



ORCHID VENTURES, INC.
9930 Irvine Center Drive
Irvine, California USA 92618

INFORMATION CIRCULAR

(containing information as at September 26, 2019, or unless otherwise stated)

This information circular (“**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of Orchid Ventures, Inc. (the “**Company**”) for use at the Annual General Meeting of the Shareholders of the Company (and any adjournment thereof) to be held on Wednesday, October 23, 2019 (the “**Meeting**”) at the time and place and for the purposes set forth in the accompanying Notice of Meeting.

In this Information Circular, references to “the Company”, “Orchid”, “we” and “our” refer to Orchid Ventures, Inc. “Common Shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors, officers and regular employees of the Company at nominal cost. All costs of solicitation by management will be borne by the Company.

The contents and the sending of this Information Circular have been approved by the directors of the Company.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

No other matters are contemplated, however any permitted amendment to or variation of any matter identified in this Notice may properly be considered at the Meeting. The Meeting may also consider the transaction of such other business as may properly come before the Meeting or any adjournment thereof.

The consolidated audited financial statements for the financial years ended April 30, 2018 and May 31, 2018, the report of the auditor thereon and related management discussion and analysis thereon will be available at the Meeting and are available on www.sedar.com.

Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered shareholders may choose one of the following options to submit their proxy:

- (a) complete, date and sign the Proxy and return it to the Company's transfer agent, Odyssey Trust Company ("Odyssey"), by mail or by hand delivery to Stock Exchange Tower, 350 – 300 5th Ave SW, Calgary, AB, T2P 3C4 or; or
- (b) use the internet through the website of Odyssey at: <https://odysseytrust.com/transfer-agent/login> and the by selecting "Vote Proxy". Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the control number.

In all cases the Registered Shareholder must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting, or the adjournment thereof, at which the proxy is to be used.

Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In Canada the vast majority of such Common Shares are registered 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), and in the United States (the "U.S."), under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients. You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the Proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”) in Canada and in the United States. Broadridge mails a voting instruction form (a “VIF”) in lieu of a Proxy provided by the Company. The VIF will name the same persons as the Company’s Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you), in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting voting of Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with Broadridge’s instructions, well in advance of the Meeting in order to have the Common Shares voted at the Meeting, or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares.**

Notice to United States Shareholders

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

This document does not address any income tax consequences of the disposition of the Company shares by shareholders. Shareholders in a jurisdiction outside of Canada should be aware that the disposition of shares by them may have tax consequences both in those jurisdictions and in Canada, and are urged to consult their tax advisors with respect to their particular circumstances and the tax considerations applicable to them.

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

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

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

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing

to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or

- (b) personally attending the Meeting and voting the registered shareholder's Common Shares.

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

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

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

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors of the Company (the "Board") has fixed September 18, 2019 as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company's Common Shares are listed on the Canadian Securities Exchange ("CSE") under stock symbol "ORCD". The Company is also listed on the OTC under stock symbol "ORVRF".

The authorized capital of the Company consists of an unlimited number of Common Shares without par value and one Special Voting Share without par value.

Under the terms of the Special Voting Share, the holder of record of the Special Voting Share (Corey Mangold) is entitled to vote a number of votes at meetings of shareholders equal to that number of exchangeable units that have not yet been exchanged into Common Shares of the Company.

As at September 18, 2019 (the "Record Date"), there were 77,835,537 Common Shares issued and outstanding and one special voting share issued and outstanding (the "Special Voting Share").

The Special Voting Share is exchangeable into 52,762,504 Units, consisting of 52,762,504 common shares. Mr. Mangold, as holder of the Special Voting Share, will be entitled to vote 52,762,504 shares, which is equal to that number of votes which would attach to the common shares receivable upon the exchange of the Exchangeable Units owned of record by the beneficiaries as of the record date.

To the knowledge of the directors and senior officers of the Company, the only person or company who beneficially owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company as of the close of business on the Record Date is Corey Mangold who is the holder of the Special Voting Share consisting of 52,762,504 Units (40%).

FINANCIAL STATEMENTS

The consolidated audited financial statements of the Company for the Company's fiscal years ending April 30, 2018 and May 31, 2019, the report of the auditor thereon and the management's discussion and analysis thereon will be filed on SEDAR at www.sedar.com on or before September 30, 2019, will be tabled at the Meeting and will be available at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Number of Directors

Pursuant to the Articles of the Company and the *Business Corporations Act* (British Columbia) ("BCA"), the Company's Board of Directors (the "Board") has determined to set the number of persons to be elected to the Board at the Meeting at six (6). Current members of the Board are Corey Mangold, Tom Soto, Robert MacDonald, and Richard Brown

Management recommends the approval of the number of directors being set at six (6) for the ensuing year.

2. Election of Directors

The term of office of each of the present directors expires at the Meeting. The persons named below will be presented for election at the Meeting as management's nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company or the provisions of the *Business Corporations Act* (British Columbia) (the "BCBCA").

The following disclosure sets out the name of each of management's nominees for election as a director, the province/state and country in which he is ordinarily resident, all offices of the Company now held by him, his principal occupation, the period of time he has been a director of the Company, and the number of shares of the Company beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the Record Date.

Name of Nominee, Current Position with the Company and Province or State and Country of Residence ⁽¹⁾	Principal Occupation and, if not at present an elected Director, Occupation during the past five years ⁽¹⁾	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽¹⁾
Corey Mangold ⁽²⁾ Chief Executive Officer & Director California, USA	Chief Executive Officer of the Company since March, 2019; Principal and co-founder of Gigasavvy, a southern California creative marketing agency from December 2008 to present.	March 7, 2019	11,612,860 Exchangeable Units ⁽³⁾ 1,000,000 stock options ⁽⁴⁾
Tom Soto ⁽²⁾ Chairman & Director California, USA	Founder and Managing Partner of Latimer Partners, LLC from 2012 to present; Senior Advisor to Reverence Capital Partners from 2014 to present; Managing partner at Frontier Impact Latimer Management from 2016 to 2017; Managing Director at Trust Company of the West from 2013 to 2016.	March 7, 2019	Nil Common shares 2,800,000 stock options ⁽⁵⁾

Name of Nominee, Current Position with the Company and Province or State and Country of Residence ⁽¹⁾	Principal Occupation and, if not at present an elected Director, Occupation during the past five years ⁽¹⁾	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽¹⁾
Robert MacDonald ⁽²⁾ Director California, USA	Co-founder and Managing Partner at Craton Equity Partners from 2013-2018; Senior Advisor at Frontier Impact Capital, LLC from 2016-2017; Managing Director at TCW Group from 2013-2015.	March 7, 2019	Nil Common shares 1,700,000 stock options ⁽⁶⁾
Richard Brown President & Director California, USA	President of the Company since August 1, 2019; President of H&R Block's Canadian operations from 2013 to 2017. CEO of CX4People - Digital Marketing Agency from 2018 -2019.	July 5, 2019	200,000 Common shares 1,200,000 stock options ⁽⁷⁾
Gregory A. Vega Proposed Director California, USA	Partner, Seltzer, Caplan, McMahon & Vitek since 2001 to present. Currently, the Litigation Department Chair.	Proposed	Nil
Rafid Kiti Proposed Director California, USA	Entrepreneur/business owner of Dickey's Barbecue Pit and Serranos restaurants in San Diego from 2012 to present.	Proposed	Nil

Notes:

- (1) The information as to shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually or retrieved from SEDI.
- (2) Denotes member of Audit Committee.
- (3) Mr. Mangold holds 11,612,860 Exchangeable Units. Each exchangeable unit is exchangeable by the holder into one common share of the Company for no additional consideration. Until exchanged, the exchangeable units are voted under the Special Voting Share described above.
- (4) Mr. Mangold holds 1,000,000 stock options exercisable at a price of \$0.33 per share until March 18, 2024;
- (5) Mr. Soto holds 2,800,000 stock options exercisable at a price of \$0.33 per share until March 18, 2024;
- (6) Mr. MacDonald holds 1,700,000 stock options exercisable at a price of \$0.33 per share until March 18, 2024; and
- (7) Mr. Brown holds 1,200,000 stock options exercisable at a price of \$0.33 per share until July 29, 2024.

Director Nominee Biographies

Corey Mangold: Mr. Mangold is the Chief Executive Officer of the Company. Prior to joining the Company, Mr. Mangold was the Principal and Co-Founder of Gigasavvy, a leading southern California creative marketing agency that has launched and managed campaigns for Toshiba, Knott's Berry Farm, Johnny Rockets, Hi-Chew Candy, Tenet Healthcare and Northgate Markets. Mr. Mangold also worked tirelessly to create a thriving culture at Gigasavvy which was recognized for 3 years running as a "Top 10 Places" to work in Orange County California. Mr. Mangold brings over 20 years of start-up experience and a knack for developing successful companies. Corey's vision and extensive experience in marketing/advertising, branding, design, sales and product development has already established Orchid as the brand to beat in the market.

Tom Soto: Mr. Soto is a long-time investor in the impact sector and is the founder and Managing Partner of Diverse Communities Impact Fund (DCIF). His leadership, voice and investments have stood at the dovetail of energy, tech, cloud based and IoT efficiency programs in renewables, and many Fourth Industrial Revolution driven platforms where technology contributes to improving the human condition. This ranges from Fintech, to electric vehicle technology and policy, to political process and regulatory frameworks needed to promote the new economics driving the planet into a future of prosperity and abundance. Having sold his fund Craton Equity Partners to TCW in 2013, Mr. Soto became Managing Director of Alternatives at the US\$198B fund, and was an Investment Committee Member of TCW/Craton Alternatives. Post transaction, Mr. Soto played a considerable role in TCW across all products, helping to lead in the development of new and innovative alternatives products; a public-equities trading platform, the first of its kind at TCW focused on ESG/SRI, and the development of a woman owned, emerging manager, distressed hedge fund, all among many other successful efforts while at TCW. Mr. Soto has a BA in Political Science from the University of California, Los Angeles.

Robert MacDonald: Mr. MacDonald is a trusted advisor with extensive board and corporate governance expertise in energy, clean technology, banking, and manufacturing industries. He has had success in raising billions of dollars in capital to catapult startups and growth companies into thriving, profitable entities and has positioned businesses for successful IPO or sale and restructured underperforming operations. Mr. MacDonald has served on 23 Board of Directors for 16 private and seven public companies. Most recently, Mr. MacDonald co-founded Craton Equity Partners, one of the industry's first clean technology funds to invest in companies contributing substantially to carbon reduction. In addition, Mr. MacDonald co-launched Catalyst Energy where he played a major role in spearheading a successful IPO, growing the company from \$0 to \$400M in revenues and enabling development and expansion of 30 power plants, and generated 34 times return on initial invested capital.

Richard Brown: Mr. Brown brings extensive operational experience that spans a diverse set of industries such as CPG, Retail, Health Care and Financial Services. During his career, he specialized in both scaling up companies with high-growth potential and transforming businesses to energize revenue growth. Most recently, Mr. Brown was President of H&R Block's Canadian operations for five years where he led the growth of tax and financial services for this \$300 million company, plus built a proprietary digital tax software platform and e-commerce business. Prior to this, Mr. Brown was Chief Marketing Officer and SVP, Sales and Business Development for a healthcare service company in the US called Smile Brands, a market leader in the dental care sector with \$500 million in revenue, serving 2+ million patients annually. He played a major role in navigating the company through an IPO process which ended in the private sale of the company in 2011. Mr. Brown also held senior executive positions at Burger King and Taco Bell in the US and PepsiCo Restaurants International in Canada and spent 10 years in brand management with companies like Unilever, Gillette, and Lipton in the CPG sector.

Gregory A. Vega: Mr. Vega received his Bachelor of Science degree in Accounting from Indiana University in 1975, and his Juris Doctor degree from Valparaiso University School of Law in 1980 and is a member of the State Bars of California, Illinois and Indiana. Nominated in 1998 to the position of United States Attorney for the Southern District of California, Mr. Vega prioritized improving bi-national cooperation between the United States and the Republic of Mexico. Mr. Vega was selected by Attorney General Janet Reno to serve on the Attorney General's Advisory Committee (AGAC) and co-Chaired the White Collar Crime Subcommittee of the AGAC with former United States Attorney General Loretta Lynch as well as served on the Southwest Border Subcommittee of the AGAC. In 2001, Mr. Vega joined the SO attorney San Diego law firm of Seltzer Caplan McMahan Vitek where his practice focuses on White Collar Criminal Defense and advising corporate clients operating in regulated industries. From 2008 to 2012, Mr. Vega served as the Independent Review Organization (IRO) for a publicly traded pharmaceutical company pursuant to a Corporate Integrity Agreement with the Department of Health and Human Services. Mr. Vega is a past President of the Hispanic National Bar Association (1997-1998); a past member of the City of San Diego Ethics Commission (2001-2005); a past member of the Board of Directors of the National Conflict Resolution Center (2006-2014) and a Past President of the National Association of

Former United States Attorneys (2015-2016). Mr. Vega currently sits on the Board of Directors of the Casa Cornelia Law Center, is partner and litigation department chair at Seltzer, Caplan, McMahon & Vitek.

Rafid Kiti: Mr. Kiti brings extensive operational experience spanning the grocery, liquor, and restaurant industries. He is an entrepreneur that has started several restaurants and has extensive experience managing all aspects of the business, accelerating sales and profitability. Mr. Kiti's years as a successful entrepreneur have given him a deep passion for his employees and a deep understanding of the customer. Mr. Kiti will bring his operational knowledge and understanding of the restaurant and liquor business in the cannabis industry. Mr. Kiti is a team player having played college basketball at Oregon Tech University and played professionally in Europe.

Management recommends the approval of each of the nominees listed above for election as directors of the Company for the ensuing year.

Corporate Cease Trade Orders or Bankruptcies

No proposed director is, as at the date of this Information Circular, or has been, within ten (10) years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company in respect of which the Information Circular is being prepared) that:

- (i) was subject to a cease trade or similar order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (ii) was subject to a cease trade or similar order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No proposed director is, as at the date of this Information Circular, or has been within ten (10) years before the date of this Information Circular, a director or executive officer of any company (including the Company in respect of which the Information Circular is being prepared) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Bankruptcies

No proposed director has, within the ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Penalties and Sanctions

No proposed director of the Company has been subject to 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 has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

No Conflicts of Interest

To the best of our knowledge, there are no known existing or potential conflicts of interest among the Company and its directors or officers. No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the Company acting solely in such capacity.

3. Appointment of Auditor

DMCL LLP Chartered Professional Accountants (“DMCL”) of Vancouver, British Columbia, Canada will be nominated at the Meeting for re appointment as auditor of the Company. DMCL has been the auditors of the Company since June 2018 following the resignation of Davidson & Company, Chartered Professional Accountants. The change of auditor of the Company was approved by the Audit Committee. A copy of the Notice of Change of Auditor and copies of the supporting letters from each of the former auditor and the successor auditor (collectively, the “**Reporting Package**”) is attached as Schedule “B” to this information circular and has been filed on the Company’s profile at www.sedar.com pursuant to the requirements of National Instrument 51-102.

The Board recommends that Shareholders vote in favour of the re appointment of DMCL LLP Chartered Professional Accountants. Unless otherwise instructed, at the Meeting the proxyholders named in the Company’s form of Proxy or Voting Instruction Form will vote FOR the appointment of DMCL LLP Chartered Professional Accountants.

4. Approval of 20% Rolling Stock Option Plan

The Company currently has a fixed stock option plan in place that was last approved by the Board of Directors of the Company on January 29, 2019. Under the terms of the fixed stock option plan, a total of 12,592,273 stock options were fixed as the maximum allowable number of stock options that could be issued.

The Company would like to put into place a rolling stock option plan and as such, shareholders will be asked to approve a 20% rolling stock option plan pursuant to which 20% of the issued and outstanding share capital of the Company at any given time may be reserved for issuance pursuant to the exercise of options (the “Stock Option Plan”).

As at the date hereof, there are options outstanding under the fixed stock option plan entitling the purchase of an aggregate 12,500,000 common shares of the Company at prices ranging from \$0.30 to \$0.33, expiring in March and July, 2024. These options are held by the Company’s directors and/or officers and employees.

Based on the number of common shares of the Company issued and outstanding as of the date of this Information Circular, the balance of the 20% rolling stock Option Plan reserve provides for further grants of options entitling the purchase of 3,067,107 common shares of the Company.

The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan attached hereto as Schedule “C”. A copy of the Stock Option Plan will be presented to and available for inspection by shareholders at the Meeting.

Summary of the Option Plan

The Stock Option Plan shall be administered by the Board or if appointed, by a special committee of directors appointed from time to time by the Board. The aggregate number of common shares that may be reserved for

issuance under options granted in accordance with the terms of the Stock Option Plan shall not exceed 20% of the Company's issued and outstanding common shares at the time of grant.

The number of common shares subject to an option granted to a "Participant" (as such term is defined in the Stock Option Plan) shall be determined by the Board, but no Participant shall be granted an option that exceeds the maximum number of shares permitted by any stock exchange on which the common shares are then listed or by any other regulatory body having jurisdiction (as defined in the Stock Option Plan).

The exercise price for purchase of the common shares underlying each option shall be determined by the Board, provided however, that the exercise price shall not be less than the minimum price permitted by the CSE. Subject to any applicable approvals required by regulatory authorities, the Board has the absolute discretion to suspend or terminate the Stock Option Plan; and, subject to any required regulatory approval, the Board may also amend or revise the terms of the Stock Option Plan provided that no such amendment or revision shall result in a material adverse change to the terms of any options granted under the Stock Option Plan, unless shareholder approval is obtained for such amendments or revisions.

The maximum term of any option granted under the Stock Option Plan shall be ten years from the date the option is granted. Notwithstanding the above, options will expire 90 days after an individual ceases to qualify as a Participant under the Stock Option Plan for any reason other than death, subject to extension at the discretion of the Board. Options granted to a Participant that provides investor relations activities will expire 90 days after the Participant ceases to provide investor relations services to the Company, subject to the individual otherwise qualifying as a Participant under the Option Plan. In the event of the death of a Participant, options previously granted to the Participant shall be exercisable by the Participant's estate for one year from the date of death if and to the extent that such option had vested and was exercisable at the date of death.

Pursuant to the Company's practice respecting restrictions on trading, there are a number of periods each year during which directors, officers and certain employees are precluded from trading in the Company's securities. These periods are referred to as "black-out periods". A black out period is designed to prevent a person from trading while in possession of material information that is not yet available to the public. The Stock Option Plan includes provision that should an option expiration date fall within a black out period or immediately following a black-out period, the expiration date will automatically be extended for ten business days following the end of the black-out period.

The Stock Option Plan also provides for adjustments to outstanding options in the event of any consolidation, subdivision, conversion or exchange of the common shares of the Company; and includes provisions related to withholding tax obligations of the Company on exercise of options by Participants.

Our directors may, at their discretion at the time of any grant, impose a schedule over which period of time an option will vest and become exercisable by a Participant.

Stock Option Plan Resolution

At the Meeting, Shareholders will be asked to pass the following ordinary resolution to approve for the ensuing year the 20% rolling Stock Option Plan:

"Resolved as an ordinary resolution, with or without variation, that:

- (a) that the Company's 20% rolling Stock Option Plan dated September 24, 2019 be approved, confirmed and ratified and that all unallocated options issuable under the Company's rolling 20% stock option Plan be authorized, approved, confirmed and ratified.

- (b) all outstanding options issued under the former “Fixed Plan” be rolled into the new share option plan;
- (c) to the extent permitted by law, the Company be authorized to abandon all or any part of the new share option plan if the Board deems it appropriate and in the best interest of the Company to do so; and
- (d) any one or more of the directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to this resolution.”

An ordinary resolution is a resolution passed by a majority of at least 50% of the votes cast by those Shareholders, who being entitled to do so, vote in person or by proxy in respect of that resolution at the Meeting.

Management of the Company recommends that the shareholders vote in favour of the approval of the Stock Option Plan Resolution. It is the intention of persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Stock Option Plan Resolution.

EXECUTIVE COMPENSATION

For the purposes of this Information Circular:

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

“**Named Executive Officer**” or “**NEO**”, means each of the following individuals:

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

Compensation Discussion and Analysis

Orchid Ventures, Inc. is an award-winning cannabis brand with THC and CBD product lines currently sold in 350+ dispensaries across California and Oregon. The Company has developed a mass-market brand and loyal consumer following with its premium vape product and products lines which are handcrafted and designed for maximum flavor and overall enjoyment.

The Board considers not only the Company's financial situation at the time of determining executive compensation but also the Company's estimated financial situation for both mid and long-term projections. The Company's compensation program is intended to attract, motivate, reward and retain the management talent needed to achieve the Company's business objectives of improving overall corporate performance and creating long-term value for the Company's shareholders. The compensation program is intended to reward executive officers on the basis of individual performance and achievement of corporate objectives, including the advancement of the exploration and development goals of the Company.

The Company's current compensation program is comprised of base salary or fees, short term incentives such as discretionary bonuses and long-term incentives such as stock options.

The Board has created and appointed a Compensation Committee comprised of the two independent directors, Tom Soto and Robert MacDonald. All tasks related to developing and monitoring the Company's approach to compensation of the Company's NEOs and directors are performed by the Compensation Committee. Compensation of the Company's NEOs, directors and employees or consultants, if any, is reviewed, recommended and approved by the Compensation Committee.

In making compensation decisions, the Compensation Committee strives to find a balance between short-term and long-term compensation and cash versus equity incentive compensation. Base salaries or fees and discretionary cash bonuses primarily reward recent performance and incentive stock options encourage NEOs and directors to continue to deliver results over a longer period of time and serve as a retention tool. The annual salary or fee for each NEO, as applicable, is determined by the Compensation Committee based on the level of responsibility and experience of the individual, the relative importance of the position to the Company, the professional qualifications of the individual and the performance of the individual over time. Each NEO's performance and salary or fees are to be reviewed periodically. Increases in salary or fees are evaluated on an individual basis and are performance and market-based. The amount and award of cash bonuses to key executives and senior management is discretionary, depending on, among other factors, the financial performance of the Company and the position of each individual.

Director Compensation

During the Company's most recently completed financial year ended May 31, 2019, the Company did not provide any compensation to its directors, other than to the directors set out in the disclosure below. The Company does not have any arrangements, standard or otherwise, pursuant to which non-NEO directors are compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts. The Board intends to compensate directors primarily through the grant of stock options and reimbursement of expenses incurred by such persons acting as directors of the Company.

Option-Based Awards

The Company regards the strategic use of incentive stock options as a cornerstone of the Company's compensation plan. The Company is committed to long-term incentive programs that promote the continuity of an excellent management team and, therefore, the long-term success of the Company. The Company established a formal plan under which stock options may be granted to directors, officers, employees and consultants as an incentive to serve the Company in attaining its goal of improved shareholder value. It applies to personnel at all levels and continues to be one of the Company's primary tools for attracting, motivating and retaining qualified personnel which is critical to the Company's success. The Board is responsible for administering the Company's stock option plan and determining the type and amount of compensation to be paid to directors, officers, employees and consultants of the Company including the awards of any stock options

under a stock option plan. Stock options are typically part of the overall compensation package for executive officers.

All grants of stock options to the NEOs are reviewed and approved by the Board and the Compensation Committee. In evaluating option grants to an NEO, the Board and the Compensation Committee evaluates a number of factors including, but not limited to: (i) the number of options already held by such NEO; (ii) a fair balance between the number of options held by the NEO concerned and the other executives of the Company, in light of their responsibilities and objectives; and (iii) the value of the options (generally determined using a Black-Scholes analysis) as a component in the NEO's overall compensation package.

Hedging Policy

the Company's compensation policies and practices, NEOs and directors are not prevented from purchasing financial instruments, including 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.

Director and NEO Compensation

The following table presents information concerning all compensation paid, payable, given, or otherwise provided, directly or indirectly, to NEOs and Directors by the Company for services in all capacities to the Company during the two most recently completed financial years:

Table of Compensation, Excluding Compensation Securities (in Canadian Dollars)							
Name and position	Year⁽¹⁾	Salary, consulting fee, retainer or commission (\$)⁽²⁾	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Corey Mangold CEO and Director	2019	\$287,280	-	-	-	-	\$287,280
	2018	\$287,280	-	-	-	-	\$287,280
Richard Brown President and Director	2019	-	-	-	-	-	-
	2018	-	-	-	-	-	-
Mathew Lee Chief Financial Officer	2019	\$37,500	-	-	-	-	\$37,500
	2018	-	-	-	-	-	-
Jennifer Eales General Counsel	2019	\$247,380	-	-	-	-	\$247,380
	2018	\$247,380	-	-	-	-	\$247,380
Luke Hemphill Chief Revenue Officer	2019	\$232,750	-	-	-	-	\$232,750
	2018	\$232,750	-	-	-	-	\$232,750
Tom Soto Director	2019	-	-	-	-	-	-
	2018	-	-	-	-	-	-
Robert MacDonald Director	2019	-	-	-	-	-	-
	2018	--	-	-	-	-	-
Rene Suarez Former Director	2019	\$287,280	-	-	-	-	\$287,280
	2018	\$287,280	-	-	-	-	\$287,280
Navin Varshney, Former CEO, President & Director	2019	-	-	-	-	-	-
	2018	-	-	-	-	-	-

Table of Compensation, Excluding Compensation Securities (in Canadian Dollars)							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$) ⁽²⁾	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Brian Moore, Former CFO, Secretary & Director	2019	-	-	-	-	-	-
	2018	-	-	-	-	-	-
Leif Smither Former Director	2019	-	-	-	-	-	-
	2018	-	-	-	-	-	-
Dave Ellett Former Director	2019	-	-	-	-	-	-
	2018	-	-	-	-	-	-

Notes:

(1) Financial years ended April 30, 2018 and May 31, 2019.

Other than as set forth above, no NEO or Director of the Company has, during the most recently completed financial year, received compensation pursuant to:

- (a) any standard arrangement for the compensation of NEOs or Directors for their services in their capacity as NEOs and/or Directors, including any additional amounts payable for committee participation or special assignments;
- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of NEOs in their capacity as NEOs; or
- (c) any arrangement for the compensation of NEOs or Directors for services as consultants or expert.

Compensation Securities

The following table of compensation securities provides a summary of all compensation securities granted or issued by the Company to each NEO and director of the Company, current and former, for the financial year ended May 31, 2019 for services provided or to be provided, directly or indirectly, to the Company:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾	Date of issue or grant	Issue, conversation or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end ⁽²⁾ (\$)	Expiry Date
Corey Mangold CEO and Director	Stock options	1,000,000 1,000,000 stock options (9.4%) 1,000,000 underlying common shares (1.5%)	03/18/19	0.33	\$0.33	\$0.41	03/18/24

Compensation Securities

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾	Date of issue or grant	Issue, conversation or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end ⁽²⁾ (\$)	Expiry Date
Mathew Lee CFO	Stock options	350,000 Total: 350,000 stock options (3.3%) 350,000 underlying common shares (0.5%)	03/18/19	0.33	\$0.33	\$0.41	03/18/24
Jennifer Eales General Counsel	Stock Options	2,000,000 Total: 2,000,000 stock options (18%) 2,000,000 underlying common shares (3%)	03/18/19	0.33	\$0.33	\$0.41	03/18/24
Luke Hemphill Chief Revenue Officer	Stock Options	1,000,000 Total: 1,000,000 stock options (9.4%) 1,000,000 underlying common shares (1.5%)	03/18/19	0.33	\$0.33	\$0.41	03/18/24
Tom Soto Director	Stock options	1,600,000 Total: 1,600,000 stock options (15.1%) 1,600,000 underlying common shares (2.4%)	03/18/19	0.33	\$0.33	\$0.41	03/18/24
Robert MacDonald Director	Stock options	900,000 Total: 900,000 stock options (8.5%) 900,000 underlying common shares (1.4%)	03/18/19	0.33	\$0.33	\$0.41	03/18/24
Rene Suarez Former Director	Stock options	200,000 Total: 200,000 stock options (1.9%) 200,000 underlying common shares (0.3%)	03/18/19	0.33	\$0.33	\$0.41	05/22/20
Navin Varshney Former CEO, President and Director		Nil					

Compensation Securities

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾	Date of issue or grant	Issue, conversation or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end ⁽²⁾ (\$)	Expiry Date
Brian Moore Former CFO, Secretary and Director		Nil					
Leif Smither Former Director		Nil					
Dave Ellett Former Director		Nil					

Notes:

- (1) The percentage of class is based on the total number of options and common shares outstanding as at May 31, 2019: 66,151,847 common shares and 10,600,000 stock options.
- (2) Closing price on May 31, 2019, being the last day of the financial year on which the Company's shares traded.

Exercise of Compensation Securities by NEOs and Directors

There were no compensation securities exercised by the NEOs and directors of the Company, current and former, for the financial year ended May 31, 2019.

Employment, Consulting and Management Agreements

Management functions of the Company are substantially performed by directors or senior officers (or private companies controlled by them, either directly or indirectly) of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

The Company does not have an agreement with each of the current NEOs pursuant to which a payment or other benefit is to be made or given by way of compensation in the event of that officer's resignation, retirement or other termination of employment, or in the event of a change of control of the Company or a change in the Named Executive Officer's responsibilities following such a change of control. The Compensation Committee is in the process of reviewing and discussing these agreements with the NEOs.

Oversight and Description of Director and NEO Compensation

Compensation, Philosophy And Objectives

The Compensation Committee meets to discuss and determine management compensation, without reference to formal objectives, criteria or analysis. The general objectives of the Company's compensation strategy are to (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interests of shareholders; and (c) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under.

The Compensation Committee ensures that total compensation paid to all NEOs is fair and reasonable. The Compensation Committee as a whole recommends levels of executive compensation that are competitive, motivating and commensurate with the time spent by executive officers in meeting their obligations. The Compensation Committee relies on the experience of its members and market data in assessing compensation levels.

Analysis of Elements

Base salary is used to provide the NEOs a set amount of money during the year with the expectation that each NEO will perform his responsibilities to the best of his or her ability and in the best interests of the Company. The Company considers the granting of incentive stock options to be a significant component of executive compensation as it allows the Company to reward each NEO's efforts to increase value for shareholders without requiring the Company to use cash from its treasury. Stock options are generally awarded to executive officers at the commencement of employment and periodically thereafter. The terms and conditions of the Company's stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Company's Option Plan. A description of the significant terms of the Option Plan is found under the heading "*Particulars of Other Matters to be Acted Upon – Approval of Rolling 20% Stock Option Plan*".

Base Salary or Consulting Fees

Base salary ranges for the executive officers were initially determined upon a review of companies within the industry, which were of the same size as the Company, at the same stage of development as the Company and considered comparable to the Company.

In determining the base salary of an executive officer, the Board considers the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by other companies in the industry which were similar in size as the Company;
- (c) the experience level of the executive officer;
- (d) the amount of time and commitment which the executive officer devotes to the Company; and
- (e) the executive officer's overall performance and performance in relation to the achievement of corporate milestones and objectives.

Bonus Incentive Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Compensation Committee will consider executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. The Compensation Committee approves executive bonus compensation dependent upon compensation levels based on recommendations of the CEO. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Company's operations.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's stock option plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board based on recommendations put forward by the CEO and the Compensation Committee.

Compensation Review Process & Risks Associated with the Company's Compensation Practices

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

Benefits and Perquisites

The Company does not, as of the date of this Information Circular, offer any benefits or perquisites to its NEOs other than potential grants of incentive stock options as otherwise disclosed and discussed herein.

Hedging by NEOs or Directors

The Company has not, to date, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers or directors. As of the date of this Information Circular, entitlement to grants of incentive stock options under the Company's share option plan and restricted share unit plan is the only equity security element awarded by the Company to its executive officers and directors. To the knowledge of the Company, none of the executive officers or directors have purchased such financial instruments or employed a strategy to hedge or offset a decrease in market value of equity securities granted as compensation or held.

Pension Plan

The Company does not have any form of pension plan that provides for payments or benefits to the NEO at, following, or in connection with retirement. The Company does not have any form of deferred compensation plan.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information regarding compensation plans under which securities of the Company are authorized for issuance to directors, officers, employees and consultants in effect as of the end of the Company's most recently completed fiscal year end of May 31, 2019.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options/RSUs (a)	Weighted-Average Exercise Price of Outstanding Options/RSUs (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) ⁽¹⁾ (c)
Equity Compensation Plans Approved By Securityholders – Stock Option Plan	9,300,000	\$0.33	3,292,273
Equity Compensation Plans Not Approved By Securityholders	-	-	-
Total	9,300,000	\$0.33	3,292,273

Note:

- (1) The Company had 66,151,847 common shares issued and outstanding as at May 31, 2019. The Company currently has in place a fixed stock option plan whereby the maximum number of common shares that may be reserved for issuance pursuant to such plan is set at 12,592,273.

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101, *Disclosure of Corporate Governance Practices* (“NI 58-101”) requires issuers to disclose their governance practices in accordance with that instrument. The Company is a “venture issuer” within the meaning of NI 58-101.

The Board has adopted certain corporate governance policies to reflect the Company’s commitment to good corporate governance, and to comply with NI 58-101, Form 58-101F2 - *Corporate Governance Disclosure (Venture Issuers)* and National Policy 58-201 - *Corporate Governance Guidelines*. The Board periodically reviews these policies and proposes modifications to the Board for consideration as appropriate. The Company considers good corporate governance to be central to the effective and efficient management and operation of the Company, and the Board is directly responsible for developing the Company’s approach to corporate governance issues. A discussion of the Company’s governance practices within the context of NI 58-101 is set out below:

Board of Directors: The Board of Directors presently has four directors, two of whom are independent. The definition of independence used by the Company is that used by the Canadian Securities Administrators, which is set out in section 1.4 of National Instrument 52-110 *Audit Committees* (“NI 52-110”). A director is independent if he has no direct or indirect material relationship to the Company. A “material relationship” is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of the director’s independent judgment. Certain types of relationships are by their very nature considered to be material relationships and are specified in section 1.4 of NI 52-110.

Tom Soto and Robert MacDonald are considered independent directors. Corey Mangold (Chief Executive Officer), and Richard Brown (President) are not independent as they are executive officers of the Company.

The Board believes that the principal objective of the Company is to generate economic returns with the goal of maximizing shareholder value, and that this is to be accomplished by the Board through its stewardship of the Company. In fulfilling its stewardship function, the Board’s responsibilities will include strategic planning, appointing and overseeing management, succession planning, risk identification and management,

environmental oversight, communications with other parties and overseeing financial and corporate issues. Directors are involved in the supervision of management.

Pursuant to the *Business Corporations Act* (British Columbia), directors must declare any interest in a material contract or transaction or a proposed material contract or transaction. Further, the independent members of the Board of Directors meet independently of management members when warranted.

The Board facilitates the exercise of independent supervision over management through various Board meetings held throughout the year. At present, the Board does not have any formal committees other than its Audit Committee. When necessary, the Board will strike a special committee of independent directors to deal with matters requiring independence. The composition of the Board is such that the independent directors have significant experience in business affairs. As a result, these Board members are able to provide significant and valuable independent supervision over management.

Directorships: The directors of the Company are not currently directors of any other reporting issuers.

Compensation: From time to time, the independent directors serving on the Compensation Committee will review the compensation payable to the CEO and CFO and all other high-level executives. Compensation for Board members is determined by the Compensation Committee as a whole and in accordance with industry norms and with reference to each individual director's level of involvement with the Company

Orientation and Continuing Education: The Company has not formalized an orientation program. If a new director was appointed or elected, however, he or she would be provided with orientation and education about the Company which would include information about the duties and obligations of directors, the business and operations of the Company, documents from recent board meetings and opportunities for meetings and discussion with senior management and other directors. Specific details of the orientation of each new director would be tailored to that director's individual needs and areas of interest.

The Company does provide continuing education opportunities to directors so that they may maintain or enhance their skills and abilities as directors and ensure that their knowledge and understanding of the Company's business remains current.

Ethical Business Conduct: The Company has not taken any formal steps to promote a culture of ethical business conduct, but the Company and its management are committed to conducting its business in an ethical manner. This is accomplished by management actively doing the following in its administration and conduct of the Company's business:

1. The promotion of integrity and deterrence of wrongdoing.
2. The promotion of honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest.
3. The promotion of avoidance or absence of conflicts of interest.
4. The promotion of full, fair, accurate, timely and understandable disclosure in public communications made by the Company.
5. The promotion of compliance with applicable governmental laws, rules and regulations.
6. Providing guidance to the Company's directors, officers and employees to help them recognize and deal with ethical issues.
7. Helping foster a culture of integrity, honesty and accountability throughout the Company.

Nomination of Directors: The Board as a whole is responsible for identifying and evaluating qualified candidates for nomination to the Board. In identifying candidates, the Board considers the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess, the competencies and skills that the Board

considers each existing director to possess, the competencies and skills each new nominee will bring to the Board and the ability of each new nominee to devote sufficient time and resources to his or her duties as a director.

Other Board Committees: The Board currently has three standing committees, the Audit Committee, the Disclosure Committee, and the Compensation Committee.

Assessments: The Board does not conduct any formal evaluation of the performance and effectiveness of the members of the Board, the Board as a whole or any committee of the Board. These matters are dealt with on a case by case basis at the Board level.

AUDIT COMMITTEE DISCLOSURE

Under National Instrument 52-110 – Audit Committees (“NI 52-110”), companies are required to provide disclosure with respect to their audit committee, including the text of the audit committee’s charter, the composition of the audit committee and the fees paid to the external auditor.

General: The Audit Committee is a standing committee of the Board of Directors, the primary function of which is to assist the Board of Directors in fulfilling its financial oversight responsibilities, which will include monitoring the quality and integrity of the Company’s financial statements and the independence and performance of the Company’s external auditor, acting as a liaison between the Board and the Company’s external auditor, reviewing the financial information that will be publicly disclosed and reviewing all audit processes and the systems of internal controls management and the Board have established.

Audit Committee Charter: The Company has adopted a Charter of the Audit Committee of the Board of Directors, which sets out the Audit Committee’s mandate, organization, powers and responsibilities. A copy of the Audit Committee Charter is available under the Company’s profile at www.sedar.com. Shareholders can also view the Audit Committee Charter during business hours at their registered & records office located at McMillan LLP, 15th Floor, 1075 West Georgia Street, Vancouver, BC.

Composition of the Audit Committee: The Audit Committee currently consists of the following three directors and the table below indicates whether they are ‘independent’ and ‘financially literate’:

	Independent ⁽¹⁾	Financially Literate ⁽²⁾
Corey Mangold	No	Yes
Tom Soto	Yes	Yes
Robert MacDonald	Yes	Yes

Notes:

- (1) A member of the Audit Committee is independent if he has no direct or indirect ‘material relationship’ with the Company. 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. An executive officer of the Company, such as the President or Secretary, is deemed to have a material relationship with the Company.
- (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 Company’s financial statements.

As the Common Shares are listed on the CSE, under National Instrument 52-110 Audit Committees (“NI 52-110”) the Company is a venture issuer. Pursuant to NI 52-110, s. 6.1.1, a majority of the Audit Committee members must not be executive officers, employees or control persons of the Company.

Relevant Education and Experience: The education and experience of each audit committee member relevant to the performance of his responsibilities as an audit committee member is set out in *Director Biographies* above, and each member has an understanding of financial statements and is financially literate as that term is defined in NI 52-110.

Audit Committee Oversight: At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

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

Pre-Approval Policies and Procedures: The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services, however, as provided for in NI 52-110, the Audit Committee must pre-approve all non-audit services to be provided to the Company or its subsidiaries, unless otherwise permitted by NI 52-110.

External Auditor Service Fees (By Category): The aggregate fees billed by the Company's external auditors in each of the last two fiscal years ended April 30, 2018 and May 31, 2019 for audit fees are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
April 30, 2018	\$8,160	-	-	-
May 31, 2019	-	-	-	-

Notes:

- (1) The aggregate fees billed by the Company's auditor for audit fees.
- (2) The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the 'Audit Fees' column.
- (3) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice and tax planning.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns.

Exemption: The Company is a venture issuer as defined in NI 52-110 and pursuant to section 6.1 of NI 52-110, the Company claims exemption from the requirements of Part 3 - *Composition of the Audit Committee* and Part 5 - *Reporting Obligations*.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end of the most recently completed financial year or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

"Informed Person" means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;

- (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Other than disclosed in this Information Circular, to the knowledge of management of the Company, no informed person of the Company, proposed director of the Company, or any associate or affiliate of any informed person or proposed director of the Company has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

Except as otherwise disclosed in this Information Circular, management functions of the Company are generally performed by directors and senior officers of the Company and not, to any substantial degree, by any other person to whom the Company has contracted.

OTHER MATTERS

Management of the Company knows of no matters to come before the Meeting other than those referred to in the Notice of Annual General Meeting accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

ADDITIONAL INFORMATION

Additional information regarding the Company and its business activities is available on the Company's profile on SEDAR website located at www.sedar.com. The Company's financial information is provided in the Company's audited comparative financial statements and related management discussion and analysis for its most recently completed financial year and may be viewed on the SEDAR website at the website noted above. Shareholders of the Company may request copies of the Company's financial statements and related management discussion and analysis by contacting the Company at:

Orchid Ventures, Inc.
9930 Irvine Center Drive
Irvine, California USA 92618
info@orchidessentials.com

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

DATED at Irvine, California, this 26th day of September, 2019.

BY ORDER OF THE BOARD
Corey Mangold
Chief Executive Officer

Schedule A
Audit Committee Charter

AUDIT COMMITTEE CHARTER

(Implemented pursuant to National Instrument 52-110)

National Instrument 52-110 (the "Instrument") which relates to the composition and function of audit committees. The Instrument requires all affected issuers to have a written audit committee charter which must be disclosed in accordance with Form 52-110F2, in the management information circular of the Company whereby management solicits proxies from the security holders of the Company for the purpose of electing directors to its board of directors.

This Charter has been adopted in order to comply with the Instrument and to more properly define the role of the audit committee in the oversight of the financial reporting process of the Company. Nothing in this charter is intended to restrict the ability of the board of directors or audit committee to alter or vary procedures in order to comply more fully with the Instrument, as amended from time to time.

PART I

Purpose:

The purpose of the audit committee is to:

- a) review all periodic financial statements, monitor the Company's regulatory financial disclosure requirements, and make recommendations respecting financial reporting matters;
- b) assist the board of directors to discharge its responsibilities;
- c) provide an accountable avenue of communication between the board of directors and the external auditors;
- d) ensure the external auditor's independence;
- e) ensure the availability and transparency of financial reports; and
- f) ensure that outside members of the board of directors have ready access to the external auditor to responsible members of management in financial reporting matters.

1.1 Definitions

Unless otherwise defined in this Audit Committee Charter, terms shall have the meanings set forth below:

"audit services" means the professional services rendered by the Company's external auditor for the audit and review of the Company's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements.

"Board" means the board of directors of the Company. "Charter" means this audit committee charter.

"Company" or "Corporation" means Orchid Ventures, Inc. (formerly, Earny Resources Ltd.)

"Committee" means the audit committee established by the Board for the purpose of overseeing the accounting, financial reporting processes of the Company and audits of the financial statements of the Company.

"Instrument" means Multilateral Instrument 52-110.

"MD&A" has the meaning ascribed to it in National Instrument 51-102. "Member" means a member of the Committee.

"National Instrument 51-102" means National Instrument 51-102 *Continuous Disclosure Obligations*.

"non-audit services" means services other than audit services.

PART 2

2.1 The Board has hereby established this Charter to set forth the duties and responsibilities of the Committee.

2.2 The Committee shall be comprised of at least three financially literate directors, the majority of whom are not Officers, employees or Control Persons of the Issuer or any of its Associates or Affiliates (within the meanings given those terms in prevailing securities legislation). An individual is financially literate if he or she 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 Company's financial statements.

2.3 The Board will direct the external auditor to report directly to the Committee and the Members have the irrevocable authority to enforce this procedure.

2.4 The Committee will be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.

2.5 The Committee will be responsible for recommending to the Board:

- a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
- b) the compensation of the external auditor.

2.6 Without limitation, the Committee will be responsible for:

- a) reviewing the audit plan with management and the external auditor;
- b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;

- c) questioning management and the external auditor regarding significant financial reporting issues occurring during the fiscal period under review and the method of resolution;
- d) reviewing any problems experienced by the external auditor in performing the audit, including any restriction imposed by management or significant accounting issue on which there was disagreement with management;
- e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and discussing with management any significant variances between comparative reporting periods;
- f) reviewing the post-audit or management letter, containing the recommendations of the external auditor, and subsequent follow-up;
- g) reviewing management prepared financial statements before release to the public;
- h) reviewing all public disclosure documents containing audited or unaudited financial information before release, including any prospectus, the annual report, the annual information form and management's discussion and analysis;
- i) reviewing the evaluation of internal controls by the external auditor, and subsequent follow-up;
- j) reviewing the terms of reference of the internal auditor, if any;
- k) reviewing reports issued by the internal auditor, if any, and subsequent follow-up; and
- l) reviewing the appointments of chief financial officers and all other key financial executives involved in the financial reporting process, as applicable.

2.7 The Committee will approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor.

2.8 The Committee will review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.

2.9 The Committee will ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, and will periodically assess the adequacy of those procedures.

2.10 When there is to be a change of auditor, the Committee will review all issues related to the change, including the information to be included in the notice of change of auditor called for under prevailing laws and policies, and the planned steps for an orderly transition.

2.11 The Committee will review all reportable events, including disagreements, unresolved issues and consultations.

2.12 The Committee will, as applicable, establish procedures for:

- a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
- b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.

2.13 As applicable, the Committee will establish, periodically review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer, as applicable.

2.14 The responsibilities outlined in this Charter are not intended to be exhaustive. Members must consider any additional areas which may require oversight when discharging their responsibilities.

PART 3

3.1 The Committee shall have the authority to:

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

PART 4

4.1 Meetings of the Committee will be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly.

4.2 Members will be afforded reasonable opportunities to privately meet with the external auditor, the internal auditor and members of senior management.

4.3 Minutes will be kept of all meetings of the Committee.

PART 5

5.1 Subject to subsection (2), if management of the Company solicits proxies from the security holders of the Company for the purpose of electing directors to its Board, the Committee shall ensure that the Company includes in its management information circular the disclosure required by Form 52-110F2 of the Instrument.

Schedule B
Change of Auditor Reporting Package

EARNY RESOURCES LTD.

June 18, 2018

Davidson & Company LLP
1200 - 609 Granville Street
Vancouver, BC V7Y 1G6

- and -

Dale Matheson Carr-Hilton Labonte LLP
1500 – 1140 West Pender Street
Vancouver, BC V6E 4G1

Dear Sirs/Mesdames:

**Re: Notice of Change of Auditors
Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*
(the “Instrument”) of the Canadian Securities Administrators**

The Company hereby provides notice pursuant to the Instrument of a change of auditor by Earny Resources Ltd. (the “Company”) from Davidson & Company LLP to Dale Matheson Carr-Hilton Labonte LLP.

The Company confirms that:

- (a) the Company has decided to change its auditor from Davidson & Company LLP (the “Former Auditors”), to Dale Matheson Carr-Hilton Labonte LLP (the “Successor Auditors”). Consequently, on June 18, 2018, the Company asked Davidson & Company LLP to resign and Davidson & Company LLP submitted their resignation effective June 18, 2018. Dale Matheson Carr-Hilton Labonte LLP has agreed to its appointment as the Company’s new auditors.

The shareholders of the Company will be asked to approve the appointment of the firm of Dale Matheson Carr-Hilton Labonte LLP as Successor auditors at the next annual meeting of the Company.

- (b) there were no reservations contained in the Former Auditors’ Reports for either of the Company’s two most recently completed fiscal years nor for any period subsequent thereto for which an audit report was issued, preceding the date of this notice;
- (c) the Company’s Audit Committee and Board of Directors have participated and approved the change of auditor for the Company and have also approved the appointment of Dale Matheson Carr-Hilton Labonte LLP as Successor Auditors; and
- (d) in the opinion of the Company, no “reportable events”, as that term is defined in the Instrument have occurred prior to the date of this notice.

The Company requests that each of Davidson & Company LLP and Dale Matheson Carr-Hilton Labonte LLP provide the Company with a letter addressed to the regulatory authorities stating whether or not it agrees with the above statements.

Thank you for your co-operation.

Yours truly,

EARNY RESOURCES LTD.

“Navin Varshney”

Per: Navin Varshney
Director

July 5, 2018

British Columbia Securities Commission
PO Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, BC
V7Y 1L2

Alberta Securities Commission
600, 250 – 5th Street S.W.
Calgary, AB
T2P 0R4

Dear Sirs / Mesdames

Re: Earny Resources Ltd. (the "Company")
Notice Pursuant to NI 51 – 102 of Change of Auditor

In accordance with National Instrument 51-102, we have read the Company's Change of Auditor Notice dated June 18, 2018 and agree with the information contained therein, based upon our knowledge of the information at this date.

Should you require clarification or further information, please do not hesitate to contact the writer.

Yours very truly,

“DAVIDSON & COMPANY LLP”

DAVIDSON & COMPANY LLP
Chartered Professional Accountants

cc: TSX Venture Exchange





DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

VANCOUVER
1500 – 1140 W. Pender Street
Vancouver, BC V6E 4G1
TEL 604.687.4747 | FAX 604.689.2778

TRI-CITIES
700 – 2755 Lougheed Hwy.
Port Coquitlam, BC V3B 5Y9
TEL 604.941.8266 | FAX 604.941.0971

WHITE ROCK
301 – 1656 Martin Drive
White Rock, BC V4A 6E7
TEL 604.531.1154 | FAX 604.538.2613

WWW.DMCL.CA

June 19, 2018

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
9TH Floor – 701 West Georgia Street
Vancouver, B.C. V7Y 1L2

TSX Venture Exchange

P.O. Box 11633
Suite 2700 – 650 West Georgia Street
Vancouver, B.C. V6B 4N9

Alberta Securities Commission

Suite 600, 250 – 5th Street S.W.
Calgary, Alberta T2P 0R4

Dear Sirs:

Re: Earny Resources Ltd. (the "Company")
Notice Pursuant to National Instrument 51-102 - Change of Auditor

As required by the National Instrument 51-102 and in connection with our proposed engagement as auditor of the Company, we have reviewed the information contained in the Company's Notice of Change of Auditor, dated June 18, 2018 and agree with the information contained therein, based upon our knowledge of the information relating to the said notice and of the Company at this time.

Yours very truly,

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

PARTNERSHIP OF:

VANCOUVER Bradley G. Allen Inc. Robert J. Burkart, Inc. Kenneth P. Chong Inc. Alvin F. Dale Ltd. Donald L. Furney, Ltd. David J. Goertz, Inc. Matthew G. Gosden, Inc. Barry S. Hartley, Inc. Cherry H. Ho, Inc. Robert J. Matheson, Inc. Rakesh I. Patel Inc. Lorraine W. Rinfret, Inc. Brad A. Robin Inc.
SURREY Michael K. Braun Inc. Peter J. Donaldson, Inc. Harjit S. Sandhu, Inc. **TRI-CITIES** Isomura Services Corp. Brian M. Legge Inc. Fraser G. Ross, Ltd. Brian A. Shaw Inc.

SCHEDULE C

ORCHID VENTURES, INC.

STOCK OPTION PLAN

Approved by the board of directors effective on September 24, 2019

SECTION 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

As used herein, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the meanings set forth below:

- (a) "**Administrator**" means such Executive or Employee of the Company as may be designated as Administrator by the Committee from time to time, or, if no such person is appointed, the committee itself.
- (b) "**Associate**" means, where used to indicate a relationship with any person:
 - (i) any relative, including the spouse of that person or a relative of that person's spouse, where the relative has the same home as the person;
 - (ii) any partner, other than a limited partner, of that person;
 - (iii) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and
 - (iv) any corporation of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the corporation.
- (c) "**Black-Out**" means a restriction imposed by the Company on all or any of its directors, officers, employees, insiders or persons in a special relationship whereby they are to refrain from trading in the Company's securities until the restriction has been lifted by the Company.
- (d) "**Board**" means the board of directors of the Company.
- (e) "**Change of Control**" means an occurrence when either:
 - (i) a Person or Entity, other than the current "control person" of the Company (as that term is defined in the *Securities Act*), becomes a "control person" of the Company; or
 - (ii) a majority of the directors elected at any annual or extraordinary general meeting of shareholders of the Company are not individuals nominated by the Company's then-incumbent Board.
- (f) "**Committee**" means a committee of the Board appointed in accordance with this Plan or if no such committee is appointed, the Board itself.
- (g) "**Company**" means Orchid Ventures, Inc.
- (h) "**Consultant**" means an individual who:

- (i) is engaged to provide, on an ongoing *bona fide* basis, consulting, technical, management or other services to the Company or any Subsidiary other than services provided in relation to a "distribution" (as that term is described in the *Securities Act*);
- (ii) provides the services under a written contract between the Company or any Subsidiary and the individual or a Consultant Entity (as defined in clause (h)(v) below);
- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or any Subsidiary; and
- (iv) has a relationship with the Company or any Subsidiary that enables the individual to be knowledgeable about the business and affairs of the Company or is otherwise permitted by applicable Regulatory Rules to be granted Options as a Consultant or as an equivalent thereof,

and includes:

- (v) a corporation of which the individual is an employee or shareholder or a partnership of which the individual is an employee or partner (a "**Consultant Entity**"); or
- (vi) an RRSP or RRIF established by or for the individual under which he or she is the beneficiary.

(i) "**CSE**" means the Canadian Securities Exchange.

(j) "**Disability**" means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, and which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment that the Committee, acting reasonably, determines constitutes a disability.

(k) "**Employee**" means:

- (i) an individual who works full-time or part-time for the Company or any Subsidiary and such other individual as may, from time to time, be permitted by applicable Regulatory Rules to be granted Options as an employee or as an equivalent thereto; or
- (ii) an individual who works for the Company or any Subsidiary either full-time or on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or any Subsidiary over the details and methods of work as an employee of the Company or any Subsidiary, but for whom income tax deductions are not made at source,

and includes:

- (iii) a corporation wholly-owned by such individual; and
- (iv) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.

(l) "**Executive**" means an individual who is a director or officer of the Company or a Subsidiary, and includes:

- (i) a corporation wholly-owned by such individual; and
- (ii) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.

- (m) "**Exercise Notice**" means the written notice of the exercise of an Option, in the form set out as Schedule "B" hereto, duly executed by the Option Holder.
- (n) "**Exercise Period**" means the period during which a particular Option may be exercised and is the period from and including the Grant Date through to and including the Expiry Time on the Expiry Date provided, however, that the Option has vested pursuant to the terms and conditions of this Plan and that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (o) "**Exercise Price**" means the price at which an Option is exercisable as determined in accordance with section 0.
- (p) "**Expiry Date**" means the date the Option expires as set out in the Option Certificate or as otherwise determined in accordance with sections 0, 0, 0, 0 or 0.
- (q) "**Expiry Time**" means the time the Option expires on the Expiry Date, which is 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date.
- (r) "**Grant Date**" means the date on which the Committee grants a particular Option, which is the date the Option comes into effect provided however that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (s) "**Insider**" means an insider as that term is defined in the *Securities Act*;
- (t) "**Option**" means an incentive share purchase option granted pursuant to this Plan entitling the Option Holder to purchase Shares of the Company.
- (u) "**Option Certificate**" means the agreement, in substantially the form set out as Schedule "A" hereto, evidencing the Option.
- (v) "**Option Holder**" means a Person or Entity who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person.
- (w) "**Outstanding Issue**" means the number of Shares that are outstanding (on a non-diluted basis) immediately prior to the Share issuance or grant of Option in question.
- (x) "**Person or Entity**" means an individual, natural person, corporation, government or political subdivision or agency of a government, and where two or more persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity.
- (y) "**Personal Representative**" means:
 - (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
 - (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder.
- (z) "**Plan**" means this stock option plan as from time to time amended.
- (aa) "**Regulatory Approvals**" means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of this Plan or for the Options granted from time to time hereunder.

- (bb) **"Regulatory Authorities"** means all organized trading facilities on which the Shares are listed, and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company, this Plan or the Options granted from time to time hereunder.
- (cc) **"Regulatory Rules"** means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the implementation, operation or amendment of this Plan or the Options granted from time to time hereunder including, without limitation, those of the applicable Regulatory Authorities.
- (dd) **"Securities Act"** means the *Securities Act* (British Columbia), RSBC 1996, c.418 as from time to time amended.
- (ee) **"Share"** or **"Shares"** means, as the case may be, one or more common shares without par value in the capital stock of the Company.
- (ff) **"Subsidiary"** means a wholly-owned or controlled subsidiary corporation of the Company.
- (gg) **"Triggering Event"** means:
- (i) the proposed dissolution, liquidation or wind-up of the Company;
 - (ii) a proposed merger, amalgamation, arrangement or reorganization of the Company with one or more corporations as a result of which, immediately following such event, the shareholders of the Company as a group, as they were immediately prior to such event, are expected to hold less than a majority of the outstanding capital stock of the surviving corporation;
 - (iii) the proposed acquisition of all or substantially all of the issued and outstanding shares of the Company by one or more Persons or Entities;
 - (iv) a proposed Change of Control of the Company;
 - (v) the proposed sale or other disposition of all or substantially all of the assets of the Company; or
 - (vi) a proposed material alteration of the capital structure of the Company which, in the opinion of the Committee, is of such a nature that it is not practical or feasible to make adjustments to this Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect.
- (hh) **"vest"** or **"vested"** or **"Vesting"** means that portion of the Option granted to the Option Holder which is available to be exercised by the Option Holder at any time and from time to time.

Choice of Law

The Plan is established under, and the provisions of the Plan shall be subject to and interpreted and construed in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein without giving effect to the conflicts of laws principles thereof and without reference to the laws in any other jurisdiction. The Company and each Option Holder hereby attorn to the jurisdiction of the Courts of British Columbia.

Headings

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

SECTION 2 GRANT OF OPTIONS

2.1 Grant of Options

The Committee shall, from time to time in its sole discretion, grant Options to such Persons or Entities and on such terms and conditions as are permitted under this Plan.

2.2 Record of Option Grants

The Administrator shall be responsible to maintain a record of all Options granted under this Plan and such record shall contain, in respect of each Option:

- (a) the name and address of the Option Holder;
- (b) the category (Executive, Employee or Consultant) under which the Option was granted to him, her or it;
- (c) the Grant Date and Expiry Date of the Option;
- (d) the number of Shares which may be acquired on the exercise of the Option and the Exercise Price of the Option;
- (e) the vesting and other additional terms, if any, attached to the Option; and
- (f) the particulars of each and every time the Option is exercised.

2.3 Effect of Plan

All Options granted pursuant to the Plan shall be subject to the terms and conditions of the Plan notwithstanding the fact that the Option Certificates issued in respect thereof do not expressly contain such terms and conditions but instead incorporate them by reference to the Plan.

SECTION 3 PURPOSE AND PARTICIPATION

3.1 Purpose of Plan

The purpose of the Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants, to incent such individuals to contribute toward the long term goals of the Company, and to encourage such individuals to acquire Shares of the Company as long term investments.

3.2 Participation in Plan

The Committee shall, from time to time and in its sole discretion, determine those Executives, Employees and Consultants, if any, to whom Options are to be granted.

3.3 Limits on Option Grants

The following limitations shall apply to the Plan and all Options thereunder:

- (a) the maximum number of Shares which may be reserved for issuance to any one Option Holder under the Plan shall be subject to applicable Regulatory Rules; and

- (b) with respect to section 0, the Expiry Date of an Option shall be no later than the tenth anniversary of the Grant Date of such Option;

and such limitation will not be an amendment to this Plan requiring the Option Holders consent under section 0 of this Plan.

3.4 Notification of Grant

Following the granting of an Option, the Administrator shall, within a reasonable period of time, notify the Option Holder in writing of the grant and shall enclose with such notice the Option Certificate representing the Option so granted. In no case will the Company be required to deliver an Option Certificate to an Option Holder until such time as the Company has obtained all necessary Regulatory Approvals for the grant of the Option.

3.5 Copy of Plan

Each Option Holder, concurrently with the notice of the grant of the Option, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

3.6 Limitation on Service

The Plan does not give any Option Holder that is an Executive the right to serve or continue to serve as an Executive of the Company or any Subsidiary, nor does it give any Option Holder that is an Employee or Consultant the right to be or to continue to be employed or engaged by the Company or any Subsidiary.

3.7 No Obligation to Exercise

Option Holders shall be under no obligation to exercise Options granted under this Plan.

3.8 Agreement

The Company and every Option Holder granted an Option hereunder shall be bound by and subject to the terms and conditions of this Plan. By accepting an Option granted hereunder, the Option Holder has expressly agreed with the Company to be bound by the terms and conditions of this Plan. In the event that the Option Holder receives his, her or its Options pursuant to an oral or written agreement with the Company or a Subsidiary, whether such agreement is an employment agreement, consulting agreement or any other kind of agreement of any kind whatsoever, the Option Holder acknowledges that in the event of any inconsistency between the terms relating to the grant of such Options in that agreement and the terms attaching to the Options as provided for in this Plan, the terms provided for in this Plan shall prevail and the other agreement shall be deemed to have been amended accordingly.

3.9 Notice

Any notice, delivery or other correspondence of any kind whatsoever to be provided by the Company to an Option Holder will be deemed to have been provided if provided to the last home address, fax number or email address of the Option Holder in the records of the Company and the Company shall be under no obligation to confirm receipt or delivery.

3.10 Representation to CSE

As a condition precedent to the issuance of an Option, the Company must be able to represent to the CSE as of the Grant Date that the Option Holder is a *bona fide* Executive, Employee or Consultant of the Company or any Subsidiary.

**SECTION 4
NUMBER OF SHARES UNDER PLAN**

4.1 Number of Shares

Subject to adjustment as provided for herein, the aggregate number of Shares which will be available for purchase pursuant to Options granted pursuant to this Plan will not exceed 20% of the number of Shares which are issued and outstanding on the particular Grant Date. If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Plan.

4.2 Fractional Shares

No fractional shares shall be issued upon the exercise of any Option and, if as a result of any adjustment, an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made for the fractional interest.

**SECTION 5
TERMS AND CONDITIONS OF OPTIONS**

5.1 Exercise Period of Option

Subject to sections 0, 0, 0, 0 and 0, the Grant Date and the Expiry Date of an Option shall be the dates fixed by the Committee at the time the Option is granted and shall be set out in the Option Certificate issued in respect of such Option.

5.2 Number of Shares Under Option

The number of Shares which may be purchased pursuant to an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option.

5.3 Exercise Price of Option

The Exercise Price at which an Option Holder may purchase a Share upon the exercise of an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Exercise Price shall not be less than the price determined in accordance with CSE policies while the Company's Shares are listed on the CSE.

5.4 Termination of Option

Subject to such other terms or conditions that may be attached to Options granted hereunder, an Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time. The Expiry Date of an Option shall be the date so fixed by the Committee at the time the Option is granted as set out in the Option Certificate or, if no such date is set out in for the Option Certificate the applicable circumstances, the date established, if applicable, in paragraphs (a) or (b) below or sections 0, 0, 0, or 0 of this Plan:

- (a) *Ceasing to Hold Office* - In the event that the Option Holder holds his or her Option as an Executive and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise expressly provided for in the Option Certificate, the 90th day following the date the Option Holder ceases to hold such position unless the Option Holder ceases to hold such position as a result of:

- (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company;
- (ii) a special resolution having been passed by the shareholders of the Company removing the Option Holder as a director of the Company or any Subsidiary; or
- (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position; OR

- (b) *Ceasing to be Employed or Engaged* - In the event that the Option Holder holds his or her Option as an Employee or Consultant, other than an Option Holder who is engaged in investor relations activities, and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise expressly provided for in the Option Certificate, the 90th day following the date the Option Holder ceases to hold such position, or, in the case of an Option Holder that is engaged in investor relations activities, the 30th day after the date such Option Holder ceases to hold such position, unless the Option Holder ceases to hold such position as a result of:

- (i) termination for cause;
- (ii) resigning or terminating his or her position; or
- (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position.

In the event that the Option Holder ceases to hold the position of Executive, Employee or Consultant for which the Option was originally granted, but comes to hold a different position as an Executive, Employee or Consultant prior to the expiry of the Option, the Committee may, in its sole discretion, choose to permit the Option to stay in place for that Option Holder with such Option then to be treated as being held by that Option Holder in his or her new position and such will not be considered to be an amendment to the Option in question requiring the consent of the Option Holder under section 0 of this Plan. Notwithstanding anything else contained herein, in no case will an Option be exercisable later than the Expiry Date of the Option.

5.5 Vesting of Option and Acceleration

The vesting schedule for an Option, if any, shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Committee may elect, at any time, to accelerate the vesting schedule of one or more Options including, without limitation, on a Triggering Event, and such acceleration will not be considered an amendment to the Option in question requiring the consent of the Option Holder under section 0 of this Plan, subject to the limitation under subsection 0.

5.6 Additional Terms

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Committee may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in a schedule attached to the Option Certificate. The Option Certificates will be issued for convenience only, and in the case of a dispute with regard to any matter in respect thereof, the provisions of this Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

SECTION 6 TRANSFERABILITY OF OPTIONS

6.1 Non-transferable

Except as provided otherwise in this Section 0 or expressly set out in an Option Certificate, Options are non-assignable and non-transferable.

6.2 Death of Option Holder

In the event of the Option Holder's death, any Options held by such Option Holder shall pass to the Personal Representative of the Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of six months following the date of death and the applicable Expiry Date.

6.3 Disability of Option Holder

If the employment or engagement of an Option Holder as an Employee or Consultant or the position of an Option Holder as a director or officer of the Company or a Subsidiary is terminated by the Company by reason of such Option Holder's Disability, any Options held by such Option Holder shall be exercisable by such Option Holder or by the Personal Representative on or before the date which is the earlier of six months following the termination of employment, engagement or appointment as a director or officer and the applicable Expiry Date.

6.4 Disability and Death of Option Holder

If an Option Holder has ceased to be employed, engaged or appointed as a director or officer of the Company or a Subsidiary by reason of such Option Holder's Disability and such Option Holder dies within six months after the termination of such engagement, any vested Options at the time an Option Holder ceased to be employed, engaged or appointed as a director or officer of the Company or a Subsidiary which remains exercisable may be exercised in accordance with its terms by the Personal Representative of such Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of six months following the death of such Option Holder and the applicable Expiry Date.

6.5 Vesting

Unless the Committee determines otherwise, Options held by or exercisable by a Personal Representative shall, during the period prior to their termination, continue to vest in accordance with any vesting schedule to which such Options are subject.

6.6 Deemed Non-Interruption of Engagement

Employment or engagement by the Company shall be deemed to continue intact during any military or sick leave or other *bona fide* leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the Option Holder's right to re-employment or re-engagement by the Company is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the Option Holder's re-employment or re-engagement is not so guaranteed, then his or her employment or engagement shall be deemed to have terminated on the ninety-first day of such leave.

SECTION 7 EXERCISE OF OPTION

7.1 Exercise of Option

An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder. An Option Holder or the Personal Representative of any Option Holder may exercise an Option in whole or in part at

any time and from time to time during the Exercise Period up to the Expiry Time by delivering to the Administrator the required Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option. Notwithstanding anything else contained herein, Options may not be exercised during Black-Out unless the Committee determines otherwise. Notwithstanding any other provision of this Plan, the Exercise Period of Options that would expire during a Black-Out shall be extended to the date that is 10 business days following the expiry of the applicable Black-Out.

7.2 Issue of Share Certificates

As soon as reasonably practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate (or DRS) for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall also provide a new Option Certificate for the balance of Shares available under the Option to the Option Holder concurrent with delivery of the Share certificate (or DRS).

7.3 No Rights as Shareholder

Until the date of the issuance of the certificate (or DRS) for the Shares purchased pursuant to the exercise of an Option, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to such Shares, notwithstanding the exercise of the Option, unless the Committee determines otherwise. In the event of any dispute over the date of the issuance of the certificate (or DRS), the decision of the Committee shall be final, conclusive and binding.

7.4 Tax Withholding and Procedures

Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Option Holder who wishes to exercise an Option must, in addition to following the procedures set out in section 0 and elsewhere in this Plan, and as a condition of exercise:

- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

SECTION 8 ADMINISTRATION

8.1 Board or Committee

The Plan shall be administered by the Board, by a Committee of the Board appointed in accordance with section 0 below, or by an Administrator appointed in accordance with subsection 0(b).

8.2 Appointment of Committee

The Board may at any time appoint a Committee, consisting of not less than two of its members, to administer the Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From

time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Plan.

8.3 Quorum and Voting

A majority of the members of the Committee shall constitute a quorum and, subject to the limitations in this Section 0, all actions of the Committee shall require the affirmative vote of members who constitute a majority of such quorum. Members of the Committee may vote on any matters affecting the administration of the Plan or the grant of Options pursuant to the Plan, except that no such member shall act upon the granting of an Option to himself or herself (but any such member may be counted in determining the existence of a quorum at any meeting of the Committee during which action is taken with respect to the granting of Options to that member). The Committee may approve matters by written resolution signed by a majority of the quorum.

8.4 Powers of Committee

The Committee (or the Board if no Committee is in place) shall have the authority to do the following:

- (a) administer the Plan in accordance with its terms;
- (b) appoint or replace the Administrator from time to time;
- (c) determine all questions arising in connection with the administration, interpretation and application of the Plan;
- (d) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
- (e) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan;
- (f) determine the duration and purposes of leaves of absence from employment or engagement by the Company which may be granted to Option Holders without constituting a termination of employment or engagement for purposes of the Plan;
- (g) do the following with respect to the granting of Options:
 - (i) determine the Executives, Employees or Consultants to whom Options shall be granted, based on the eligibility criteria set out in this Plan;
 - (ii) determine the terms of the Option to be granted to an Option Holder including, without limitation, the Grant Date, Expiry Dates, Exercise Price and vesting schedule (which need not be identical with the terms of any other Option);
 - (iii) subject to any necessary Regulatory Approvals and section 0, amend the terms of any Options;
 - (iv) determine when Options shall be granted; and
 - (v) determine the number of Shares subject to each Option;
- (h) accelerate the vesting schedule of any Option previously granted, subject always to the limitation in subsection 3.3; and

- (i) make all other determinations necessary or advisable, in its sole discretion, for the administration of the Plan.

8.5 Administration by Committee

All determinations made by the Committee in good faith shall be final, conclusive and binding upon all persons. The Committee shall have all powers necessary or appropriate to accomplish its duties under this Plan.

8.6 Interpretation

The interpretation by the Committee of any of the provisions of the Plan and any determination by it pursuant thereto shall be final, conclusive and binding and shall not be subject to dispute by any Option Holder. No member of the Committee or any person acting pursuant to authority delegated by it hereunder shall be personally liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Committee and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

SECTION 9 APPROVALS AND AMENDMENT

9.1 Shareholder Approval of Plan

If required by a Regulatory Authority or by the Committee, this Plan may be made subject to the approval of a majority of the votes cast at a meeting of the shareholders of the Company or by a majority of votes cast by disinterested shareholders at a meeting of shareholders of the Company. Any Options granted under this Plan will not be exercisable or binding on the Company unless and until such shareholder approval is obtained.

9.2 Amendment of Option or Plan

Subject to any required Regulatory Approvals, the Committee may from time to time amend any existing Option or the Plan or the terms and conditions of any Option thereafter to be granted provided that where such amendment relates to an existing Option and it would:

- (a) materially decrease the rights or benefits accruing to an Option Holder; or
- (b) materially increase the obligations of an Option Holder;

then, unless otherwise excepted out by a provision of this Plan, the Committee must also obtain the written consent of the Option Holder in question to such amendment. If at the time the Exercise Price of an Option is reduced the Option Holder is an Insider of the Company, the Insider must not exercise the option at the reduced Exercise Price until the reduction in Exercise Price has been approved by the disinterested shareholders of the Company.

SECTION 10 CONDITIONS PRECEDENT TO ISSUANCE OF OPTIONS AND SHARES

10.1 Compliance with Laws

An Option shall not be granted or exercised, and Shares shall not be issued pursuant to the exercise of any Option, unless the grant and exercise of such Option and the issuance and delivery of such Shares comply with all applicable Regulatory Rules, and such Options and Shares will be subject to all applicable trading restrictions in effect pursuant to such Regulatory Rules and the Company shall be entitled to legend the Option Certificates and the certificate (or DRS) representing such Shares accordingly.

10.2 Obligation to Obtain Regulatory Approvals

In administering this Plan, the Committee will seek any Regulatory Approvals which may be required. The Committee will not permit any Options to be granted without first obtaining the necessary Regulatory Approvals unless such Options are granted conditional upon such Regulatory Approvals being obtained. The Committee will make all filings required with the Regulatory Authorities in respect of the Plan and each grant of Options hereunder. No Option granted will be exercisable or binding on the Company unless and until all necessary Regulatory Approvals have been obtained. The Committee shall be entitled to amend this Plan and the Options granted hereunder in order to secure any necessary Regulatory Approvals and such amendments will not require the consent of the Option Holders under section 0 of this Plan.

10.3 Inability to Obtain Regulatory Approvals

The Company's inability to obtain Regulatory Approval from any applicable Regulatory Authority, which Regulatory Approval is deemed by the Committee to be necessary to complete the grant of Options hereunder, the exercise of those Options or the lawful issuance and sale of any Shares pursuant to such Options, shall relieve the Company of any liability with respect to the failure to complete such transaction.

SECTION 11 ADJUSTMENTS AND TERMINATION

11.1 Termination of Plan

Subject to any necessary Regulatory Approvals, the Committee may terminate or suspend the Plan.

11.2 No Grant During Suspension of Plan

No Option may be granted during any suspension, or after termination, of the Plan. Suspension or termination of the Plan shall not, without the consent of the Option Holder, alter or impair any rights or obligations under any Option previously granted.

11.3 Alteration in Capital Structure

If there is a material alteration in the capital structure of the Company and the Shares are consolidated, subdivided, converted, exchanged, reclassified or in any way substituted for, the Committee shall make such adjustments to this Plan and to the Options then outstanding under this Plan as the Committee determines to be appropriate and equitable under the circumstances, so that the proportionate interest of each Option Holder shall, to the extent practicable, be maintained as before the occurrence of such event. Such adjustments may include, without limitation:

- (a) a change in the number or kind of shares of the Company covered by such Options; and
- (b) a change in the Exercise Price payable per Share provided, however, that the aggregate Exercise Price applicable to the unexercised portion of existing Options shall not be altered, it being intended that any adjustments made with respect to such Options shall apply only to the Exercise Price per Share and the number of Shares subject thereto.

For purposes of this section 0, and without limitation, neither:

- (c) the issuance of additional securities of the Company in exchange for adequate consideration (including services); nor

- (d) the conversion of outstanding securities of the Company into Shares shall be deemed to be material alterations of the capital structure of the Company.

Any adjustment made to any Options pursuant to this section 0 shall not be considered an amendment requiring the Option Holder's consent for the purposes of Section 0 of this Plan.

11.4 Triggering Events

Subject to the Company complying with section 0 and any necessary Regulatory Approvals and notwithstanding any other provisions of this Plan or any Option Certificate, the Committee may, without the consent of the Option Holder or Holders in question:

- (a) cause all or a portion of any of the Options granted under the Plan to terminate upon the occurrence of a Triggering Event; or
- (b) cause all or a portion of any of the Options granted under the Plan to be exchanged for incentive stock options of another corporation upon the occurrence of a Triggering Event in such ratio and at such exercise price as the Committee deems appropriate, acting reasonably.

Such termination or exchange shall not be considered an amendment requiring the Option Holder's consent for the purpose of section 0 of the Plan.

11.5 Notice of Termination by Triggering Event

In the event that the Committee wishes to cause all or a portion of any of the Options granted under this Plan to terminate on the occurrence of a Triggering Event, it must give written notice to the Option Holders in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Option Holder the opportunity to exercise the vested portion of the Options prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options or portions thereof granted under the Plan which the Company proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options may have otherwise been subject.

11.6 Determinations to be Made By Committee

Adjustments and determinations under this Section 11 shall be made by the Committee, whose decisions as to what adjustments or determination shall be made, and the extent thereof, shall be final, binding, and conclusive.

SCHEDULE "A"
[Any applicable securities law resale restrictions to be added hereto.]

ORCHID VENTURES, INC.

STOCK OPTION AGREEMENT

THIS AGREEMENT made as of the ◆ day of ◆, 201◆.

BETWEEN:

◆, of [Address] «Address»

(the "Optionee")

AND:

Orchid Ventures, Inc., a company validly existing under the laws of British Columbia and having its head office at 2050-1055 West Georgia Street, Vancouver, British Columbia, Canada V6E 3P3

(the "Company")

WHEREAS:

- A. The common shares of the Company are listed on the Canadian Securities Exchange (the "CSE") and the Company is a reporting issuer in, among other provincial jurisdictions in Canada, the provinces of British Columbia and Ontario Securities Commissions (the "Commissions");
- B. In accordance with the Company's Stock Option Plan (the "Plan"), the Directors of the Company have authorized the grant of options to purchase shares in the capital stock of the Company to the Optionee;
- C. This Agreement is made and entered into pursuant to and in accordance with the Plan.

NOW THEREFORE THIS AGREEMENT WITNESSES:

DEFINITION

- 1. In this Agreement, all terms used herein and which are defined in the Plan will have the same meanings as assigned to them in the Plan.

GRANTING OF OPTION

- 2. The Company hereby grants to the Optionee a non-assignable, non-transferable option to purchase ◆ Shares (the "Option") at a price of \$◆ per Share (the "Option Price").

EXERCISE OF OPTION

- 3. The Option, or any part thereof, may be exercised by the Optionee at any time and from time to time, until and including ◆, 20◆, by notice in writing to the Company to that effect, provided that the Option will only vest, and therefore may only be exercised over time, in accordance with the following vesting schedule:

Date	Number of Shares Vesting	Total number of Shares Vested
◆, 201◆	◆	◆
◆, 201◆	◆	◆
◆, 201◆	◆	◆
◆, 201◆	◆	◆

- Any such notice given to the Company (an “**Exercise Notice**”) will specify the number of Shares with respect to which the Option is then being exercised and will be accompanied by a certified cheque, bank draft or money order in favour of the Company in full payment of the Option Price for the number of Shares then being purchased.

DELIVERY OF SHARE CERTIFICATE

- The Company will, within three (3) business days after receipt of an Exercise Notice, deliver to the Optionee a certificate (or DRS) representing the number of Shares with respect to which the Option was exercised and issued as of the date of the Exercise Notice.
- An Exercise Notice will be deemed to have been given, if delivered, on the date of delivery, or if mailed, on the third (3rd) day after the date of mailing in any post office in Canada. A mailed Exercise Notice will be sent by prepaid registered mail addressed to the Company at its head office from time to time.

OPTION ONLY

- Nothing herein contained or done pursuant hereto will obligate the Optionee to purchase and/or pay for any Shares, except those Shares in respect of which the Optionee has exercised all or any part of the Option granted hereunder.
- The Optionee will not have any rights whatsoever as a shareholder of the Company or the holder of any of the Shares optioned hereunder other than in respect of optioned Shares for which the Optionee has exercised all or any part of the Option granted hereunder and which have been taken up and paid for in full.

INCORPORATION OF TERMS AND CONDITIONS OF PLAN

- The Option has been granted in accordance with and subject to the terms and conditions of the Plan, all of which are incorporated herein by reference as fully as if each and every such term and condition were set forth in this agreement.

TIME OF THE ESSENCE

- Time is and will be of the essence of this agreement.

SUCCESSORS

- This agreement will ensure to the benefit of and be binding upon the heirs, executors and administrators of the Optionee and the successors and assigns of the Company.

IN WITNESS WHEREOF this Option Agreement has been executed by the parties hereto on the day and year first above written.

SIGNED, SEALED and DELIVERED by «Name» in the presence of:

_____)
_____)
_____)
Name _____)
_____)
_____)
Address _____)
_____)
_____)
_____)
_____)
Occupation _____)

_____)
«Name» _____)

ORCHID VENTURES, INC.

Per:

Authorized Signatory

SCHEDULE "B"
NOTICE OF EXERCISE OF OPTION

TO: The Administrator, Stock Option Plan
 Orchid Ventures, Inc. (the "**Company**")
 2050-1055 West Georgia Street
 Vancouver, British Columbia, V6E 3P3

The undersigned hereby irrevocably gives notice, pursuant to the Company's Stock Option Plan (the "**Plan**"), of the exercise of the Option to acquire and hereby subscribes for (cross out inapplicable item):

- (a) all of the Common Shares; or
- (b) _____ of the Common Shares;

which are the subject of the Option Certificate attached hereto.

The undersigned tenders herewith a certified cheque or bank draft payable to "**Orchid Ventures, Inc.**" in an amount equal to the aggregate Exercise Price of the aforesaid Common Shares exercised and directs the Company to issue the certificate (or DRS) evidencing said Common Shares in the name of the undersigned to be mailed to the undersigned at the following address:

By executing this Notice of Exercise of Option the undersigned hereby confirms that the undersigned has read the Plan and agrees to be bound by the provisions of the Plan. All terms not otherwise defined in this Notice of Exercise of Option shall have the meanings given to them under the Plan.

DATED the _____ day of _____, 201◆.

Signature of Option Holder