



THC BIOMED INTL LTD.
NOTICE OF MEETING AND INFORMATION CIRCULAR
FOR THE ANNUAL GENERAL AND SPECIAL MEETING
OF THE SHAREHOLDERS
TO BE HELD ON FEBRUARY 25, 2020

Dated January 15, 2020

This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this Information Circular, you should contact your advisor immediately.

THC BIOMED INTL LTD.
P.O. Box 20033 Towne Centre
Kelowna B.C. V1Y 9H2

NOTICE AND ACCESS NOTIFICATION

ANNUAL general MEETING OF SHAREHOLDERS OF
THC BIOMED INTL LTD. TO BE HELD ON FEBRUARY 25, 2020

This notification is being provided to the shareholders of **THC BIOMED INTL LTD.** (the “**Company**”) under the notice-and-access provisions for the delivery of meeting materials in respect of its annual general special meeting of shareholders to be held on February 25, 2020 (the “**Meeting**”). Under notice-and-access, instead of receiving printed copies of the Company’s information circular (the “**Circular**”) and, if requested, the consolidated financial statements for the year ended July 31, 2019 and Management’s Discussion and Analysis, the Company is providing shareholders this notice with information on how they may access the Meeting materials electronically. However, together with this notification, shareholders continue to receive a proxy or voting instruction form, as applicable, enabling them to vote at the Meeting. The use of this alternative means of delivery will help reduce paper use, printing and mailing costs.

DATE, TIME AND LOCATION OF MEETING

Date: Tuesday, February 25, 2020
Time: 9:00 a.m. (Pacific Time)
Location: Owen Bird Law Corporation, 29th Floor, 595 Burrard Street, Vancouver, BC V7X 1J5

MATTERS TO BE CONSIDERED AND/OR VOTED AT THE MEETING

2019 Annual General and Special Meeting:

1. to receive the audited financial statements of the Company for the fiscal year ended July 31, 2019;
2. to appoint Baker Tilly WM LLP as the Company’s auditor for the fiscal year ending July 31, 2020 and to authorize the Board of Directors to fix the remuneration to be paid to the auditor;
3. to set the number of directors of the Company at four (4);
4. to elect the directors of the Company to hold office until the next annual general meeting of Shareholders of the Company;
5. to approve the renewal of the Company’s 10% rolling stock option plan, as more particularly described in this accompanying Information Circular;
6. to adopt by ordinary resolution, the Company’s Director Nomination Policy, as more particularly described in this accompanying Information Circular;
7. to approve by special resolution the alteration of the Company’s Articles by adding the Director Nomination Provision to the Articles, as more particularly described in this accompanying Information Circular;
8. to ratify, confirm and approve the delay and postponement of the 2019 annual general and special meeting to the date of the Meeting;

2018 Annual General and Special Meeting:

9. to receive the audited financial statements of the Company for the fiscal year ended July 31, 2018;
10. to ratify, confirm and approve the appointment of Baker Tilly WM LLP as the Company's auditor for the fiscal year ending July 31, 2019 and to authorize the Board of Directors to fix the remuneration to be paid to the auditor;
11. to ratify, confirm and approve the election of the directors of the Company for the 2018 annual general and special meeting;
12. to ratify, confirm and approve the delay and postponement of the 2018 annual general and special meeting to the date of the Meeting;

2017 Annual General and Special Meeting:

13. to receive the audited financial statements of the Company for the fiscal year ended July 31, 2017;
14. to ratify, confirm and approve the appointment of Baker Tilly WM LLP as the Company's auditor for the fiscal year ending July 31, 2018 and to authorize the Board of Directors to fix the remuneration to be paid to the auditor;
15. to ratify, confirm and approve the election of directors of the Company for the 2017 annual general and special meeting;
16. to ratify, confirm and approve the delay and postponement of the 2017 annual general and special meeting to the date of the Meeting; and,
17. to transact such other business as may properly come before the Meeting or any adjournment thereof.

WEBSITES WHERE MEETING MATERIALS ARE POSTED

Meeting materials can be viewed online under the Company's profile at www.sedar.com and also at <http://www.thcbiomed.com>

SHAREHOLDERS ARE REMINDED TO REVIEW THE INFORMATION CIRCULAR PRIOR TO VOTING.

HOW TO OBTAIN PAPER COPIES OF THE MEETING MATERIALS

Shareholders may request that paper copies of the Meeting materials be sent to them by postal delivery at no cost to them. Requests for paper copies of the Meeting materials should be received by the Company no later than February 12, 2020 to ensure timely receipt. Shareholders who wish to receive paper copies of the Meeting materials may request copies by emailing the Company at info@thcbiomed.com.

VOTING

PLEASE NOTE – YOU CANNOT VOTE BY RETURNING THIS NOTICE. To vote your securities you must vote by telephone or online before February 21, 2020 at 9:00 a.m. Pacific Time. Please see the Proxy form for information needed to vote by telephone or online.

Shareholders with questions about the notice-and-access provisions may contact the Company by email at info@thcbiomed.com or toll free at 1-844-842-6337.

Dated at Vancouver, British Columbia as of January 15, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ John Miller

John Miller

President, Chief Executive Officer and Director

THC BIOMED INTL LTD.
P.O. Box 20033 Towne Centre
Kelowna B.C. V1Y 9H2

INFORMATION CIRCULAR

INTRODUCTION

This Information Circular accompanies the notice of annual general and special meeting (the “**Notice**”) and is being furnished to the holders of common shares of THC BioMed Intl Ltd. (the “**Company**”) in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the “**Meeting**”) of shareholders to be held at 9:00 a.m. (Pacific time) on February 25, 2020 at Owen Bird Law Corporation, 29th Floor, 595 Burrard Street, Vancouver, British Columbia V7X 1J5 or at any adjournment or postponement thereof.

Date and Currency

The date of this Information Circular is January 15, 2020. Unless otherwise stated, all amounts herein are in Canadian dollars.

PROXIES AND VOTING RIGHTS

Management Solicitation

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

The Company has arranged for intermediaries to forward the Meeting materials to beneficial owners of common shares of the Company held of record by those intermediaries. The Company has distributed or made available for distribution, copies of the Notice, this Information Circular and form of proxy to clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the “**Intermediaries**”) for distribution to holders (the “**Beneficial Shareholders**”) of the Company’s common shares held of record by those Intermediaries. Such Intermediaries are required to forward such documents to the Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by the Company if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. The Company will pay the permitted fees and costs of the Intermediaries for reasonable fees and disbursements incurred in connection with the distribution of these materials.

The Company will pay for intermediaries to forward to both non-objecting beneficial owners and objecting beneficial owners under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) the proxy-related materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*.

These materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer 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 applicable securities regulatory requirements from the intermediary holding on your behalf.’

Appointment of Proxy

Registered shareholders are entitled to vote at the Meeting. On a show of hands, every registered shareholder is entitled to one vote for each common share that such registered shareholder holds on the record date of January 13, 2020 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting. The list of registered shareholders is available for inspection during normal business hours at the offices of the Company’s registrar and transfer agent, Computershare Investor Services Inc. (the “**Transfer Agent**”), and will be available at the Meeting.

The person named as proxyholders (the “**Designated Person**”) in the enclosed form of proxy is John Miller, the President, CEO and a director of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.

TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE’S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER’S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

In order to be voted, the completed form of proxy must be received by the Transfer Agent at its offices located at 2nd Floor, 510 Burrard Street Vancouver, BC V6C 3B9, by mail or fax, no later than 9:00 a.m. (Pacific time) on February 21, 2020 or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting. The Company may extend the deadline to accept proxies in its complete and sole discretion.

A proxy may not be valid unless it is dated and signed by the shareholder who is giving it or by that shareholder’s attorney-in-fact duly authorized by that shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual shareholder or joint shareholders, or by an officer or attorney-in-fact for a corporate shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially-certified copy thereof, must accompany the form of proxy.

Revocation of Proxy

A registered shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that shareholder or by that shareholder's attorney-in-fact authorized in writing or, where the shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chair of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a registered shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Voting of Common Shares and Proxies and Exercise of Discretion by Designated Persons

A shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the common shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the common shares represented will be voted or withheld from the vote on that matter accordingly. **The common shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the common shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE NOMINEES OF THE BOARD OF DIRECTORS FOR DIRECTORS AND AUDITOR.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the common shares on any matter, the common shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to those shareholders who do not hold shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this Information Circular as "Beneficial Shareholders") should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of common shares can be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those common shares will not be registered in the shareholder's name on the records of the

Company. Such common shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such common shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person well in advance of the Meeting.**

The Company does not have access to the names of Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the Form of Proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of common shares to be voted at the Meeting. Beneficial Shareholders are requested to complete and return the voting instructions to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the common shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form as a proxy to vote common shares directly at the Meeting. Rather, such a voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the common shares voted at the Meeting.**

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

Alternatively, a Beneficial Shareholder may request in writing that his or her broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend the Meeting and vote his or her common shares.

All references to shareholders in this Information Circular are to registered shareholders, unless specifically stated otherwise.

NOTICE-AND-ACCESS

National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer and National Instrument 51-102 – Continuous Disclosure Obligations allow for the use of the notice and access system for the delivery to shareholders of certain materials, including notice of meeting, management information circular, annual financial statements and management’s discussion and analysis (collectively, the “Meeting Materials”) by reporting issuers.

Under the notice and access system, reporting issuers are permitted to deliver the Meeting Materials by posting them on SEDAR at www.sedar.com as well as a website other than SEDAR and sending a notice package to shareholders that includes: (i) the relevant form of proxy or voting instruction form; (ii) basic information about the meeting and the matters to be voted on; (iii) instructions on how to obtain a paper copy of the Meeting Materials; and (iv) a plain language explanation of how the notice and access system operates and how the Meeting Materials can be accessed online.

As described in the Notice and Access Notification to be mailed to the Shareholders of the Company on or about January 15, 2020, the Company has elected to deliver its Meeting Materials to Beneficial Holders using the notice and access system. These Beneficial Shareholders will receive a notice and access notification which will contain the prescribed information. Registered Shareholders and those Beneficial Holders with existing instructions on their account to receive printed materials will receive a printed copy of the Meeting Materials with the notice package.

The Company intends to pay for proximate intermediaries to deliver Meeting Materials and Form 54-101F7 (the request for voting instructions) to “objecting beneficial owners”, in accordance with National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who has been a director or executive officer at any time since the beginning of the Company’s three most recently completed financial years, nor any proposed nominee for election as a director of the Company, nor any associate or affiliates of any such directors, executive officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of common shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of common shares without par value. As of the date of this Information Circular, a total of 159,543,056 common shares were issued and outstanding. Each common share carries the right to one vote at the Meeting.

Only registered shareholders as of January 13, 2020, being the record date, are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement thereof.

As of the date of this Information Circular, to the knowledge of the directors and senior officers of the Company, the following persons or companies beneficially owns, directly or indirectly, or exercises control or direction over, common shares carrying more than 10% of the voting rights attached to the outstanding common shares of the Company:

Name of Shareholder	Number of Common Shares Owned	Percentage of Outstanding Common Shares ⁽¹⁾
John Miller	31,151,404	19.52%
Hee Jung Chun	16,162,072	10.13%

⁽¹⁾ Based on 159,543,056 common shares issued and outstanding as of the date of this Information Circular.

QUORUM AND VOTES NECESSARY TO PASS RESOLUTIONS

Under the Company's Articles, the quorum for the transaction of business at a meeting of shareholders is two persons who are, or who represents by proxy, shareholders who, in aggregate, hold at least 5% of the issued common shares entitled to be voted at the Meeting. A simple majority of the votes of those shareholders who are present and vote either in person or by proxy at the Meeting is required in order to pass an ordinary resolution. A majority of two-thirds of the votes of those shareholders who are present and vote either in person or by proxy at the Meeting is required to pass a special resolution.

STATEMENT OF EXECUTIVE COMPENSATION

Definitions

For the purpose of this Information Circular:

"company" includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

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

"external management company" includes a subsidiary, affiliate or associate of the external management company;

"named executive officer" or **"NEO"** means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the three most recently completed financial years, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Company, during any part of the three most recently completed financial years, served as chief financial officer, including an individual performing functions similar to a chief financial officer;;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the three most recently completed financial years whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102FV6 *Statement of Executive Compensation – Venture Issuers*, for that financial year; and
- (d) each individual who would be an named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

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

“underlying securities” means any securities issuable on conversion, exchange or exercise of compensation securities.

Director and Named Executive Officer Compensation

The following table summarizes the compensation paid to each NEO for each of the Company’s three most recently completed financial years:

Table of compensation excluding compensation securities							
Name and position	Year Ended July 31,	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
John Miller, President, CEO and Director	2019	60,250	0	6,500	Nil	Nil	66,750
	2018	60,000	0	7,000	Nil	Nil	67,000
	2017	60,400	0	6,000	Nil	Nil	66,400
Hee Jung Chun, CFO and Director	2019	60,156	0	6,500	Nil	Nil	66,656
	2018	60,000	0	7,000	Nil	Nil	67,000
	2017	60,400	0	6,000	Nil	Nil	66,400
Ashish Dave, Director	2019	0	0	6,500	Nil	Nil	6,500
	2018	0	0	7,000	Nil	Nil	7,000
	2017	0	0	1,000	Nil	Nil	1,000
George Smitherman, Director	2019	0	0	6,500	Nil	Nil	6,500
	2018	0	0	7,000	Nil	Nil	7,000
	2017	0	0	6,000	Nil	Nil	6,000
Jason Walsh, Chairman ⁽²⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017 ⁽¹⁾	36,400	Nil	Nil	Nil	Nil	36,400

(1) Jason Walsh earned \$20,000 through BUA Capital Management Ltd. as consulting fees and \$16,400 through BUA Group Holdings Ltd. as administration fees.

(2) Jason Walsh resigned as a director and officer of the Company on August 11, 2017.

External Management Companies

The Company does not have any agreements with external management companies.

Stock Options and Other Compensation Securities

The following table summarized the compensation securities granted or issued to each director and NEO by the Company or one of its subsidiaries in the year ended July 31, 2017 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
John Miller <i>President, CEO and Director</i>	Options	500,000 ⁽¹⁾	July 25, 2017	0.385	0.375	0.39	July 25, 2019
Hee Jung Chun <i>CFO and Director</i>	Options	500,000 ⁽¹⁾	July 25, 2017	0.385	0.375	0.39	July 25, 2019
George Smitherman <i>Director</i>	Options	500,000 ⁽¹⁾	July 25, 2017	0.385	0.375	0.39	July 25, 2019
Ashish Dave <i>Director</i>	Options	500,000 ⁽¹⁾	July 25, 2017	0.385	0.375	0.39	July 25, 2019

⁽¹⁾ Options vest 10% on date of grant, 15% 3 months from date of grant, then 25% at 6, 9 and 12 months from date of grant.

The following table summarized the compensation securities granted or issued to each director and NEO by the Company or one of its subsidiaries in the year ended July 31, 2018 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The following table summarized the compensation securities granted or issued to each director and NEO by the Company or one of its subsidiaries in the year ended July 31, 2019 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries:

Compensation Securities							
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George Smitherman, <i>Director</i>	Options	125,000	0.385	August 13, 2018	0.89	0.505	111,250
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Stock Option Plans and Other Incentive Plans

The Company is authorized to grant options to directors, officers, and employees to acquire common shares. The Company's previous stock option plan was cancelled and the Company has adopted the 2015 Stock Option Incentive Plan (the "**Plan**"). The essential elements of the Plan provide that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the issued common shares of the Company from time to time. Options granted under the Plan may have a maximum term of ten (10) years. The exercise price of options granted under the Plan will not be less than the fair market value price of the shares on the date of grant of the options (defined as the last closing market price of the Company's shares on the last day shares are traded prior to the grant date). Stock options granted under the Plan vest immediately subject to vesting terms which may be imposed at the discretion of the Directors. Stock options granted under the Plan are to be settled with the issuance of equity instruments.

A copy of the Plan is available for review at (a) Schedule "D" hereto, (b) www.sedar.com as an "other material contract" of the Company, filed on July 22, 2015; and (c) the registered and records office of the Company at the 29th Floor, 595 Burrard Street, Vancouver, BC V7X 1J5 during normal business hours up to and including the date of the Meeting.

The Plan was previously approved by the Company's shareholders at the 2015 Annual General Meeting of the Shareholders.

Oversight and Description of Director and Named Executive Officer Compensation

The Board of Directors is responsible for determining, by way of discussions at board meetings, the compensation to be paid to the directors and executive officers of the Company.

The Board of Directors determines whether executive officer compensation is commensurate with skills and industry standards.

The significant elements of compensation awarded to, earned by, paid or payable to the named executive officers for the financial years ended July 31, 2017, 2018 and 2019 are as follows:

- John Miller earns a monthly salary; and
- Hee Jung Chun earns a monthly salary.

Effective August 1, 2016, director fees of \$500 per month are paid to John Miller, Hee Jung Chun, George Smitherman, and Ashish Dave.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of all compensation plans under which equity securities of the Company were authorized for issuance, as of the end of the Company's most recently completed financial year, July 31, 2019:

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity compensation plans approved by security holders	12,000,000 ⁽¹⁾	0.654	5,386,740
Equity compensation plans not approved by security holders	Nil	Nil	Unlimited
Total	12,000,000 ⁽¹⁾	0.654	5,286,740 ⁽²⁾

⁽¹⁾ 2,100,000 common stock purchase options were also issued to certain directors and employees outside of the Company's Stock Option Plan

⁽²⁾ Based on 152,867,404 common shares being issued and outstanding.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of January 13, 2020, no director, executive officer or employee of the Company or any of its subsidiaries; former directors, executive officers or employees of the Company or any of its subsidiaries; proposed nominee for election as a director of the Company; or any associate of any of the foregoing: (i) is or has been indebted to the Company or any of its subsidiaries at any time since the beginning of the Company's three most recently completed financial years, or (ii) is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries at any time since the beginning of the Company's most recently completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein or in the audited financial statements of the Company for the financial years ended July 31, 2017, 2018 and 2019, which can be obtained as indicated below under "*Additional Information*", no: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, common shares or who exercises control or direction of common shares, or a combination of both carrying more than 10% of the voting rights attached to the outstanding common shares (an "**Insider**"); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's three most recently completed financial years or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of common shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of common shares.

AUDIT COMMITTEE DISCLOSURE

National Instrument 52-110 *Audit Committees* ("**NI 52-110**") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

Audit Committee Charter

On December 12, 2014, the Company adopted an audit committee charter, the text of which is included as Schedule "A" to this Information Circular.

Composition of the Audit Committee

As of the date of this Information Circular, the following are the members of the Audit Committee:

Name	Independence	Financial Literacy
John Miller	Not Independent	Financially literate
George Smitherman	Independent	Financially literate
Ashish Dave	Independent	Financially literate

Relevant Education and Experience

In addition to each member's general business experience, the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member is as follows:

John Miller – Mr. Miller is a businessman with many years of experience in the operation and management of companies, including the review and discussion of financial statements.

George Smitherman – Mr. Smitherman has a lifetime of public fund management with budget accountability topping \$30 Billion annually as well as broad regulatory and governance expertise.

Ashish Dave – Dr. Dave has many years of experience as CEO and President of private companies reviewing corporate company balance sheets and financial statements.

Audit Committee Oversight

At no time since the commencement of the Company's three most recently completed financial years did the Board of Directors fail to adopt a recommendation of the Audit Committee to nominate or compensate an auditor.

Reliance on Certain Exemptions

At no time since the commencement of the Company's three most recently completed financial years has the Company relied on an exemption in or from NI 52-110, other than the exemption in section 6.1 as described below.

Reliance on Section 6.1

Pursuant to section 6.1 of NI 52-110, as a venture issuer we are relying on the exemption from the audit committee composition requirements and certain reporting obligations found in Parts 3 and 5 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 described in the Audit Committee Charter under the heading "External Auditors".

External Auditor Service Fees

In the following table, "audit fees" are fees billed by the Company's auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably

related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's auditor in the last three fiscal years, by category, are as set out in the table below.

	2019 (\$)	2018 (\$)	2017 (\$)
Audit fees	66,263	54,340	49,115
Audit-related fees		3,886	3,135
Tax fees	3,313	2,911	2,613
All other fees		466	2,838

MANAGEMENT CONTRACTS

There are no management functions of the Company or any of its subsidiaries which are, to any substantial degree, performed by a person other than the directors or executive officers of the Company or subsidiary.

CORPORATE GOVERNANCE

Maintaining a high standard of corporate governance is a priority for the Board of Directors and the Company's management believes that effective corporate governance will help create and maintain shareholder value in the long term. A description of the Company's corporate governance practices, which addresses the matters set out in National Instrument 58-101 *Disclosure of Corporate Governance Practices*, is set out below.

Board of Directors

The Board of Directors facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board.

Independence of Directors

Both George Smitherman and Ashish Dave are not officers or employees of the Company or of an affiliate of the Company and are, thus, independent. Hee Jung Chun is the Chief Financial Officer and, thus, not independent. John Miller is the President and Chief Executive Officer and, thus, not independent.

Directorships

The following directors of the Company and each of the individuals to be nominated for election as a director of the Company at the Meeting serve as directors of other reporting issuers, as of the date of this Information Circular:

Name of Director	Other Reporting Issuer	Name of Exchange or Market
Nil	Nil	Nil

Orientation and Continuing Education

The Board of Directors briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board of Directors does not provide any continuing education, but does encourage directors to individually and as a group keep themselves informed on changing corporate governance and legal issues. Directors are individually responsible for updating their skills required to meet their obligations as directors. In addition, the Board undertakes strategic planning sessions with management.

Ethical Business Conduct

The Board of Directors has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law in combination with 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 Company.

Nomination of Directors

The Board of Directors 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.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, show support for the Company's mission and strategic objectives, and a willingness to serve.

Compensation

The Board of Directors conducts reviews with regard to the compensation of the directors and CEO once a year. To make its recommendations on such compensation, the Board of Directors informally takes into account the types of compensation and the amounts paid to directors and officers of comparable publicly traded Canadian companies.

Effective August 1, 2016, director fees of \$500 per month are paid to John Miller, Hee Jung Chun, George Smitherman, and Ashish Dave.

The Board does not currently have a compensation committee.

Other Board Committees

The Board of Directors has no other committees other than the Audit Committee.

Assessments

The Board of Directors regularly monitors the adequacy of information given to directors, communications between the board and management and the strategic direction and processes of the Board and its committees. The Board is currently responsible for assessing its own effectiveness, the effectiveness of individual directors and the effectiveness of the Audit Committee.

PARTICULARS OF MATTERS TO BE ACTED UPON

Presentation of Financial Statements

The audited financial statements of the Company for the fiscal years ended July 31, 2017, 2018 and 2019, will be placed before the Meeting. Receipt at the Meeting of those financial statements will not constitute approval or disapproval of any matters referred to therein. No vote will be taken on the financial statements, which are available at www.sedar.com.

2019 ANNUAL GENERAL AND SPECIAL MEETING

A. Re-Appointment of Auditor

Management proposes to nominate Baker Tilly WM LLP, as the Company's auditors for the ensuing year. Accordingly, unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the re-appointment of Baker Tilly WM LLP as auditors of the Company for the ensuing year and to authorize the directors to fix the remuneration. Baker Tilly WM LLP, of Vancouver, British Columbia, has served as the auditor of the Company since December 19, 2014.

Management recommends that shareholders approve the re-appointment of Baker Tilly WM LLP as the auditor of the Company for the fiscal year ended July 31, 2020, at a remuneration to be fixed by the board of directors.

B. Number of Directors for Ensuing Year

Management proposes, and the persons named in the accompanying form of proxy intend to vote in favour of, fixing the number of directors for the ensuing year at four (4).

Management recommends that shareholders approve fixing the number of directors at four (4) for the ensuing year.

C. Election of Directors

At present, the directors of the Company are elected at each annual meeting of shareholders and hold office until the next annual meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier resignation, removal or death. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the Board of Directors.

Management of the Company proposes to nominate the persons named in the table below for election by the shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, as of the date of this Information Circular, is as follows:

Name, Province, Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Period as Director	Number of Common Shares Owned ⁽¹⁾
John Miller ⁽²⁾ Kelowna, BC Canada Director, President and CEO	Director and Officer of the Company since June 3, 2014; previously director and officer of THC Meds Inc. and director and officer of THC BioMeds Ltd. since August, 2012	January 14, 2015 - Current	31,151,404 ⁽³⁾

Name, Province, Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Period as Director	Number of Common Shares Owned ⁽¹⁾
Hee Jung Chun Kelowna, BC Canada Director and CFO	Director of the Company since June 3, 2014; previously director and officer of THC Meds Inc. and director and officer of THC BioMeds Ltd. since August, 2012.	January 14, 2015 - Current	16,162,072 ⁽³⁾
George Smitherman⁽²⁾ Toronto, ON Canada Director	Mr. Smitherman has spent the last five years working primarily as a business development consultant with a focus in the health, cannabis and energy sectors.	January 14, 2015 - Current	5,000
Ashish Dave⁽²⁾ Kelowna, BC Canada Director	Dr. Dave is a scientist who previously consulted for the Company prior to being appointed as a director June 13, 2017. Dr. Dave has a PHD in plant tissue culture and a Master's Degree in botany. Dr. Dave has been the President and research scientist of a BC based commercial plant biotechnology company, FloraMaxx Technologies Ltd., since February of 2015. As a plant biotechnology professional, Dr. Dave is responsible for managing and developing business opportunities for FloraMaxx Technologies Ltd.	June 13, 2017 - Current	0

(1) The number of common shares beneficially owned, or controlled or directed, directly or indirectly, at the date of this Information Circular is based upon information furnished to the Company by the individual directors.

(2) Member of the Audit Committee.

(3) Beneficially owns 10% or more of the issued and outstanding securities of the Company as at January 13, 2020.

Management recommends that shareholders approve each of the nominees listed above for election as a director of the Company for the ensuing year.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the common shares represented by proxy for the election of any other persons as directors.

Penalties, Sanctions and Bankruptcy

Bankruptcies

Other than as disclosed below, no director or officer or, to our knowledge, shareholder holding sufficient securities to affect materially our control, nor a personal holding company of any such persons, has within the past 10 years before the date of this Information 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 their assets.

- Hee Jung Chun was discharged from bankruptcy on March 12, 2011.

Cease Trade Orders

During the past 10 years, none of our directors, officers, insiders, or promoters, or a shareholder holding a sufficient number of our securities to materially affect control of us, was a director, officer, insider, or promoter of any other issuer that, while that person was acting in that capacity, was the subject of a cease trade order or similar order or an order that denied that issuer access to any exemptions under

applicable securities legislation for a period of more than 30 consecutive days, or 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 the assets of that person.

Penalties or Sanctions

No director or officer or, to the our knowledge, shareholder holding sufficient securities to affect materially our control, has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority, or has 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.

D. Re-Approval of Stock Option Plan

Management proposes to retain its current “rolling” stock option plan, whereby a maximum of 10% of the issued and outstanding common shares of the Company from time to time may be reserved for issuance pursuant to the exercise of options.

A copy of the Plan is available for review at (a) www.sedar.com as an “other material contract” of the Company; and (b) the registered and records office of the Company at the 29th Floor, 595 Burrard Street, Vancouver, BC V7X 1J5 during normal business hours up to and including the date of the Meeting.

Management recommends that Shareholders approve the renewal

E. Director Nomination Policy

On April 1, 2019 our Board approved and adopted a director nomination policy (the “**Director Nomination Policy**”), with immediate effect, requiring advance notice of director nominees from shareholders. In accordance with the terms of the Director Nomination Policy, in order for the Director Nomination Policy to remain in effect following the termination of the Meeting, the Director Nomination Policy must be approved by ordinary resolution passed by a majority of the votes cast in favour of the Director Nomination Policy at the Meeting by Shareholders present in person or by proxy. If the Director Nomination Policy is not approved by Shareholders at the Meeting it will cease to be in effect.

The Board also proposes that the Articles of the Company be altered to include, as section 14, provisions requiring advance notice of director nominees from Shareholders (the “**Director Nomination Provisions**”). Under the Articles of the Company and the B.C. *Corporations Act* the Act, the alteration of the Articles must be approved by special resolution passed by at least two-thirds of the vote cast in favour of the Advance Notice Provision at the Meeting by Shareholders.

The purpose of the Director Nomination Policy and the Director Nomination Provisions is to ensure that shareholders receive adequate and timely information about each nominated director in advance of the shareholder vote.

Among other things, the Director Nomination Policy and the Director Nomination Provisions fix a deadline by which shareholders must provide notice to the Company of nominations for election to the Board. The notice must include all information that would be required to be disclosed, under applicable corporate and securities laws, in a dissident proxy circular in connection with the solicitations of proxies for the election of directors relating to the shareholder making the nominations (as if that shareholder were a dissident soliciting proxies) and each person that the shareholder proposes to nominate for election as a director. In addition, the notice must provide information as to the shareholders of the shareholder making the nominations, confirmation that the proposed nominees meet the qualifications of directors and residency

requirements imposed by corporate law, and confirmation as to whether each proposed nominee is independent for the purposes of NI 52-110. The deadline by which the notice must be delivered to the Company is set out in the table below:

Meeting Type	Nomination Deadline
Annual meeting of shareholders	Either (a) no more than 10 days after the date of the first public filing or announcement of the date of the meeting, if the meeting is called for a date that is fewer than 50 days after the date of that public filing or announcement or (b) no fewer than 30 days and no more than 65 days prior to the date of the meeting.
Special meeting of shareholders (which is not also an annual meeting)	No more than 15 days after the date of the first public filing or announcement of the date of the meeting.

The Director Nomination Policy and the Director Nomination Provisions do not affect nominations made pursuant to shareholder proposals completed in accordance with Division 7 of the Act or the requisition of a meeting of shareholders completed in accordance with s. 167 of the Act. The full text of the Director Nomination Policy is attached as Schedule “B” hereto. The full text of the Director Nomination Provisions are attached as Schedule “C” hereto.

Proposed Resolutions and Board’s Recommendation

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass the following ordinary resolution approving the Policy:

“BE IT RESOLVED as an ordinary resolution that:

1. The Company’s Policy, as described in the Company’s Information Circular dated January 15, 2020 and as available on SEDAR at www.sedar.com, be and is hereby ratified; and,
2. Any director or officer of the Company, be and is hereby authorized, for and on behalf of the Company, to execute and deliver such other documents and instruments and take such other actions as such director or officer may determine to be necessary or advisable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the executing and delivery of such documents or instruments and the taking of any such actions.”

Management recommends that Shareholders vote in favour of the above resolution.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass the following special resolution approving an alteration of the Company’s Articles to include the Director Nomination Provisions:

“BE IT RESOLVED as a special resolution that:

1. The Articles of the Company be altered by adding the text substantially as set forth in Schedule “C” to the Company’s Information Circular dated January 15, 2020 and at Section 14 of the Articles; and,

2. Any director or officer of the Company, be and is hereby authorized, for and on behalf of the Company, to execute and deliver such other documents and instruments and take such other actions as such director or officer may determine to be necessary or advisable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the executing and delivery of such documents or instruments and the taking of any such actions.”

Management recommends that Shareholders vote in favour of the above resolution.

F. Ratify Delay and Postponement of 2019 AGM

Management of the Company proposes to ratify, confirm and approve the delay and postponement of the 2019 annual general and special meeting to the date of the Meeting.

Management recommends that Shareholders approve the delay and postponement of the 2019 annual general and special meeting to the date of the Meeting.

2018 ANNUAL GENERAL AND SPECIAL MEETING

G. Ratify Appointment of 2018 Auditor

Management proposes to ratify, confirm and approve the appointment of Baker Tilly WM LLP (formerly, Wolrige Mahon LLP), as the Company’s auditors for fiscal year ending July 31, 2019. Baker Tilly WM LLP, of Vancouver, British Columbia, has served as the auditor of the Company since December 19, 2014.

Management recommends that Shareholders approve the appointment of Baker Tilly WM LLP as the auditor of the Company for the fiscal year ended July 31, 2019, at a remuneration to be fixed by the board of directors.

H. Ratify Election of 2018 Directors

Management of the Company proposes to ratify, confirm and approve the election and the appointment of the previously appointed directors of the Company for the year ended July 31, 2018.

The previously appointed directors of the Company were as follows:

John Miller, Hee Jung Chung, George Smitherman and Ashish Dave.

Management recommends that Shareholders ratify the election and the appointment of the previously appointed directors of the Company for the year ended July 31, 2018.

I. Ratify Delay and Postponement of 2018 AGM

Management of the Company proposes to ratify, confirm and approve the delay and postponement of the 2018 annual general and special meeting to the date of the Meeting.

Management recommends that Shareholders approve the delay and postponement of the 2018 annual general and special meeting to the date of the Meeting.

2017 ANNUAL GENERAL AND SPECIAL MEETING

J. Ratify Appointment of 2017 Auditor

Management proposes to ratify, confirm and approve the appointment of Baker Tilly WM LLP (formerly, Wolrige Mahon LLP), as the Company's auditors for fiscal year ending July 31, 2018. Baker Tilly WM LLP, of Vancouver, British Columbia, has served as the auditor of the Company since December 19, 2014.

Management recommends that Shareholders approve the appointment of Baker Tilly WM LLP as the auditor of the Company for the fiscal year ended July 31, 2018, at a remuneration to be fixed by the board of directors.

K. Ratify Election of 2017 Directors

Management of the Company proposes to ratify, confirm and approve the election and the appointment of the previously appointed directors of the Company for the year ended July 31, 2017.

The previously appointed directors of the Company were as follows:

John Miller, Hee Jung Chung, George Smitherman and Ashish Dave.

Management recommends that Shareholders ratify the election and the appointment of the previously appointed directors of the Company for the year ended July 31, 2017.

L. Ratify Delay and Postponement of 2017 AGM

Management of the Company proposes to ratify, confirm and approve the delay and postponement of the 2017 annual general and special meeting to the date of the Meeting.

Management recommends that Shareholders approve the delay and postponement of the 2017 annual general and special meeting to the date of the Meeting.

ADDITIONAL INFORMATION

Additional information relating to the Company is available at www.sedar.com.

Shareholders may contact the Company by email at info@thcbiomed.com to request copies of the Company's financial statements and related management's discussion and analysis (the "MD&A"). Financial information is provided in the audited financial statements and MD&A for the Company for its year ended July 31, 2019.

OTHER MATTERS

Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice or this Information Circular. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

APPROVAL OF THE BOARD OF DIRECTORS

The content of this Information Circular has been approved and the delivery of it to each shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized by the Board of Directors.

Dated at Vancouver, British Columbia as of January 15, 2020.

ON BEHALF OF THE BOARD

/s/ John Miller

John Miller
President, Chief Executive Officer and Director

SCHEDULE "A"
AUDIT COMMITTEE CHARTER

MANDATE

The audit committee (the "**Committee**") will assist the Board of Directors (the "**Board**") in fulfilling its financial oversight responsibilities by reviewing the financial reporting process, the system of internal control and the audit process.

COMPOSITION

The Committee shall be comprised of at least three members. Each member must be a director of the Company. A majority of the members of the Committee shall not be officers or employees of the Company or of an affiliate of the Company. At least one member of the Committee shall be financially literate. All members of the Committee who are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of this Audit Committee Charter, the term "financially literate" means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

The members of the Committee shall be appointed by the Board at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership. The Chair shall be financially literate and an independent director as defined in Section 1.4 of National Instrument 52-110 - *Audit Committees*.

MEETINGS

Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly. Unless all members are present and waive notice, or those absent waive notice before or after a meeting, the Chairman will give Committee members 24 hours advance notice of each meeting and the matters to be discussed at it. Notice may be given personally, by telephone, facsimile or e-mail.

The external auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at any other meeting. On request by the external auditor, the Chair shall call a meeting of the Committee to consider any matter that the external auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting of the Committee, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company. A member may participate in a meeting of the Committee in person or by telephone if all members participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other. A member may participate in a meeting of the Committee by a communication medium other than telephone if all members participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other and if all members who wish to participate in the meeting agree to such participation.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of Management and the external auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the external auditor and Management annually to review the Company's financial statements.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

RESPONSIBILITIES AND DUTIES

Financial Accounting and Reporting Process and Internal Controls

The Committee is responsible for reviewing the Company's financial accounting and reporting process and system of internal control. The Committee shall:

- (a) Review the annual audited financial statements to satisfy itself that they are presented in accordance with international financial reporting standards ("**IFRS**") and report thereon to the Board and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. The Committee shall also review the interim financial statements.
- (b) With respect to the annual audited financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of Management with Management and the external auditor and have meetings with the Company's auditor without Management present, as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited financial statements is not significantly erroneous, misleading or incomplete and that the audit function has been effectively carried out.
- (c) Review any internal control reports prepared by Management and the evaluation of such report by the external auditor, together with Management's response.
- (d) Review the Company's financial statements, management's discussion and analysis and annual and interim profit or loss, and any press releases related thereto before the Company publicly discloses this information.
- (e) Review and satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in paragraph (d) above, and periodically assess the adequacy of those procedures.
- (f) Meet no less frequently than annually with the external auditor and the Chief Financial Officer to review accounting practices, internal controls and such other matters as the Committee or Chief Financial Officer deem appropriate.
- (g) Inquire of Management and the external auditor about significant financial risks or exposures, both internal and external, to which the Company may be subject, and assess the steps Management has taken to minimize such risks. Review the post-audit or Management letter containing the recommendations of the external auditor and Management's response and subsequent follow-up to any identified weaknesses.
- (h) Establish procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Company of

concerns regarding questionable accounting or auditing matters.

Audit

External Auditor

The Committee has primary responsibility for the selection, appointment, dismissal and compensation and oversight of the external auditor, subject to the overall approval of the Board. In carrying out this duty, the Committee shall:

- (a) require the external auditor to report directly to the Committee;
- (b) recommend to the Board the external auditor to be nominated at the annual general meeting for appointment as the external auditor for the ensuing year for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company and the compensation for the external auditor, or, if applicable, the replacement of the external auditor;
- (c) review, annually, the performance of the external auditor;
- (d) review and confirm the independence of the external auditor;
- (e) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the external auditor and former independent external auditor of the Company; and
- (f) pre-approve all non-audit services to be provided to the Company or its subsidiaries by the Company's external auditor.

Other

- (a) Perform such other duties as may be assigned to it by the Board from time to time or as may be required by applicable regulatory authorities or legislation.
- (b) Report regularly and on a timely basis to the Board on matters coming before the Committee.
- (c) Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

AUTHORITY

The Committee is authorized:

- (a) to seek any information it requires from any employee of the Company in order to perform its duties;
- (b) to engage, at the Company's expense, independent legal counsel or other professional advisors on any matter within the scope of the role and duties of the Committee under this Charter;
- (c) to set and pay the compensation for any advisors engaged by the Committee; and
- (d) to communicate directly with the internal and external auditor of the Company.

This Charter supersedes and replaces all prior charters and other terms of reference pertaining to the Committee.

SCHEDULE "B"

DIRECTOR NOMINATION POLICY

Purpose:

The purpose of this policy is to set out the accepted procedure for which persons may be nominated for election as directors at the annual general meetings of the Company, following the adoption of this policy by the board of directors of the Company (the “**Policy**”).

The Policy is designed to ensure that shareholders receive adequate and timely information about each nominated director in advance of the shareholder vote.

Under the Company’s current articles, shareholders or proxyholders may, at a shareholder meeting called for the purpose of electing directors, nominate from the floor of the meeting one or more persons to serve as a director. No prior notice of such nomination currently needs be given to the Company or its shareholders. This type of nomination is often referred to as an ‘ambush.’ The purpose of the Policy is to provide advance notice requirements for the nomination of a director at a meeting. These advance notice requirements are intended to benefit shareholders by:

- ensuring that all shareholders – including those participating in a meeting by proxy rather than in person – receive adequate notice of the nominations;
- allowing shareholders to register an informed vote; and,
- facilitating an orderly and efficient meeting process.

Nomination of Directors:

Directors may only be elected by shareholders at an annual or special meeting of shareholders of the Company for which one of the purposes the meeting was called was the election of directors (a “**Meeting**”). Nominations of persons for election to the board of directors may be made by one of the following persons only:

- a) by or at the direction of the board, including pursuant to a notice of Meeting;
- b) by any person (a “**Nominating Shareholder**”);
 - i) who, at the close of business on the date of the giving by the Nominating Shareholder of the notice provided for below and at the close of business on the record date for notice of a Meeting, is entered in the securities register of the Company as a holder of one or more Common Shares carrying the right to vote at such Meeting or who beneficially owns Common Shares that are entitled to be voted at such Meeting; and,
 - ii) who complies with the notice procedures set forth below.

Timely Notice for Nomination of Directors

In addition to any other requirements under applicable laws, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given prior notice thereof that is both timely and in proper written form to the Secretary of the Company at the principal executive offices of the Company.

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

- a) in the case of an annual Meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual Meeting of shareholders; provided, however, that in the event that the annual Meeting of shareholders is to be held on a date that is less than 50 days after the date (the “**Notice Date**”) on which the first public announcement of the date of the annual Meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth day following the Notice Date; and,
- b) in the case of a special Meeting (which is not also an annual Meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth day following the day on which the first public announcement of the date of the special Meeting of shareholders was made.

The time periods for the giving of a Nominating Shareholder’s notice set forth above shall in all cases be determined based on the original date of the applicable annual Meeting or special Meeting of shareholders, and in no event shall any adjournment or postponement of a Meeting of shareholders or the announcement thereof commence a new time period for the giving of such notice.

Form of Notice for Nomination of Directors

- 2. To be in proper written form, a Nominating Shareholder’s notice to the Secretary of the Company must set forth:
 - a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director:
 - i) the name, age, business address and residential address of the person;
 - ii) the present principal occupation, business or employment of the person within the preceding five years, as well as the name and principal business of any company in which such employment is carried on;
 - iii) the citizenship of such person;
 - iv) the class or series and number of Common Shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the Meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and,
 - v) any other information relating to the person that would be required to be disclosed in a dissident’s proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; and,
 - b) as to the Nominating Shareholder giving the notice, full particulars regarding any proxy, contract, agreement, arrangement or understanding pursuant to which such Nominating Shareholder has a right to vote or direct the voting of any Common Shares of the Company and any other information relating to such Nominating Shareholder that would be required to be made in a dissident’s proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws.

The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of the Policy; provided, however, that nothing in the Policy shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter that is properly before such meeting pursuant to the provisions of the Act or the discretion of the Chairman. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

Notwithstanding any other provision of the Company's Articles, notice given to the Secretary of the Company pursuant to the Articles may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time by the Secretary of the Company for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery at the address of the principal executive offices of the Company, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.

SCHEDULE "C"

DIRECTOR NOMINATION PROVISIONS

14.12 Nomination of Directors

Only persons who are eligible under the Act and who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the Board may be made at any annual meeting of shareholders or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:

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

14.13 Timely Notice for Nomination of Directors

In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Secretary of the Company at the principal executive offices of the Company.

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

- a) in the of an annual meeting of shareholders, not less than 25 nor more than 65 days prior to the date of the annual meeting of shareholders; provided however, that in the event the annual meeting of shareholders is to be held on a date that is less than 30 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
- b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

The time period for giving a Nominating Shareholder notice set forth above shall in all cases be determined based on the original date of the applicable annual meeting or special meeting of shareholders and, in no event shall any adjournment or postponement of a meeting of shareholders or the reconvening of any adjourned or postponed meeting of shareholders, or the announcement thereof, commence a new time period for the giving of a Nominating Shareholder's notice as described above.

14.14 Form of Notice for Nomination of Directors

To be in in proper written form, a Nominating Shareholder's notice to the Secretary of the Company must set forth:

- a) the effective date of the information in the Nominating Shareholder's notice, which date shall be within 10 (ten) calendar days of the date of delivery of such notice to the Company;
- b) as to each person whom the Nominating Shareholder proposes to nominate for election as a director:
 - (i) the name, age, business address and residential address of the person;
 - (ii) the present principal occupation or employment of the person and the principal occupation or employment of the person within the 5 years preceding the notice;
 - (iii) the citizenship of such person;
 - (iv) the class or series and number of shares in the capital of the Company which are directly or indirectly controlled or directed or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
 - (v) the amount and material terms of any other securities, including any options, warrants or convertible securities, in the capital of the Company, which are controlled or which are owned beneficially or of record by the person as of the record date of the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and also as of the date of such notice;
 - (vi) a personal information form in the form prescribed by the principal stock exchange on which the shares of the Company then trade; and
 - (vii) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to Applicable Securities Laws and the Act; and
- c) as to the Nominating Shareholder giving the notice, full particulars regarding any proxy, contract, agreement, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote or direct the voting of any shares of the Company and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws.

Schedule "D"

THC BIOMED INTL LTD.

INCENTIVE STOCK OPTION PLAN

INTERPRETATION

1.1 Definitions. In this Plan, the following words and phrases shall have the following meanings:

- (a) **"Affiliate"** means a company that is a parent or subsidiary of the Company, or that is controlled by the same person as the Company;
- (b) **"Board"** means the board of directors of the Company and includes any committee of directors appointed by the directors as contemplated by Section 3.1;
- (c) **"Change of Control"** means the acquisition by any person or by any person and a Joint Actor, whether directly or indirectly, of voting securities of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than 50% of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board;
- (d) **"Company"** means THC BioMed Intl. Ltd.;
- (e) **"Consultant"** means an individual or Consultant Company, other than an Employee or Director, that:
 - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to an Affiliate, other than services provided in relation to a distribution of securities;
 - (ii) provides such services under a written contract between the Company or an Affiliate;
 - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate; and
 - (iv) has a relationship with the Company or an Affiliate that enables the individual to be knowledgeable about the business and affairs of the Company;
- (f) **"Consultant Company"** means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;
- (g) **"CSE"** means the Canadian Securities Exchange;
- (h) **"Director"** means any director of the Company or any of its subsidiaries;
- (i) **"Eligible Person"** means a bona fide Director, Officer, Employee or Consultant, or a corporation wholly owned by such Director, Officer, Employee or Consultant;
- (j) **"Employee"** means:
 - (i) an individual who is considered an employee of the Company or a

subsidiary of the Company under the Income Tax Act (and for whom income tax, employment insurance and CPP deductions must be made at source);

(ii) an individual who works full-time for the Company or a subsidiary of the Company providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or

(iii) an individual who works for the Company or a subsidiary of the Company on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;

(k) **“Exchange”** means the CSE or any other stock exchange on which the Shares are listed for trading;

(l) **“Exchange Policies”** means the policies, bylaws, rules and regulations of the Exchange governing the granting of options by the Company, as amended from time to time;

(m) **“Expiry Date”** means a date not later than 5 years from the date of grant of an option;

(n) **“Income Tax Act”** means the *Income Tax Act* (Canada), as amended from time to time;

(o) **“Insider”** has the meaning ascribed thereto in the Securities Act;

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

(i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company

(A) to promote the sale of products or services of the Company, or

(B) to raise public awareness of the Company,

that cannot reasonably be considered to promote the purchase or sale of securities of the Company;

(ii) activities or communications necessary to comply with the requirements of

(A) applicable Securities Laws,

(B) the Exchange, or

(C) the bylaws, rules or other regulatory instruments of any self-regulatory body or exchange having jurisdiction over the Company;

(iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if

(A) the communication is only through such newspaper, magazine or publication, and

(B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or

(iv) activities or communications that may be otherwise specified by the Exchange;

(q) “**Joint Actor**” means a person acting jointly or in concert with another person;

(r) “**Optionee**” means the recipient of an option under this Plan;

(s) “**Officer**” means any senior officer of the Company or any of its subsidiaries;

(t) “**Plan**” means this incentive stock option plan, as amended from time to time;

(u) “**Securities Act**” means the *Securities Act* (British Columbia), as amended from time to time;

(v) “**Securities Laws**” means the acts, policies, bylaws, rules and regulations of the securities commissions governing the granting of options by the Company, as amended from time to time; and

(w) “**Shares**” means the common shares of the Company without par value.

1.2 Governing Law. This Plan shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

1.3 Gender. Throughout this Plan, whenever the singular or masculine or neuter is used, the same shall be construed as meaning the plural or feminine or body politic or corporate, and vice-versa as the context or reference may require.

1.4 References. A Reference in this Plan to a “Section” refers to a section of this Plan unless otherwise explicitly stated.

PART 2

PURPOSE

2.1 Purpose. The purpose of this Plan is to attract and retain Directors, Officers, Employees and Consultants and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through options granted under this Plan to purchase Shares.

PART 3

GRANTING OF OPTIONS

3.1 Administration. This Plan shall be administered by the Board or, if the Board so elects, by a

committee (which may consist of only one person) appointed by the Board from its members.

- 3.2 Committee's Recommendations. The Board may accept all or any part of any recommendations of any committee appointed under Section 3.1 or may refer all or any part thereof back to such committee for further consideration and recommendation.
- 3.3 Board Authority. Subject to the limitations of this Plan, the Board shall have the authority to:
- (a) grant options to purchase Shares to Eligible Persons;
 - (b) determine the terms, limitations, restrictions and conditions respecting such grants;
 - (c) interpret this Plan and adopt, amend and rescind such administrative guidelines and other rules and regulations relating to this Plan as it shall from time to time deem advisable; and
 - (d) make all other determinations and take all other actions in connection with the implementation and administration of this Plan including, without limitation, for the purpose of ensuring compliance with Section 7.1, as it may deem necessary or advisable.
- 3.4 Grant of Option. A resolution of the Board shall specify the number of Shares that shall be placed under option to each Eligible Person; the exercise price to be paid for such Shares upon the exercise of such option; any applicable hold period; and the period, including any applicable vesting periods required by Exchange Policies or by the Board, during which such option may be exercised.
- 3.5 Written Agreement. Every option granted under this Plan shall be evidenced by a written agreement between the Company and the Optionee substantially in the form attached hereto as Schedule "A", containing such terms and conditions as are required by Exchange Policies and applicable Securities Laws, and, where not expressly set out in the agreement, the provisions of such agreement shall conform to and be governed by this Plan. In the event of any inconsistency between the terms of the agreement and this Plan, the terms of this Plan shall govern.
- 3.6 Withholding Taxes. If the Company is required under the Income Tax Act or any other applicable law to make source deductions in respect of Employee stock option benefits and to remit to the applicable governmental authority an amount on account of tax on the value of the taxable benefit associated with the issuance of any Shares upon the exercise of options, then any Optionee who is deemed an Employee shall:
- (a) pay to the Company, in addition to the exercise price for such options, the amount necessary to satisfy the required tax remittance as is reasonably determined by the Company;
 - (b) authorize the Company, on behalf of the Optionee, to sell in the market on such terms and at such time or times as the Company determines a portion of the Shares issued upon the exercise of such options to realize proceeds to be used to satisfy the required tax remittance; or,
 - (c) make other arrangements acceptable to the Company to satisfy the required tax remittance.

PART 4

RESERVE OF SHARES

- 4.1 Sufficient Authorized Shares to be Reserved. A sufficient number of Shares shall be reserved by the Board to permit the exercise of any options granted under this Plan. Shares that were the subject of any option that has lapsed or terminated shall thereupon no longer be in reserve and may once again be subject to an option granted under this Plan.
- 4.2 Maximum Number of Shares Reserved. Unless authorized by the shareholders of the Company, this Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, shall not result, at any time, in the number of Shares reserved for issuance pursuant to options exceeding 10% of the issued and outstanding Shares as at the date of grant of any option under this Plan.
- 4.3 Limits with Respect to Individuals. The aggregate number of Shares subject to an option that may be granted to any one individual in any 12 month period under this Plan shall not exceed 5% of the issued and outstanding Shares determined at the time of such grant.
- 4.4 Limits with Respect to Consultants. The aggregate number of Shares subject to an option that may be granted to any one Consultant in any 12 month period under this Plan shall not exceed 2% of the issued and outstanding Shares determined at the time of such grant.
- 4.5 Limits with Respect to Investor Relations Activities. The aggregate number of Shares subject to an option that may be granted to any one person conducting Investor Relations Activities in any 12 month period under this Plan shall not exceed 2% of the issued and outstanding Shares determined at the time of such grant.

PART 5

CONDITIONS GOVERNING THE GRANTING AND EXERCISING OF OPTIONS

- 5.1 Exercise Price. Subject to a minimum price of \$0.10 per Share and Section 5.2, the exercise price of an option may not be less than the closing market price of the Shares on the trading day immediately preceding the date of grant of the option, less any applicable discount allowed by the Exchange.
- 5.2 Exercise Price if Distribution. If any options are granted within 90 days of a public distribution by prospectus, then the minimum exercise price shall be the greater of that specified in Section 5.1 and the price per share paid by the investors for Shares acquired under the public distribution. The 90 day period shall commence on the date the Company is issued a final receipt for the prospectus.
- 5.3 Expiry Date. Each option shall, unless sooner terminated, expire on a date to be determined by the Board which shall not be later than the Expiry Date.
- 5.4 Different Exercise Periods, Prices and Number. The Board may, in its absolute discretion, upon granting an option under this Plan and subject to the provisions of Section 5.3, specify a particular time period or periods following the date of granting such option during which the Optionee may exercise the option and may designate the exercise price and the number of Shares in respect of which such Optionee may exercise the option during each such time period.
- 5.5 Termination of Employment. If a Director, Officer, Employee or Consultant ceases to be so engaged by the Company for any reason other than death, such Director, Officer, Employee or

Consultant shall have the right to exercise any vested option granted to him under this Plan and not exercised prior to such termination within a period of 90 days after the date of termination, or such shorter period as may be set out in the Optionee's written agreement.

- 5.6 Termination of Investor Relations Activities. If an Optionee who is engaged in Investor Relations Activities ceases to be so engaged by the Company, such Optionee shall have the right to exercise any vested option granted to the Optionee under this Plan and not exercised prior to such termination within a period of 30 days after the date of termination, or such shorter period as may be set out in the Optionee's written agreement.
- 5.7 Death of Optionee. If an Optionee dies prior to the expiry of an option, his heirs or administrators may within 12 months from the date of the Optionee's death exercise that portion of an option granted to the Optionee under this Plan which remains vested and outstanding.
- 5.8 Assignment. No option granted under this Plan or any right thereunder or in respect thereof shall be transferable or assignable otherwise than as provided for in Section 5.7.
- 5.9 Notice. Options shall be exercised only in accordance with the terms and conditions of the written agreements under which they are granted and shall be exercisable only by notice in writing to the Company substantially in the form attached hereto as Schedule "B".
- 5.10 Payment. Options may be exercised in whole or in part at any time prior to their lapse or termination. Shares purchased by an Optionee upon the exercise of an option shall be paid for in full in cash at the time of their purchase.

PART 6

CHANGES IN OPTIONS

- 6.1 Share Consolidation or Subdivision. In the event that the Shares are at any time subdivided or consolidated, the number of Shares reserved for option and the price payable for any Shares that are then subject to option shall be adjusted accordingly.
- 6.2 Stock Dividend. In the event that the Shares are at any time changed as a result of the declaration of a stock dividend thereon, the number of Shares reserved for option and the price payable for any Shares that are then subject to option may be adjusted by the Board to such extent as it deems proper in its absolute discretion.
- 6.3 Effect of a Take-Over Bid. If a bona fide offer to purchase Shares (an "**Offer**") is made to an Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of Section 1(1) of the Securities Act, the Company shall, upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon all Shares subject to option (the "**Option Shares**") shall become vested and such option may be exercised in whole or in part by such Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise pursuant to the Offer. However, if:
- (a) the Offer is not completed within the time specified therein including any extensions thereof; or
 - (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of clause (b) above, the

Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become vested pursuant to Section 3.4 shall be reinstated. If any Option Shares are returned to the Company under this Section 6.3, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

- 6.4 Acceleration of Expiry Date. If, at any time when an option granted under this Plan remains unexercised with respect to any unissued Option Shares, an Offer is made by an offeror, the Board may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of options granted under this Plan vested, and declare that the Expiry Date for the exercise of all unexercised options granted under this Plan is accelerated so that all options shall either be exercised or shall expire prior to the date upon which Shares must be tendered pursuant to the Offer.
- 6.5 Effect of a Change of Control. If a Change of Control occurs, all outstanding options shall become vested, whereupon such options may be exercised in whole or in part by the applicable Optionee.
- 6.6 Other Stock Exchange Listing. In the event that the Company applies or intends to apply for listing on a stock exchange other than the CSE and, based on the policies and requirements of the other stock exchange, the Company believes that any or all options granted hereunder will not be accepted or approved by the other stock exchange, then the Company may, in its sole discretion, immediately cancel any or all options that remains outstanding to meet the listing requirements of the other stock exchange. If the Company cancels any such options pursuant to this Section 6.6, then no compensation will be owed by the Company to the applicable Optionee.
- 6.7 Approval and Cancellation. In the event that approval from the CSE or other stock exchange, as applicable, is not received for the grant of any options hereunder, each Optionee agrees that the Company may immediately cancel any or all such options that remains outstanding. If the Company cancels any of such options pursuant to this Section 6.7, then no compensation shall be owed by the Company to the applicable Optionee.

PART 7

SECURITIES LAWS AND EXCHANGE POLICIES

- 7.1 Securities Laws and Exchange Policies Apply. This Plan and the granting and exercise of any options hereunder are also subject to such other terms and conditions as are set out from time to time in applicable Securities Laws and Exchange Policies and such terms and conditions shall be deemed to be incorporated into and become a part of this Plan. In the event of an inconsistency between such terms and conditions and this Plan, such terms and conditions shall govern. In the event that the Shares are listed on a new stock exchange, in addition to the terms and conditions set out from time to time in applicable Securities Laws, the granting or cancellation of options shall be governed by the terms and conditions set out from time to time in the policies, bylaws, rules and regulations of the new stock exchange and unless inconsistent with the terms of this Plan, the Company shall be able to grant or cancel options pursuant to the policies, bylaws, rules and regulations of such new stock exchange without requiring shareholder approval.

PART 8

AMENDMENT

- 8.1 Board May Amend. The Board may, by resolution, amend or terminate this Plan, but no such amendment or termination shall, except with the written consent of the Optionees concerned,

affect the terms and conditions of options previously granted under this Plan which have not then lapsed, terminated or been exercised.

- 8.2 Exchange Approval. Any amendment to this Plan or options granted pursuant to this Plan shall not become effective until such Exchange and shareholder approval as is required by Exchange Policies and applicable Securities Laws has been received.
- 8.3 Amendment to Insider's Options. Any amendment to options held by Insiders which results in a reduction in the exercise price of the options at the time of the amendment shall be conditional upon obtaining disinterested shareholder approval for that amendment.

PART 9

EFFECT OF PLAN ON OTHER COMPENSATION OPTIONS

- 9.1 Other Options Not Affected. This Plan is in addition to any other existing stock options granted prior to and outstanding as at the date of this Plan and shall not in any way affect the policies or decisions of the Board in relation to the remuneration of Directors, Officers, Employees and Consultants.

PART 10

OPTIONEE'S RIGHTS AS A SHAREHOLDER

- 10.1 No Rights Until Option Exercised. An Optionee shall be entitled to the rights pertaining to share ownership, such as to dividends, only with respect to Shares that have been fully paid for and issued to the Optionee upon the exercise of an option.

PART 11

EFFECTIVE DATE OF PLAN

- 11.1 Effective Date. This Plan shall become effective upon its approval by the Board.

SCHEDULE "A"

INCENTIVE STOCK OPTION AGREEMENT

THC BioMed Intl. Ltd. (the "**Company**") hereby grants the undersigned (the "**Optionee**") incentive stock options to purchase common shares of the Company (the "**Options**") in accordance with the Company's stock option plan, as amended from time to time (the "**Plan**"), according to the following terms. The Optionee acknowledges that the grant of Options is subject to (a) the Plan; (b) the regulations and provisions of the British Columbia Securities Commission, the Ontario Securities Commission and any other applicable provincial securities commission; and (c) the approval of the Canadian Securities Exchange or other stock exchange, as applicable.

Name of Optionee: _____

Address: _____

Telephone Number: _____

Email Address: _____

Position with the Company: _____

Number of Options: _____

Exercise Price: _____

Date of Grant: _____

Expiry Date: _____

Vesting Schedule: All of the Options shall vest immediately, unless otherwise described in the table below.

Period	% of Shares Vested

IN WITNESS WHEREOF, the Company and Optionee have caused this Agreement to be duly executed as of the date first written above.

THC BIOMED INTL. LTD.

Per:

Authorized Signatory

OPTIONEE

SCHEDULE "B"

THC BIOMED INTL. LTD.

EXERCISE NOTICE

The undersigned hereby subscribes for _____ common shares of THC BioMed Intl. Ltd. (the "**Company**") at a price of _____ per share for a total amount of \$_____ (the "**Exercise Price**") pursuant to the provisions of the Incentive Stock Option Agreement entered into between the undersigned and the Company dated _____, 20____.

Date

Signature

Name

Address

Telephone Number

Email Address