of the Chairman

2. In addition to fulfilling his or her duties as an individual director, the duties of the Chairman are to:
 - (a) foster responsible, ethical and effective decision making;
 - (b) provide overall leadership to the Board;
 - (c) manage the affairs of the Board to ensure that the Board functions effectively and operates independently from management, including liaising with the Human Resources and Corporate Governance Committee and implementing any recommendations, or acting upon any feedback, received from such committee in order to optimize the effectiveness of the Board;
 - (d) coordinate with management to ensure that processes are in place to appropriately and effectively involve the Board in the development and review of the Company's strategic plans and business plans;
 - (e) take reasonable steps to ensure that the other members of the Board understand their responsibilities and duties and execute them as effectively as possible;
 - (f) call and schedule, or request the Chief Executive Officer or other executive officer to call and schedule, each meeting of the Board;
 - (g) preside at each meeting of the Board and at each meeting of the shareholders of the Company;
 - (h) coordinate with management and the General Counsel of the Company to ensure that:
 - (i) documents are delivered to directors in sufficient time in advance of Board meetings for a thorough review;
 - (ii) matters are properly presented for the Board's consideration at meetings;
 - (iii) the Board has an appropriate opportunity to discuss issues at each meeting; and
 - (iv) the Board has an appropriate opportunity to question executive officers, management, employees, external auditors, experts and advisors regarding any and all matters of importance to the Board and the Company;

- (i) communicate with each Board member to ensure that:
 - (i) each director has the opportunity to be heard and participate in decision making; and
 - (ii) each director is accountable to the Board and to each Committee on which he or she serves;
- (j) arrange for an *in-camera* portion, without management present, at every meeting of the Board and communicate any pertinent items arising from the *in-camera* session to the Chief Executive Officer following such session;
- (k) arrange with the Corporate Secretary for the preparation, accuracy and distribution of all minutes of the Board;
- (l) ensure that each Committee of the Board, following their meetings:
 - (i) reports to the Board regarding their activities, findings and recommendations; and
 - (ii) makes Committee information available to any director upon request;
- (m) act as a liaison between management, the members of the Board and the chairs of the various committees of the Board;
- (n) assist in maintaining effective working relationships between Board members, external auditors, experts, advisors, executive officers and management;
- (o) in collaboration with the Human Resources and Corporate Governance Committee and the Board, assist with and evaluate the development of the Chief Executive Officer and the Chief Financial Officer, including completion of an annual evaluation of the Chief Executive Officer and provision of feedback directly to the Chief Executive Officer on an ongoing basis;
- (p) in collaboration with the Chief Executive Officer and the Chief Financial Officer, as applicable, monitor the implementation of the Company's business and financing plans with a view to ensuring that the Company will have sufficient funding to execute its strategic and business plans; and
- (q) be available to provide advice, counsel and mentorship on various matters that the Chief Executive Officer or Chief Financial Officer, as applicable, might request.

APPENDIX C

EUREKA 93 INC. POSITION DESCRIPTION – CHIEF EXECUTIVE OFFICER

The Chief Executive Officer of Eureka 93 Inc. (the "**Company**") shall have the responsibilities, authorities and specific duties as described below.

Introduction

1. The primary focus for the Chief Executive Officer shall be:
 - (a) providing overall leadership and vision in developing, in concert with and subject to the final approval of the Board of Directors (the "**Board**"), the Company's strategic direction;
 - (b) providing overall leadership and vision in developing the tactics and business plans necessary to realize corporate objectives; and
 - (c) managing the overall business to ensure strategic and business plans are effectively implemented, the results are monitored and reported to the Board, and financial and operational objectives are attained.

Duties and Responsibilities of the Chief Executive Officer

2. The duties and responsibilities of the Chief Executive Officer include, but are not limited to the following:
 - (a) Lead and manage the Company within parameters established by the Board and relevant committees.
 - (b) Develop and recommend strategic plans to the Board that ensure the Company's profitable growth and overall success. This includes updating and making changes as required, and involving the Board in the early stages of developing strategy. Successfully implement the corresponding capital and operating plans. Review and report regularly to the Board on the overall progress and results against operating and financial objectives and initiates courses of action for improvement.
 - (c) Develop annual capital commitment and expenditure budgets for approval by the Board.
 - (d) Develop annual operating forecasts of revenue, expenditures, operational results, and financial performance. These forecasts serve as operating and financial guidelines and do not require Board approval except for those components specifically utilized in setting objectives for compensation purposes.
 - (e) Authorize the commitment of funds to capital projects included in budgets approved by the Board.
 - (f) Authorize commitment of corporate resources. Enter into agreements, contracts, leases, and like agreements in the ordinary course of business, in order to pursue the approved strategies, business plans, and objectives of the Company, provided however, that major commitments, exposures, and risks shall be reported to the Board in a regular and timely basis.
 - (g) Identify the principal risks of the Company's business and implement appropriate systems to manage these risks.
 - (h) Develop and maintain a sound, effective organization structure, and ensure, progressive employee training and development programs.

- (i) Annually establish and maintain a Board-approved plan for senior management development and succession.
- (j) Provide the Board, at Board and committee meetings, with exposure to the Company's key management (other than in connection with in camera portions of Board meetings, or voting or deliberations by the Compensation Committee regarding compensation of the Chief Executive Officer).
- (k) Ensure that all members of the organization have their responsibilities and authorities clearly established.
- (l) Establish effective control and co-ordination mechanisms for all operations and activities. Ensure the integrity of disclosure controls, internal controls over financial reporting and management systems.
- (m) Maintain or cause to be maintained such industry, governmental, public or other external relationships as are deemed advisable and in the interests of the Company.
- (n) Ensure the Company's assets are adequately safeguarded and optimized in the best interests of the shareholders.
- (o) Manage and oversee the required interfaces between the Company and the public and act as the principal spokesperson for the Company.
- (p) Ensure the safe, efficient operation of the Company and ensure compliance with the Company's environment, health, safety, and security policies and practices.
- (q) Obtain Board approval when considering (or when other senior management are considering) significant public service commitments and/or accepting outside Board appointments.
- (r) Ensure all operations and activities of the Company are conducted in accordance with laws, regulations, the Company's Code of Ethics and Business Conduct, sound business practice and in accordance with the policies and practices approved by the Board.
- (s) Foster a corporate culture that promotes ethical practices and encourages individual integrity and social responsibility.
- (t) With respect to the Board and shareholders, the Chief Executive Officer shall:
 - (i) maintain an open and effective relationship with the Chairman and the Board;
 - (ii) ensure the Company's management and, where applicable, the Board are appropriately represented at official functions and meetings with major shareholder groups, and other stakeholder groups;
 - (iii) ensure effective communications and appropriate relationships are maintained with the shareholders of the Company and other stakeholders;
 - (iv) keep the Board fully informed of all significant operational, financial and other matters relevant to the Company including external items emanating from governments, regulators and other external bodies;
 - (v) act as a principal link between the senior management team and the Board;

- (vi) ensure management strategies, plans and performance are appropriately represented to the Board; and
- (vii) provide input to the Board Chairman on Board meeting agendas.