



**CANNAMERICA BRANDS CORP.
MANAGEMENT PROXY CIRCULAR**

INTRODUCTION

This Management Proxy Circular (the “**Management Proxy Circular**”) accompanies the notice of annual general and special meeting of shareholders (the “**Notice**”) of CannAmerica Brands Corp. (the “**Corporation**”) and is furnished to shareholders (each, a “**Shareholder**”) holding common shares (each, a “**Share**”) in the capital of the Corporation in connection with the solicitation by the management of the Corporation of proxies to be voted at the annual general and special meeting (the “**Meeting**”) of the shareholders to be held at 11:00 a.m. PST on Thursday, December 17, 2020, at Suite 500, 666 Burrard Street, Vancouver, British Columbia, V6C 3P6 or at any adjournment or postponement thereof.

Date and Currency

The date of this Management Proxy Circular is November 12, 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 Corporation 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 Corporation. The Corporation does not reimburse shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Corporation has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Corporation 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 Corporation.

No person has been authorized to give any information or to make any representation other than as contained in this Management Proxy 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 Corporation. The delivery of this Management Proxy 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 Management Proxy Circular. This Management Proxy 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.

Appointment of Proxy

Registered shareholders are entitled to vote at the Meeting. A shareholder is entitled to one vote for each Share that such shareholder holds on the record date of November 9, 2020 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of the Corporation.

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.

A SHAREHOLDER MAY EXERCISE THIS RIGHT BY INSERTING THE NAME OF SUCH OTHER PERSON IN THE BLANK SPACE PROVIDED ON 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.

The Shareholder may vote by mail, by telephone or via the Internet by following instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. The Chairman of the Meeting, in his sole discretion, may accept completed forms of proxy on the day of the Meeting or any adjournment or postponement thereof.

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.

Out of necessary caution, to proactively deal with the unprecedented public health impact of COVID-19, and to mitigate risks to the health and safety of our communities, shareholders, directors, employees and other stakeholders, Management encourages shareholders and others to vote by proxy in order to avoid physical attendance.

Given the need for risk management in respect of COVID-19, the Corporation asks that anyone planning to attend the Meeting in person advise the Company at kathy@cannamericabrands.com. To ensure the health and safety of all attendees, the Corporation reserves the right to take any additional cautionary measure deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 pandemic, including limiting the number of persons who may be allowed in a single room for the Meeting to allow for required social distancing, or any other measures that may be recommended by public health authorities in connection with gatherings of persons. Shareholders are encouraged to vote by proxy, by mail, by telephone or on the Internet, in advance of the deadline set forth herein.

The Corporation is not aware of any items of business to be brought before the Meeting other than those described in this Management Proxy Circular and there will be no Management presentation on the business and operations of the Corporation at the Meeting.

Revocation of Proxies

A 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 Transfer Agent at their offices located at 760 - 777 Hornby Street, Vancouver, BC, V6Z 1S4, 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 Chairman 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 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 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. **The 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 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 SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.

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 Management Proxy Circular, management of the Corporation 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 Shares on any matter, the 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 Management Proxy Circular as “Beneficial Shareholders”) should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Shares can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided by a broker, then in almost all cases those Shares will not be registered in the Beneficial Shareholder’s name on the records of the Corporation. Such Shares will more likely be registered under the names of the Beneficial Shareholder’s broker or an agent of that broker. In the United States, the vast majority of such Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Corporation (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 Shares are communicated to the appropriate person well in advance of the Meeting.**

The Corporation does not have access to names of all of its 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 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 Corporation. 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 Shares to be voted at the Meeting. If Beneficial Shareholders receive the voting instruction forms from Broadridge, they are requested to complete and return the voting instruction forms 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 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 receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the applicable Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his, her or its broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their 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, her or its broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend at the Meeting and vote his, her or its Shares.

Beneficial Shareholders consist of non-objecting beneficial owners and objecting beneficial owners. A non-objecting beneficial owner is a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner does not object, for that account, to the intermediary disclosing ownership information about the beneficial owner under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators. An objecting beneficial owner means a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner objects, for that account, to the intermediary disclosing ownership information about the beneficial owner under National Instrument 54-101.

The Corporation is sending proxy-related materials directly to non-objecting beneficial owners of the Shares. The Corporation will not pay for the delivery of proxy-related materials to objecting beneficial owners of the Shares. The objecting beneficial owners of the Shares will not receive the materials unless their intermediary assumes the costs of delivery.

The Corporation is not relying on the notice-and-access delivery procedures outlined in NI 54-101 to distribute copies of Meeting Materials.

All references to Shareholders in this Management Proxy Circular are to registered Shareholders, unless specifically stated otherwise.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Corporation is authorized to issue an unlimited number of Shares without par value. As of the record date, determined by the Corporation's board of directors (the "**Board**") to be November 9, 2020 a total of 54,242,187 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting. Only registered shareholders as of the record date on November 9, 2020 are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and senior officers of the Corporation, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to the outstanding Shares of the Corporation.

BUSINESS OF THE ANNUAL GENERAL MEETING

Financial Statements and Auditors Report

The Corporation's consolidated financial statements for the year ended March 31, 2020 and the report of the auditors thereon will be placed before the Meeting. Copies of the consolidated financial statements, the auditors' report and management's discussion and analysis have been mailed to all registered shareholders and non-registered shareholders (or beneficial shareholders) who have opted to receive such materials. These documents can also be found under the

Corporation's profile on SEDAR at www.sedar.com. No vote by the Shareholders is required to be taken with respect to the consolidated financial statements.

Appointment and Remuneration of Auditors

At the Meeting, Shareholders will be asked to pass an ordinary resolution to appoint Manning Elliott, LLP Chartered Professional Accountants ("Manning") as auditors of the Corporation until the close of the next annual meeting, and to authorize the directors of the Corporation to fix the remuneration to be paid to the auditors. Manning were first appointed as auditors of the Corporation on February 28, 2019.

Management recommends that Shareholders vote FOR the appointment of Manning as the Corporation's auditors for the Corporation's fiscal year ending January 31st, 2021 and the authorization of the directors of the Corporation to fix the remuneration to be paid to the auditors for the fiscal year ending January, 2021. In the absence of a contrary instruction, the persons designated by management of the Corporation in the enclosed proxy intend to vote FOR the appointment of Manning as the Corporation's auditors at a remuneration to be fixed by the directors of the Corporation.

Number of Directors

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Corporation at three (3). An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Management recommends a vote FOR the setting of the number of directors of the Corporation at three (3). In the absence of a contrary instruction, the persons designated by management of the Corporation in the enclosed proxy intend to vote FOR the setting of the number of Directors of the Corporation at three (3).

Election of Directors

The term of office of each of the present directors expires at the Meeting. The Board proposes to nominate the persons named in the table below for election as directors of the Corporation. Each director elected will hold office until the next annual general meeting of the Corporation or until his or her successor is duly elected or appointed, unless the office is earlier vacated in accordance with the Articles of the Corporation or the *Business Corporations Act* (British Columbia) or he becomes disqualified to act as a director.

Advance Notice Policy

At a meeting of the board of directors of the Corporation (the "**Board**") held on November 28, 2017, the Board adopted an Advance Notice Policy (the "**ANP**"), which was ratified and approved by the Shareholders of the Corporation on February 13, 2019. The ANP includes, among other things, a provision that requires advance notice be given to the Corporation in circumstances where nominations of persons for election to the Board are made by shareholders of the Corporation. In the case of an annual meeting of shareholders, notice to the Corporation must be made not less than 30 days prior to the date of the annual meeting. In the case of a special meeting of shareholders (which is not also an annual meeting) notice to the Corporation must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

Additionally, the ANP sets forth the information that a shareholder must include in the notice to the Corporation and establishes the form in which the shareholder must submit the notice for that notice to be in proper written form. A copy of the Corporation's Advance Notice Policy has been filed on and is accessible under the Corporations profile on the SEDAR website at www.sedar.com.

The chair of the Meeting shall have the power and duty to determine whether a nomination was made in accordance with the notice procedures set forth in the Articles and, if any proposed nomination is not in compliance with such provisions, the discretion to declare that such defective nomination will be disregarded.

The Corporation filed the Notice of Meeting and Record date on SEDAR on October 15, 2020. As at the date hereof, no

nominations for directors were received in accordance with the provisions of the ANP.

ELECTION OF DIRECTORS

The following table sets forth the name, province/state and country of residence, principal occupation during the preceding five years, date they first became a director of the Corporation and number of shares beneficially owned by each Nominee. The Corporation has been advised that each of the nominated directors is willing to serve on the Board for the ensuing year. Each director will hold office until the next annual meeting of Shareholders or until his or her successor is duly elected unless his or her office is earlier vacated in accordance with the Corporation's articles.

The Board recommends a vote "FOR" the appointment of each of the following nominees as directors. In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the election as directors of the proposed nominees whose names are set forth below, each of whom has been a director since the date indicated below opposite the proposed nominee's name.

Name, Province/State, Country of Residence and Position(s) with the Corporation ⁽¹⁾	Principal Occupation, Business or Employment for Last Five Years ⁽¹⁾	Periods during which Nominee has Served as a Director	Number of Shares Owned ⁽¹⁾
Dan Anglin ⁽²⁾ Colorado, U.S.A. <i>President, Chief Executive Officer and Director</i>	President and Chief Executive Officer of the Corporation since November 6, 2018. President and Founder of His Way Herbs, LLC 2015 to 2018; Owner and Vice President of EPMM, LLC 2013 to 2015; Owner and President of Anglin Public Affairs 2011 to 2015. Founder and Chairman: Colorado Cannabis Chamber of Commerce: 2014 to 2016.	November 6, 2018 to present	2,900,000
Austin Sims ⁽³⁾ Colorado, U.S.A. <i>Director</i>	Chief Science Officer of the Corporation from April 2018 to the present; Operations Manager and Special Project Manager/Product Development with Americanna from January 2016 to April 2018. His Way Herbs from February 2015 to December 2015. Mr. Sims attended Northwest Florida State College in Biology/Biological Sciences	April 13, 2020 to present	50,000
Diana Anglin ⁽⁴⁾ Colorado, U.S.A. <i>Director Chief Operating Officer</i>	Chief Operating Officer of the Corporation since November 11, 2019, joined the Corporation in April 2018. Chief Operating Officer of Americanna from July 2015 to April 2018. Chair of the Compliance Council for the Colorado Cannabis Chamber of Commerce from 2014 – 2016. Ms. Anglin holds a BA from Western Michigan University.	November 10 to present	50,000

⁽¹⁾ The information as to the province/state and country of residence and principal occupation, not being within the knowledge of the Corporation, has been furnished by the respective nominee. Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at November 12, 2020, based upon information furnished to the Corporation by the individual nominees.

⁽²⁾ Mr. Anglin holds 1,500,000 stock options and 1,250,000 Warrants that are exercisable into Shares that are not included in the total.

⁽³⁾ Mr. Sims holds 1,050,000 stock options that are exercisable into Shares that are not included in the total.

⁽⁴⁾ Ms. Anglin holds 800,000 stock options that are exercisable into Shares that are not included in the total.

Management recommends that Shareholders vote FOR the each of the nominees listed above for election as a director of the Corporation. In the absence of a contrary instruction, the persons designated by management of the Corporation in the enclosed proxy intend to vote FOR each of the nominees listed above.

The Board does not have an executive committee. There are presently three standing committees of the Board: the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee. The following table sets out the current members of such committees:

Audit Committee	Compensation Committee	Corporate Governance and Nominating Committee
Dan Anglin (Chair)	Austin Sims (Chair)	Diana Anglin (Chair)
Austin Sims	Dan Anglin	Dan Anglin
Diana Anglin	Diana Anglin	Austin Sims

Cease Trade Orders

To the best of management’s knowledge, no proposed director of the Corporation is, or within the ten (10) years before the date of this Management Proxy Circular has been, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

To the best of management’s knowledge, no proposed director of the Corporation is, or within ten (10) years before the date of this Management Proxy Circular, has been, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets or made a proposal under any legislation relating to bankruptcies or insolvency.

Penalties and Sanctions

To the best of management’s knowledge, no proposed director of the Corporation has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Philosophy

The Corporation’s core compensation philosophy is to pay the Corporation’s executive officers’ competitive levels of compensation that best reflect their individual responsibilities and contributions to the Corporation, while providing incentives to achieve the Corporation’s business and financial objectives.

Compensation Discussion and Analysis

For the purposes of this Management Proxy Circular, “Named Executive Officer” or “NEO” means: (a) the Chief Executive Officer “CEO”, (b) the Chief Financial Officer (“CFO”), (c) the three most highly compensated executive officers of the Corporation, whose total compensation was more than CDN\$150,000 for the most recently completed financial year; and (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

During the fiscal year ended March 31, 2020, the Corporation had four (4) Named Executive Officers; namely, Dan Anglin, President and CEO, Frank Falconer, CCO, Paul Ciullo, the Corporation's Chief Financial Officer and Diana Anglin, who was appointed the Corporation's Chief Operating Officer on November 11, 2019.

The Corporation's compensation structure is designed to reward performance and to be competitive with the compensation arrangements of other Canadian companies of similar size and scope of operations. A number of factors are considered when determining NEO compensation including, the overall financial and operating performance of the Corporation, the NEO's individual performance and contribution to the benefit of the Corporation, the individual NEO's responsibilities and length of service, levels of compensation provided by industry competitors, and the long-term interests of the Corporation and its shareholders.

Role of the Compensation Committee

The Board established a Compensation Committee to assist the Board in fulfilling its responsibilities to the Corporation's human resources and compensation issues. The Compensation Committee is comprised of three (3) directors. The Compensation Committee evaluates the CEO's performance and establishes executive and senior officer compensation, determines the general compensation structure, policies and programs of the Corporation, including the extent and level of participation in incentive programs, and makes recommendations to the Board for its consideration and approval. The Compensation Committee has also been mandated to review the adequacy and form of the compensation of directors and to ensure that such compensation realistically reflects the responsibilities and risk involved in being an effective director as well as the risk any such compensation policy or practice would have a material adverse effect on the Corporation.

The accountability for decisions on executive remuneration is clearly within the mandate of the Compensation Committee, but management has a key role in helping support the committee in fulfilling its obligations. For example, the CEO and other senior executives make recommendations to the Compensation Committee regarding executive officer base salary adjustments, stock-based grants and discretionary bonuses. The Compensation Committee reviews the basis for these recommendations and can exercise its discretion in modifying any of the recommendations prior to making its recommendations to the Board. The CEO does not make a recommendation to the Compensation Committee with respect to his own remuneration package.

Elements of Compensation

Compensation for the NEO's is composed primarily of three components; namely, base salary, participation in the Corporation's Stock Option Plan, and short-term incentive compensation in the form of discretionary performance bonuses. Other benefits do not form a significant part of the remuneration package of any of the NEO's.

Each compensation component has a different function, but all elements are intended to work in concert to maximize company and individual performance by establishing specific, competitive operational and financial goals and by providing financial incentives to executives based on their level of attainment of these goals. Each element of the Corporation's executive compensation program is described in more detail below.

Base Salaries

An NEO's base salary is intended to remunerate the NEO for discharging job responsibilities and reflects the executive's performance over time. Individual salary adjustments take into account performance contributions in connection with their specific duties. The base salary of each executive officer is determined by the Compensation Committee based on an assessment of the NEO's sustained performance and consideration of competitive compensation levels for the markets in which the Corporation operates. In making its recommendations to the Board, the Compensation Committee also considers the individual skills, area of expertise and experience of the individual. The base salaries of executive officers are reviewed annually. As payment of base salaries does not depend on the performance of any specific targets or goals it is not viewed as "at risk" compensation.

Long Term Incentive Compensation – Stock Options

The stock option component of a NEO's compensation, which includes a vesting element to ensure retention, serves to both motivate the executive toward increasing share value and to enable the executive to share in the future success of

the Corporation. Individual stock options are granted by the Board on the recommendation of senior management, in the case of employees, and by the Compensation Committee, in the case of executive officers, including the NEO's. Options are normally awarded by the Board upon the commencement of an individual's employment with the Corporation based on the level of responsibility within the Corporation. Additional option grants may be made periodically to ensure that the number of stock options granted to an individual is commensurate with the individual's level of ongoing responsibility within the Corporation. In considering additional grants, a number of factors are considered, including, the role the individual plays in the Corporation, the number of stock options an individual has been granted, the exercise price and the value of the options and the term remaining on those options. The terms and conditions of the Corporation's stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Corporation's 2018 Stock Option Plan.

Short Term Incentive Compensation – Discretionary Cash Bonuses

The Corporation may award discretionary cash bonuses to executive officers and employees of Corporation from time to time. The amount of the bonus that each individual may be eligible for is not set in relation to any formula or specific criteria, but is the result of a subjective determination of the Corporation's performance, overall industry conditions, as well as the individual's performance and his or her contribution to overall corporate goals. The payment of bonuses is subject to the final approval of the Board and the Board has the discretion to amend or veto bonuses in its sole discretion, as this form of compensation is "at risk".

Risks Associated with Corporation's Compensation Policies and Practices

Neither the Board nor the Compensation Committee has proceeded to a formal evaluation of the implications of the risks associated with the Corporation's compensation policies and practices. Risk management is a consideration of the Board when implementing its compensation programme, and the Board and the Compensation Committee does not believe that the Corporation's compensation programme results in unnecessary or inappropriate risk-taking including risks that are likely to have a material adverse effect on the Corporation.

The Corporation's NEO's and directors are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Summary Compensation Table

The following table sets forth, for the years ended March 31, 2020, 2019 and 2018, all compensation (other than stock options and other compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, to each NEO and director, in any capacity.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$) ⁽¹⁾	Committee or meeting fees (\$)	Value of Perquisites (\$) ⁽²⁾⁽³⁾	All Other Compensation (\$)	Total Compensation (\$)
Dan Anglin ⁽⁴⁾ President, Chief Executive Officer	2020	145,417	Nil	Nil	Nil	Nil	145,417
	2019	172,885	25,500	Nil	Nil	Nil	198,385
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Frank Falconer ⁽⁵⁾ Chief Commercial Officer	2020	145,417	Nil	Nil	Nil	Nil	145,417
	2019	172,885	25,500	Nil	Nil	Nil	198,385
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Paul Ciullo ⁽⁶⁾ Chief Financial Officer	2020	85,122	Nil	Nil	Nil	Nil	85,122
	2019	50,000	35,700	Nil	Nil	Nil	40,700
	2018	Nil	Nil	Nil	Nil	Nil	Nil

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$) ⁽¹⁾	Committee or meeting fees (\$)	Value of Perquisites (\$) ⁽²⁾⁽³⁾	All Other Compensation (\$)	Total Compensation (\$)
Diana Anglin ⁽⁷⁾ Chief Operating Officer	2020	160,313	Nil	Nil	Nil	Nil	160,313
	2019	148,855	Nil	Nil	Nil	Nil	148,855
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Austin Sims ⁽⁸⁾ Director	2020	127,863	Nil	Nil	Nil	Nil	127,863
	2019	118,557	Nil	Nil	Nil	Nil	118,557
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Nitin Kaushal ⁽⁹⁾ Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	51,000	Nil	Nil	Nil	51,000
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Jordan Crockett ⁽¹⁰⁾ Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	17,850	Nil	Nil	Nil	17,850
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Patrick Gray ⁽¹¹⁾ Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	35,700	Nil	Nil	Nil	35,700
	2018	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) On August 14, 2019, the Board, on the recommendation of the Compensation Committee, awarded bonuses to certain directors, officers and bona fide employees of the Corporation. These awards were issued in common shares of the Corporation. A total of 1,250,000 common shares were issued at a deemed price of \$0.17 per share.
- (2) Includes perquisites provided to an NEO or director that are not generally available to all employees. An item is generally a perquisite if it is not integrally and directly related to the performance of the director's or NEO's duties. If something is necessary for a person to do his or her job, it is integrally and directly related to the job and is not a perquisite, even if it also provides some amount of personal benefit. For the purposes of the table, perquisites are valued on the basis of the aggregate incremental cost to the Company and its subsidiaries.
- (3) NEOs and directors whose total salary for the applicable financial year was \$150,000 or less did not receive perquisites that, in aggregate, were greater than \$15,000. NEOs and directors whose total salary for the applicable financial year was greater than \$150,000 but less than \$500,000 did not receive perquisites that, in aggregate, were greater than 10% of the NEO's or director's salary for the applicable financial year.
- (4) Mr. Anglin was appointed President and CEO on November 6, 2018. The Corporation entered into an Employment Agreement with Mr. Anglin on May 30, 2018. See "Employment, Consulting and Management Agreements" below for details.
- (5) Mr. Falconer was appointed Chief Operating Officer of the Corporation on November 6, 2018 and was subsequently appointed Chief Commercial Officer on March 5, 2019. The Corporation entered into an Employment Agreement with Mr. Falconer on May 30, 2018. See "Employment, Consulting and Management Agreements" below for details. Mr. Falconer resigned as Chief Commercial Officer on July 31, 2020 and a director of the Corporation on November 10, 2020.
- (6) Mr. Ciullo was appointed Chief Financial Officer of the Corporation on March 1, 2019. The Corporation entered into an Employment Agreement with Mr. Ciullo on February 27, 2019. See "Employment, Consulting and Management Agreements" below for details. For the year ended March 31 with, 2020, Mr. Ciullo earned a salary of \$85,122 of which \$14,187 remains payable.
- (7) Ms. Anglin was appointed Chief Operating Officer of the Corporation on November 11, 2019. The Corporation entered into an Employment Agreement with Ms. Anglin on November 11, 2019. See "Employment, Consulting and Management Agreements" below for details. Ms. Anglin was appointed a director on November 10, 2020.
- (8) Mr. Sims was appointed a director on April 13, 2020. The Corporation granted Mr. Sims 250,000 stock options concurrent with his appointment to the Board. Mr. Sims has been an employee (Chief Science Officer) of the Corporation since 2018.
- (9) Mr. Kaushal was appointed a director on May 30, 2018 and resigned on February 28, 2020.
- (10) Mr. Crockett was appointed a director on May 30, 2018 and resigned on February 28, 2020.
- (11) Mr. Gray was appointed a director on January 21, 2019 and resigned on February 28, 2020.

External Management Companies

None of the NEO's of the Corporation have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Corporation to provide executive management services to the Corporation, directly or indirectly, other than those set out below under Employment Agreements.

Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each director and NEO by the Company or one of its subsidiaries in the year ended March 31, 2020 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

COMPENSATION SECURITIES GRANTED OR ISSUED TO DIRECTORS AND NEOs

Name and position	Type of compensation security ⁽¹⁾	Number of compensation securities, number of underlying securities, and percentage of class ⁽²⁾	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 ⁽³⁾
Dan Anglin ⁽⁴⁾ President, Chief Executive Officer	Option	1,000,000	May 30/18	0.30	n/a	0.017	May 30/23
	Option	500,000	Jan 15/19	0.60	0.60	0.017	Jan 15/24
Frank Falconer ⁽⁵⁾ Chief Commercial Officer	Option	1,000,000	May 30/18	0.30	n/a	0.017	May 30/23
	Option	500,000	Jan 15/19	0.60	0.60	0.017	Jan 15/24
Paul Ciullo ⁽⁶⁾ Chief Financial Officer	Option	300,000	Mar 5/19	0.60	0.35	0.017	Mar 5/24
Diana Anglin ⁽⁷⁾ Chief Operating Officer	Option	300,000	May 30/18	0.30	n/a	0.017	May 30/23
	Option	500,000	Jan 15/19	0.60	0.60	0.017	Jan 15/24
Austin Sims, Director ⁽⁸⁾	Option	300,000	May 30/18	0.30	n/a	0.017	May 30/23
	Option	500,000	Jan 15/19	0.60	0.60	0.017	Jan 15/24
	Option	250,000	April 13/20	0.05	0.05	0.017	April 13/25
Nitin Kaushal ⁽⁹⁾ Director	Option	300,000	May 30/18	0.30	n/a	0.017	May 30/23
	Option	450,000	Jan 21/19	0.60	0.66	0.017	Jan 21/24
Jordan Crockett ⁽¹⁰⁾ Director	Option	300,000	May 30/18	0.30	n/a	0.017	May 30/23
	Option	150,000	Jan 21/19	0.60	0.66	0.017	Jan 21/24
Patrick Gray, Director ⁽¹¹⁾	Option	300,000	Jan 21/19	0.60	0.66	0.017	Jan 21/24

Notes:

- (1) "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.
- (2) As of March 31, 2020, the NEOs and directors held the following number of CannAmerica Options ("Options") (each one Option being exercisable to acquire one (1) common share of the Corporation): Dan Anglin – 1,500,000 Options; Frank Falconer 1,500,000 - Options; Paul Ciullo – 300,000 Options; Nitin Kaushal – 750,000 Options; Jordan Crockett – 450,000 Options; Patrick Gray – 300,000 Options. The Options held by Messrs. Kaushal, Crockett and Gray were cancelled following their respective resignations from the Board in accordance with the Corporation's 2018 Stock Option Plan.
- (3) During the year ended March 31, 2020 no Compensation Securities were re-priced, cancelled and replaced or were otherwise materially modified.
- (4) Mr. Anglin was appointed President and CEO on November 6, 2018.
- (5) Mr. Falconer was appointed Chief Operating Officer of the Corporation on November 6, 2018 and was subsequently appointed Chief Commercial Officer on March 5, 2019. Mr. Falconer resigned as Chief Commercial Officer on July 31, 2020 and a director of the Corporation on November 10, 2020.
- (6) Mr. Ciullo was appointed Chief Financial Officer of the Corporation on March 1, 2019.
- (7) Ms. Anglin was appointed Chief Operating Officer of the Corporation on November 11, 2019. Ms. Anglin was appointed as a director on November 10, 2020.
- (8) Mr. Sims was appointed a director on April 13, 2020. Mr. Sims has been an employee (Chief Science Officer) of the Corporation since 2018.
- (9) Mr. Kaushal was appointed a director on May 30, 2018 and resigned from the Board on February 28, 2020. All of Mr. Kaushal's outstanding options were cancelled following his resignation from the Board in accordance with the Corporation's 2018 Stock Option Plan.
- (10) Mr. Crockett was appointed a director on May 30, 2018 and resigned from the Board on February 28, 2020. All of Mr. Crockett's outstanding options were cancelled following his resignation from the Board in accordance with the Corporation's 2018 Stock Option Plan.
- (11) Mr. Gray was appointed a director on January 21, 2019 and resigned from the Board on February 28, 2020. All of Mr. Gray's outstanding options were cancelled following his resignation from the Board in accordance with the Corporation's 2018 Stock Option Plan.

The following table discloses details regarding each exercise of Compensation Securities by a director or NEO during the year ended March 31, 2020.

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOS							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Dan Anglin ⁽¹⁾ President, Chief Executive Officer	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Frank Falconer ⁽²⁾ Chief Commercial Officer	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Paul Ciullo ⁽³⁾ Chief Financial Officer	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Diana Anglin ⁽⁴⁾ Chief Operating Officer	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Austin Sims, Director ⁽⁵⁾	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Nitin Kaushal, Director ⁽⁶⁾	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Jordan Crockett, Director ⁽⁷⁾	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Patrick Gray, Director ⁽⁸⁾	n/a	Nil	n/a	n/a	n/a	n/a	n/a

Notes:

- (1) Mr. Anglin was appointed President and CEO on November 6, 2018. The Corporation entered into an Employment Agreement with Mr. Anglin on May 30, 2018. See "Employment, Consulting and Management Agreements" below for details.
- (2) Mr. Falconer was appointed Chief Operating Officer of the Corporation on November 6, 2018 and was subsequently appointed Chief Commercial Officer on March 5, 2019. The Corporation entered into an Employment Agreement with Mr. Falconer on May 30, 2018. Mr. Falconer resigned as Chief Commercial Officer on July 31, 2020 and as a director of the Corporation on November 10, 2020.
- (3) Mr. Ciullo was appointed Chief Financial Officer of the Corporation on March 1, 2019.
- (4) Ms. Anglin was appointed Chief Operating Officer of the Corporation on November 11, 2019 and was appointed a director on November 10, 2020.
- (5) Mr. Sims was appointed a director on April 13, 2020.
- (6) Mr. Kaushal was appointed a director on May 30, 2018 and resigned from the Board on February 28, 2020.
- (7) Mr. Crockett was appointed a director on May 30, 2018 and resigned from the Board on February 28, 2020.
- (8) Mr. Gray was appointed a director on January 21, 2019 and resigned from the Board on February 28, 2020.

Stock Option Plan and Other Incentive Plans

Other than the 2018 Option Plan, the Corporation does not have any stock option plan, stock option agreement made outside of a stock option plan, plan providing for the grant of stock appreciation rights, deferred share units or restricted stock units or any other incentive plan or portion of a plan under which awards are granted.

Pursuant to the policies of the CSE, the Corporation is required to adopt a stock option plan prior to granting incentive stock options. At the Corporation's annual meeting of shareholders held on February 13, 2019, shareholders adopted the 2018 Option Plan and all unallocated options, rights or other entitlements issuable thereunder. The 2018 Option Plan was last ratified and approved by shareholders on September 25, 2019.

For a description of the material terms of the Option Plan, please see "**Particulars of Other Matters to be Acted Upon – 2018 Stock Option Plan**".

Employment, Consulting and Management Agreements

During the financial years ended March 31, 2019 and March 31, 2020, the Corporation entered into to the employment agreements set forth below and which are still in effect as at the date hereof.

Mr. Dan Anglin has entered into an employment agreement with the Corporation dated May 30, 2018 which outlines the terms and conditions under which Mr. Anglin provides services to the Corporation as its CEO. Pursuant to the employment agreement, Mr. Anglin will be paid USD\$150,000 per year. Mr. Anglin will be reimbursed by the

Corporation for any reasonable expenses. Mr. Anglin's employment may be terminated at any time, with or without cause, by the Corporation. If the Corporation terminates the agreement without cause, the Corporation will pay Mr. Anglin \$75,000 on the termination date. If, within 12 months following a change of control, Mr. Anglin's employment agreement is terminated by the Corporation or by notice from Mr. Anglin, Mr. Anglin will receive a payment of \$75,000.

Mr. Paul Ciullo has entered into an employment agreement with the Corporation dated February 27, 2019, which outlines the terms and conditions under which Mr. Ciullo provides services to the Corporation as its CFO. Pursuant to the employment agreement, Mr. Ciullo will be paid a salary of USD\$60,000 per year and will be reimbursed by the Corporation for any reasonable expenses. Mr. Ciullo's employment may be terminated at any time, with or without cause, by the Corporation. If the Corporation terminates the agreement without cause, the Corporation will pay Mr. Ciullo any amounts unpaid and owing on the termination date.

Ms. Diana Anglin has entered into an employment agreement with the Corporation dated November 11, 2019, which outlines the terms and conditions under which Ms. Anglin provides services to the Corporation as its COO. Pursuant to the employment agreement, Ms. Anglin will be paid a salary of USD\$113,000 per year and will be reimbursed by the Corporation for any reasonable expenses. Ms. Anglin's employment may be terminated at any time, with or without cause, by the Corporation. If the Corporation terminates the agreement without cause, the Corporation will pay Ms. Anglin any amounts unpaid and owing on the termination date.

DIRECTORS' COMPENSATION

The Compensation Committee, through discussions without any formal objectives, criteria or analysis, is responsible for determining all forms of compensation to be granted to the directors of the Corporation to be recommended to the Board for approval. The level of compensation for directors is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and stage of development in cannabis industry, and the availability of financial and other resources of the Corporation.

No director was compensated either directly or indirectly by the Corporation or its subsidiaries during the most recently completed financial year for services as consultants or experts.

To encourage the directors to align their interests with Shareholders, directors are granted incentive stock options pursuant to the Corporation's 2018 Option Plan, from time to time.

Pension Plan Benefits

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

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer, proposed nominee for election to the Board, or associate of such persons is, or at any time since the beginning of the Corporation's most recently completed financial year has been, indebted to the Corporation or any of its subsidiaries.

No indebtedness of any current or former director, executive officer, proposed nominee for election to the Board, or associate of such person is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Corporation does not maintain insurance for the benefit of its directors and officers and the directors and officers of its subsidiaries with respect to their performance of the duties of their offices.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table (presented in accordance with Form 51-102F5) sets forth all compensation plans under which equity securities of the Corporation are authorized for issuance as at the date hereof:

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (CDNS)	Number of securities remaining available for future issuance under the Plan (excluding securities reflected in column (a))
Equity Compensation Plans approved by securityholders	5,450,000	0.47	2,686,328
Equity compensation plans not approved by security holders	N/A	N/A	N/A
TOTAL:	5,450,000	0.47	2,686,328

2018 Option Plan

The Corporation has an incentive stock option plan (the “**2018 Stock Option Plan**”) which governs the issuance of stock options. The 2018 Stock Option was initially adopted at the annual general meeting held on February 13, 2019.

A detailed summary of the terms and conditions of the 2018 Option Plan is set forth under “**Particulars of Other Matters to be Acted Upon**” below.

AUDIT COMMITTEE DISCLOSURE

Under National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), a reporting issuer is required to provide disclosure annually with respect to its audit committee, including the text of its audit committee charter, information regarding composition of the audit committee, and information regarding fees paid to its external auditor. The Corporation provides the following disclosure with respect to its audit committee (the “**Audit Committee**”):

The Audit Committee Charter

The text of the audit committee charter (the “**Audit Committee Charter**”) is attached as Schedule “A” to this Management Proxy Circular.

Composition of the Audit Committee

As the Shares are listed on the CSE, the Corporation is categorized as a venture issuer. As a result, the Corporation is exempt from the requirements of Part 3 (*Composition of the Audit Committee*) of NI 52-110.

The Corporation’s Audit Committee is currently comprised of three directors consisting of Dan Anglin (Chair), Austin Sims and Diana Anglin. The table below sets out information with respect to the current members of the Audit Committee.

Name of Member	Independent ⁽¹⁾	Financially Literate ⁽²⁾
Dan Anglin	No	Yes
Austin Sims	Yes	Yes
Diana Anglin	No	Yes

(1) A member of the Audit Committee is independent if he has no direct or indirect 'material relationship' with the Corporation. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

(2) A member of the Audit Committee is financially literate if he has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements

The Audit Committee is responsible for review of both interim and annual financial statements for the Corporation. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Corporation and any subsidiaries and to discuss with management and the external auditors of the Corporation any accounts, records and matters relating to the financial statements of the Corporation. The audit committee members meet periodically with management and annually with the external auditors.

Relevant Education and Experience

See "*Management – Directors and Officers of the Corporation*" concerning the education and experience of each member of the Audit Committee relevant to the performance of their duties as a member of the Audit Committee.

Audit Committee Oversight

At no time has a recommendation of the Committee to nominate or compensate an external auditor not been adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on:

- (a) the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110; or
- (b) the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*) of NI 52-110; or
- (c) the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*) of NI 52-110; or
- (d) the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*) of NI 52-110; or
- (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

Pre-Approval Policies and Procedures

The audit committee has not adopted any specific policies or procedures for the engagement of non-audit services.

External Auditor Service Fees

The following table sets out the audit fees incurred by the Corporation for the financial years ended March 13, 2019 and March 31, 2020:

Financial Year Ended March 31	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2019	\$40,000	Nil	\$5,000	Nil
2020	\$40,000	Nil	\$6,000	Nil

Exemption

The Corporation is relying on the exemption provided by section 6.1 of National Instrument 52-110 which provides that the Corporation, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of National Instrument 52-110.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as stated herein, no informed person, director, executive officer, nominee for director, any person who beneficially owns, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Corporation, nor any associate or affiliate of such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transactions or any proposed transactions which has materially affected or would materially affect the Corporation.

MANAGEMENT CONTRACTS

There were no management functions of the Corporation which were, to any substantial degree, performed by a person other than the directors or executive officers of the Corporation.

STATEMENT OF CORPORATE GOVERNANCE PRACTICE

Pursuant to Form 58-101F2 *Corporate Governance Practices (Venture Issuers)*, the Corporation is required to disclose its corporate governance practices as follows:

Corporate Governance Practices

Form 58-101F2 *Corporate Governance Practices (Venture Issuers)* out guidelines for effective corporate governance. These guidelines deal with matters such as the constitution and independence of corporate boards, their functions, the effectiveness and education of Board members and other items dealing with sound corporate governance. Form 58-101F2 *Corporate Governance Practices (Venture Issuers)* requires If management of a venture issuer solicits a proxy from a security holder of the venture issuer for the purpose of electing directors to the issuer's board of directors, the venture issuer must include in its management proxy circular the disclosure required by Form 58-101F2.

The Board has considered the guidelines set out in Form 58-101F2 and believes that the Corporation's approach to corporate governance is appropriate and works effectively for the Corporation and its Shareholders. The following is a description of the Corporation's corporate governance practices which have been approved by the Board.

Board of Directors

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

The Board consists of 3 directors, 1 of whom are independent based upon the tests for independence set forth in NI 52-110. Mr. Austin Sims is independent. Mr. Dan Anglin is not independent as he is an executive officer of the Corporation, Ms. Diana Anglin is Chief Operating Officer and not independent.

Directorships

The directors of the Corporation do not serve as directors of any other reporting issuers.

Board Governance

The Board has the responsibility for the overall stewardship of the conduct of the business of the Corporation and the activities of management. Management is responsible for the day-to-day conduct of the business. The Board's fundamental objectives are to enhance and preserve long-term shareholder value, and to ensure the Corporation meets its obligations on an ongoing basis and that the Corporation operates in a reliable and safe manner. In performing its functions, the Board considers the legitimate interests that its other stakeholders, such as employees, customers and communities, may have in the Corporation. In overseeing the conduct of the business, the Board, through the CEO, sets the standards of conduct for the Corporation.

The Board operates by delegating certain of its authorities to management and by reserving certain powers to itself. The Board retains the responsibility for managing its own affairs including selecting its Chair, nominating candidates for election to the Board and constituting committees of the Board. Subject to the Articles and By-Laws of the Corporation and the *Business Corporations Act* (British Columbia), the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to committees of the Board.

Orientation and Continuing Education

The Corporation's corporate governance committee is responsible for, among other things, providing suitable programs, with the assistance of management, for the orientation of new directors and the continuing education of incumbent

directors. Each new director is given an outline of the nature of the Corporation's business, its corporate strategy, and current issues within the Corporation. New directors are encouraged to review the Corporation's public disclosure records and are also required to meet with management of the Corporation to discuss and better understand the Corporation's business and are given the opportunity to meet with counsel to the Corporation to discuss their legal obligations as directors of the Corporation.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Corporation's operations. Board members have full access to the Corporation's records.

Ethical Business Conduct

The Board has adopted a formal written Code of Business Conduct and Ethics (the “**Code of Conduct**”) for its directors, officers and employees.

The Code of Conduct is designed to deter wrongdoing and to promote:

- (a) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) avoidance of conflicts of interest, including disclosure to an appropriate person of any material transaction or relationship that reasonably could be expected to give rise to such a conflict;
- (c) full, fair, accurate, timely and understandable disclosure in reports and documents that the Corporation files with, or submits to, the securities regulators and in other public communications made by the Corporation;
- (d) compliance with applicable governmental laws, rules and regulations;
- (e) the prompt internal reporting to an appropriate person or persons of violations of this Code; and
- (f) accountability for adherence to the Code of Conduct.

A copy of the Code of Conduct is available under the Corporation’s profile on SEDAR at www.sedar.com

In addition, the Corporation has adopted a Blackout Period Policy for its directors, executive officers and senior management of the Corporation to raise the general level of awareness of the trading and confidential obligations of directors, executive officers and senior management. All directors, executive officers and senior management are expected to comply with the Blackout Period Policy.

Corporate Governance and Nominating Committee

The purpose of the Corporate Governance and Nominating Committee is to provide a focus on corporate governance that will enhance corporate performance, and to ensure on behalf of the Board and Shareholders that the Corporation’s corporate governance system is effective in the discharge of its obligations to the Corporation’s shareholders.

The Corporate Governance and Nominating Committee also has the responsibility of proposing nominees for director. The Committee considers the competencies and skills that the Board as a whole should possess, the competencies and skills of existing Board members and the competencies and skills of proposed new Board members. The Committee members utilize their extensive knowledge of the industry and personal contacts to identify potential nominees that possess the desired skills and competencies.

The duties and responsibilities of the Corporate Governance and Nominating Committee include, without limitation, the following:

- (a) to develop and monitor the Corporation’s overall approach to corporate governance issues and, subject to approval by the Board, to implement and administer a system of corporate governance which reflects superior standards of corporate governance practices;
- (b) to report annually to the Corporation’s Shareholders, through the Corporation’s annual management Proxy Circular or annual report to Shareholders, on the Corporation’s system of corporate governance and the operation of its system of governance;

- (c) to analyze and report annually to the Board the relationship of each director to the Corporation as to whether such director is a related director or an unrelated director; and
- (d) to advise the Board or any of the committees of the Board of any corporate governance issues which the Corporate Governance and Nominating Committee determines ought to be considered by the Board or any such committee.

The Corporation has adopted a formal written mandate for the Corporate Governance and Nominating Committee. The mandate provides that the Corporate Governance and Nominating Committee shall consist of at least three members of the Board and should be composed of a majority of “independent” directors within the meaning of NI 58-101. The Corporate Governance and Nominating Committee members are Diana Anglin (Chair), Dan Anglin and Austin Sims.

The Board appoints the members of the Corporate Governance and Nominating Committee for the ensuing year at its organizational meeting held in conjunction with each annual general meeting of the Shareholders of the Corporation. The Board may at any time remove or replace any member of the Corporate Governance and Nominating Committee and may fill any vacancy in the committee.

The Corporate Governance and Nominating Committee meets regularly each year on such dates and at such locations as the Chair of the committee determines. The Corporate Governance and Nominating Committee has access to such officers and employees of the Corporation and to such information respecting the Corporation and may engage independent counsel and advisors at the expense of the Corporation, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.

Assessment of the Board

The Board does not consider that formal assessments would be useful at this stage of the Corporation's development. The Board conducts informal annual assessments of the Board's effectiveness and the individual directors. The contributions of an individual director are informally monitored by the other Board members, having in mind the business and other strengths of the individual and the purpose of originally nominating the individual to the Board.

Indebtedness of Directors and Executive Officers

None of the Corporation's directors or executive officers, or former directors or executive officers, nor any associate of such individuals, is as at the date hereof, or has been, during the financial year ended March 31, 2020, indebted to the Corporation or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Corporation or any of its subsidiaries.

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

Except as disclosed elsewhere in this Management Proxy Circular, no director or executive officer of the Corporation who was a director or executive officer since the beginning of the Corporation's last financial year, each proposed nominee for election as a director of the Corporation, or any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of common shares or other securities in the Corporation or otherwise, in any matter to be acted upon at the Meeting other than the election of directors and the grant of options which may be granted to such persons upon the approval of the 2018 Option Plan as discussed below.

directors, executive officers, proposed nominees for election as director of the Corporation may be interested in the approval of the Corporation's stock option plan, pursuant to which they may be granted stock options. See *“Particulars of Matters to be Acted Upon – Approval of the 2018 Option Plan”*, below, for more information.

PARTICULARS OF MATTERS TO BE ACTED UPON

Annual Approval of 2018 Option Plan

The Corporation's 2018 Option Plan governing the issuance of stock options was initially adopted by the Board on May 30, 2018 and ratified and approved by shareholders on February 13, 2019 and September 25, 2019.

The 2018 Option Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Corporation and its subsidiaries or affiliates, options to purchase Shares. The 2018 Option Plan is a "rolling" stock option plan, whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Corporation, shall not exceed fifteen percent (15%) of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. As at the date hereof, there are 5,450,000 options outstanding under the 2018 Plan representing approximately 10.5% of the Corporation's current issued and outstanding shares.

The purpose of the 2018 Option Plan is to allow directors, officers and other eligible persons, as additional compensation, the opportunity to participate in the profitability of the Corporation by granting to such persons options to buy shares of the Corporation at the market price prevailing on the date the option is granted.

The following information is intended as a brief description of the 2018 Option Plan and is qualified in its entirety by the full text of the 2018 Option Plan. A copy of the 2018 Stock Option Plan may be inspected at the head office of the Corporation at 10th Floor, 595 Howe Street Street, Vancouver, British Columbia, V6C 2T5 during normal business hours and at the Meeting. In addition, a copy of the 2018 Stock Option Plan will be mailed, free of charge, to any holder of common shares who requests a copy, in writing, from the Corporate Secretary of the Corporation. Any such requests should be mailed to the Corporation at its head office, to the attention of the Corporate Secretary.

Under the 2018 Option Plan, options will be exercisable over periods of up to 10 years as determined by the Board and are required to have an exercise price no less than the closing market price of the Shares on the trading day immediately preceding the day on which the Corporation announces the grant of options (or, if the grant is not announced, the date specified in an Option Agreement as the date on which the option is granted), less the applicable discount, if any, permitted by the policies of the CSE and approved by the Board. Pursuant to the 2018 Option Plan, the Board may from time to time authorize the issue of options to directors, senior officers, employees and consultants of the Corporation and its subsidiaries or employees of companies providing management or consulting services to the Corporation or its subsidiaries. The maximum number of Shares which may be issued pursuant to options previously granted and those granted under the 2018 Option Plan or any other stock option plan of the Corporation will be 15% of the issued and outstanding Shares at the time of the grant. In addition, the number of Shares which may be reserved for issuance to any one individual may not exceed (without the requisite disinterested shareholder approval) 5% of the issued Shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. The 2018 Option Plan permits the Board to specify a vesting schedule in its discretion, subject to the CSE's minimum vesting requirements, if any. Unless otherwise specified by the Board at the time of granting an option, and subject to the other limits on option grants set out in the 2018 Option Plan, all options granted under the 2018 Option Plan shall vest and become exercisable in full upon grant, except options granted to consultants performing investor relations activities, which options must vest in stages over twelve months with no more than one-quarter of the options vesting in any three month period.

The 2018 Option Plan provides that if a change of control (as defined in the 2018 Option Plan) occurs, or if the Corporation is subject to a take-over bid, all Shares issuable subject to options held shall immediately become vested and may thereupon be exercised in whole or in part by the option holder. The Board may also accelerate the expiry date of outstanding options in connection with a take-over bid.

The 2018 Option Plan contains a cashless exercise feature whereby the exercise price of options may, at a participant's election, be advanced by an independent brokerage firm. The advance is deducted from the proceeds of sale of the Shares issued on exercise, and the remaining proceeds are paid to the participant.

The 2018 Option Plan contains adjustment provisions with respect to outstanding options in cases of share reorganizations, special distributions and other corporate reorganizations, including an arrangement or other transaction under which the business or assets of the Corporation become, collectively, the business and assets of two or more

companies with the same shareholder group upon the distribution to the Corporation's shareholders, or the exchange with the Corporation's shareholders, of securities of the Corporation or securities of another company.

The 2018 Option Plan provides that on the death or disability of an option holder, all vested options will expire at the earlier of 365 days after the date of death or disability and the expiry date of such options. Where an optionee is terminated for cause, any outstanding options (whether vested or unvested) are cancelled as of the date of termination. If an optionee retires or voluntarily resigns or is otherwise terminated by the Corporation other than for cause, then all vested options held by such optionee will expire at the earlier of (i) the expiry date of such options and (ii) the date which is 90 days (30 days if the optionee was engaged in investor relations activities) after the optionee ceases its office, employment or engagement with the Corporation.

The 2018 Option Plan contains a provision that if, pursuant to the operation of an adjustment provision of the 2018 Option Plan, an optionee receives options (the "**New Options**") to purchase securities of another company (the "**New Company**") in respect of the optionee's options under the 2018 Option Plan (the "**Subject Options**"), the New Options shall expire on the earlier of: (i) the expiry date of the Subject Options; (ii) if the optionee does not become an eligible person in respect of the New Company, the date that the Subject Options expire pursuant to the applicable provisions of the 2018 Option Plan relating to expiration of options in cases of death, disability or termination of employment discussed in the preceding paragraph above (the "**Termination Provisions**"); (iii) if the optionee becomes an eligible person in respect of the New Company, the date that the New Options expire pursuant to the terms of the New Company's stock option plan that correspond to the Termination Provisions; and (iv) the date that is one (1) year after the optionee ceases to be an eligible person in respect of the New Company or such shorter period as determined by the Board.

All outstanding options of the Corporation are governed by the 2018 Option Plan, including those issued prior to the implementation of the Stock Option Plan; however, any vesting schedule imposed by the Corporation's previous stock option plan or stock option agreements in respect of any options issued prior to the implementation of the 2018 Option Plan will remain in full force and effect.

In accordance with good corporate governance practices and as recommended by National Policy 51-201 – *Disclosure Standards*, the Corporation imposes black-out periods restricting the trading of its securities by directors, officers, employees and consultants during periods surrounding the release of annual and interim financial statements and at other times when deemed necessary by management and the Board. In order to ensure that holders of outstanding options are not prejudiced by the imposition of such black-out periods, the 2018 Option Plan contains a provision to the effect that any outstanding options with an expiry date occurring during a management imposed black-out period or within five trading days thereafter will be automatically extended to a date that is 10 trading days following the end of the black-out period.

The 2018 Option Plan provides that other terms and conditions may be attached to a particular option at the discretion of the Board.

The policies of the Exchange require that rolling plans be approved by shareholders on a yearly basis. Accordingly, Shareholders are being asked to pass an ordinary resolution to ratify and confirm the 2018 Option Plan as adopted by the Board which permits the issuance of up to 15% of the issued and outstanding Common Shares of the Corporation from time to time. To be effective, the resolution must be passed by a simple majority of the votes cast thereon by Shareholders present in person or by proxy at the Meeting. If the resolution to approve the 2018 Option Plan is not approved by Shareholders of the Corporation, all unallocated stock options will be cancelled and the Corporation will not be permitted to make any further grants until Shareholder approval is obtained.

Shareholders will be asked to pass an ordinary resolution, in substantially the following form to re-approve the 2018 Option Plan.

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the 2018 Option Plan of the Corporation, as adopted by the Board and as described in the Corporation's Management Proxy Circular dated November 12, 2020, be and is hereby approved and ratified, and the Corporation be and is hereby authorized to reserve for issuance pursuant to the 2018 Option Plan up to 15% of the issued and outstanding Common shares of the Corporation from time to time;

2. the Board be and is hereby authorized on behalf of the Corporation to make any amendments to the 2018 Option Plan as may be required by regulatory authorities or otherwise made necessary by applicable legislation, without further approval of the shareholders of the Corporation, in order to ensure the adoption and efficient function of the 2018 Option Plan; and
3. any director or officer of the Corporation be and is hereby authorized and directed to do such things and to execute and deliver all such instruments, deeds and documents, and any amendments thereto, as may be necessary or advisable in order to give effect to the foregoing resolutions, and to complete all transactions in connection with the implementation of the 2018 Option Plan.”

The Board believes the passing of the foregoing ordinary resolution is in the best interests of the Corporation and recommend that Shareholders of the Corporation vote **IN FAVOUR** of the resolution. **In the absence of contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intended to vote IN FAVOUR of the approval of the 2018 Option Plan.**

ADDITIONAL INFORMATION

The Board approves the Corporation’s annual Financial Statements and annual MD&A, interim quarterly reports and the content of the Corporation’s other significant public disclosure documents. These and other prescribed documents are available under the Corporation’s profile on SEDAR at www.sedar.com.

Financial information regarding the Corporation is provided in the annual financial statements and annual MD&A for the period ended March 31, 2020. The Corporation will provide, at no charge to the shareholder, a copy of its latest Financial Statements and MD&A for the year ended March 31, 2020, interim quarterly reports for subsequent periods, and a copy of this Management Proxy Circular upon request to the to the Corporation as follows:

- (i) e-mail: kathy@cannamericabrands.com
- (ii) mail: CannAmerica Brands Corp.
10th Floor – 595 Howe Street
Vancouver, British Columbia
V6C 2T5

OTHER MATTERS

Other than the above, management of the Corporation knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. 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 contents of this Management Proxy Circular have been approved and the delivery of it to each shareholder of the Corporation entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

Dated at Loveland, Colorado, U.S.A. as of November 12, 2020.

**ON BEHALF OF THE BOARD
CANNAMERICA BRANDS CORP.**

“Dan Anglin”
Dan Anglin
Chief Executive Officer and Director

SCHEDULE "A"

CANNAMERICA BRANDS CORP. (the "Company")

AUDIT COMMITTEE CHARTER

I. MANDATE

The Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of CannAmerica Brands Corp. (the "**Company**") shall assist the Board in fulfilling its financial oversight responsibilities. The Committee's primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company's financial statements and other financial information;
2. The compliance of such statements and information with legal and regulatory requirements;
3. The qualifications and independence of the Company's independent external auditor (the "**Auditor**"); and
4. The performance of the Company's internal accounting procedures and Auditor.

II. STRUCTURE AND OPERATIONS

A. Composition

The Committee shall be comprised of three members, a majority of which shall be independent.

B. Qualifications

Each member of the Committee must be a member of the Board.

A majority of the members of the Committee shall not be officers or employees of the Company or of an affiliate of the Company.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement.

C. Appointment and Removal

In accordance with the By-laws of the Company, the members of the Committee shall be appointed by the Board and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

D. Chair

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all members of the Committee. The Chair shall call, set the agendas for, and chair all meetings of the Committee.

E. Sub-Committees

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that a decision of such subcommittee to grant a pre-approval shall be presented to the full Committee at its next scheduled meeting.

F. Meetings

The Committee shall meet at least once in each fiscal year, or more frequently as circumstances dictate. The 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 every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, 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.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with Section III of this Charter.

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.

III. DUTIES

A. Introduction

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

B. Powers and Responsibilities

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

Independence of Auditor

- 1) Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company, consistent with Independence Standards Board Standard 1.
- 2) Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.
- 3) Require the Auditor to report directly to the Committee.
- 4) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

Performance & Completion by Auditor of its Work

- 5) Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work.
- 6) Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor.
- 7) Pre-approve all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by the Auditor unless such non-audit services:
 - (a) which are not pre-approved, are reasonably expected not to constitute, in the aggregate, more than 5% of the total amount of revenues paid by the Company to the Auditor during the fiscal year in which the non-audit services are provided;
 - (b) were not recognized by the Company at the time of the engagement to be non-audit services; and
 - (c) are promptly brought to the attention of the Committee by Management and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee.

Internal Financial Controls & Operations of the Company

- 8) Establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Preparation of Financial Statements

- 9) Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
- 10) Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.
- 11) Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
- 12) Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
- 13) Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:
 - (i) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor or management.
 - (ii) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Public Disclosure by the Company

- 14) Review the Company's annual and quarterly financial statements, management discussion and analysis (MD&A), annual information form, and management information circular before the Board approves and the Company publicly discloses this information.
- 15) Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.
- 16) Review any disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Manner of Carrying Out its Mandate

- 17) Consult, to the extent it deems necessary or appropriate, with the Auditor but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- 18) Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
- 19) Meet, to the extent it deems necessary or appropriate, with management and the Auditor in separate executive sessions at least quarterly.
- 20) Have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other consultants to advise the Committee advisors.
- 21) Make regular reports to the Board.
- 22) Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- 23) Annually review the Committee's own performance.
- 24) Provide an open avenue of communication among the Auditor the Board.
- 25) Not delegate these responsibilities other than to one or more independent members of the Committee the authority to pre-approve, which the Committee must ratify at its next meeting, non-audit services to be provided by the Auditor.

C. Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.

Approved by the Board of Directors on October 9, 2018