



**NOTICE OF MEETING
AND
MANAGEMENT INFORMATION CIRCULAR
FOR
AN ANNUAL AND SPECIAL MEETING OF THE SHAREHOLDERS OF
VALENS GROWORKS CORP.
TO BE HELD ON
AUGUST 4, 2017**

Dated as of June 30, 2017

Valens Groworks Corp.

July 5, 2017

Dear Shareholders:

You are cordially invited to attend the annual general and special meeting (the “**Meeting**”) of the holders of common shares of Valens GroWorks Corp. (the “**Company**”, “**Valens**” or “**VGW**”). The Meeting will be held on August 4, 2017 at 10AM (PDT) at Suite 1500, 1040 West Georgia Street, Vancouver, BC.

It is important that your shares be represented at the Meeting. Whether or not you are able to attend in person, your representation will be assured if you complete, sign and date the enclosed proxy form and return it in the envelope provided, or vote via telephone or internet (online) as specified in the proxy form.

Yours sincerely,

“Tyler Robson”

Tyler Robson
Chief Executive Officer and Director

VALENS GROWWORKS CORP.
1400 - 1040 West Georgia Street,
Vancouver, British Columbia, Canada V6E 4H1

**NOTICE OF ANNUAL
AND SPECIAL MEETING**

NOTICE IS HEREBY GIVEN that an annual general meeting and a special meeting (the “**Meeting**”) of shareholders of Valens Groworks Corp. (“**Valens**” or the “**Company**”) will be held on August 4, 2017 at 10AM (PST) at Suite 1500, 1040 West Georgia Street, Vancouver, BC for the following purposes:

1. to receive the audited financial statements of the Company for the fiscal year ended November 30, 2016, and the report of the auditors thereon and the related management discussion and analysis;
2. to determine the number of directors at six (6);
3. to elect directors of the Company for the ensuing year;
4. to appoint auditors and to authorize the directors to fix their remuneration;
5. to ratify and approve the continuation of the Company’s share option plan; and
6. to consider other matters, including without limitation such amendments or variations to any of the foregoing resolutions, as may properly come before the Meeting or any adjournment thereof.

The Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice. Also accompanying this Notice and the Circular is a form of proxy for use at the Meeting. Any adjourned meeting resulting from an adjournment of the Meeting will be held at a time and place to be specified at the Meeting. Only Valens Shareholders of record at the close of business on June 30, 2017 will be entitled to receive notice of and vote at the Meeting.

Your vote is important regardless of the number of common shares of the Company you own. Shareholders who are unable to attend the Meeting in person are asked to sign, date and return the enclosed form of proxy relating to the common shares of the Company held by them in the envelope provided for that purpose or vote via telephone or internet (online) as specified in the proxy form.

Registered Valens Shareholders unable to attend the Meeting are requested to date, sign and return the enclosed form of proxy and deliver it in accordance with the instructions set out in the proxy and in the Circular. If you are a non-registered Valens Shareholder and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or the other intermediary. Failure to do so may result in your shares of the Company not being voted at the Meeting.

To be effective, the proxy must be duly completed and signed and then deposited with either the Company or the Company’s registrar and transfer agent, Computershare Trust Company of Canada, Proxy department 100 University Ave., 8th Floor, Toronto, ON M5J 2Y1, or voted via telephone or internet (online) as specified in the proxy form, no later than 10:00 a.m. on August 2, 2016.

Dated at Vancouver, British Columbia, this 5th day of July, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ “Tyler Robson”

Tyler Robson
Chief Executive Officer and Director

VALENS GROWORKS CORP.
PO Box 27, 14th Floor, 1040 West Georgia Street
Vancouver, BC V6E 4H1

This Circular is furnished in connection with the solicitation of proxies by management of Valens GroWorks Corp. for use at the annual general and special meeting of shareholders of the Company to be held on August 4, 2017.

INFORMATION CONTAINED IN THIS CIRCULAR

The information contained in this Circular is given as at June 30, 2017 unless otherwise noted.

No person has been authorized to give any information or to make any representation in connection with the Arrangement and other matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by the Company.

This Circular does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

Information contained in this Circular should not be construed as legal, tax or financial advice and Valens Shareholders are urged to consult their own professional advisers in connection therewith.

The Meeting

The Meeting will be held on August 4, 2017 at 10AM (PDT) at Suite 1500, 1040 West Georgia Street, Vancouver, BC.

At the Meeting, Valens Shareholders will be asked to elect directors (see "Annual Meeting Business - Election of Directors"), appoint its auditor (see "Annual Meeting Business - Appointment of Auditor"), to ratify and approve the continuation of the Company's share option plan, and to consider such other matters as may properly come before the Meeting.

Record Date

The Board has fixed June 30, 2017 as the record date (the "**Record Date**") for determination of persons entitled to receive notice of and to vote at the Meeting. Only Valens 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 herein will be entitled to vote or to have their Valens Shares voted at the Meeting.

Appointment of Proxy holders

The purpose of a proxy is to designate persons who will vote the proxy on behalf of a shareholder of the company in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or directors of the company.

The individual(s) named in the accompanying form of proxy are management's representatives. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than the person(s) designated in the Proxy, who need not be a shareholder of the Company, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another proper proxy and, in either case, delivering the completed Proxy to the office of Computershare Trust Company of Canada, Proxy department 100 University Ave., 8th Floor, Toronto, ON M5J 2Y1, or voted via telephone or internet (online) as specified in the proxy form, no later than 10:00 a.m. on August 2, 2017, unless the chairman elects to exercise his discretion to accept proxies received subsequently.**

Voting by Proxy holder

The person(s) named in the Proxy will vote or withhold from voting the Valens 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 Valens Shares will be voted accordingly. The Proxy confers discretionary authority on the person(s) 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.

As at the date hereof, the Board knows of no such amendments, variations or other matters to come before the Meeting, other than the matters referred to in the Notice of Meeting. However, if other matters should properly come before the Meeting, the Proxy will be voted on such matters in accordance with the best judgment of the person(s) voting the Proxy.

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting.

If a Valens Shareholder does not specify a choice and the Valens Shareholder has appointed one of the management proxyholders as proxyholder, the management proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the person(s) named in the Proxy will vote the Valens 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 electing to submit a Proxy may do so by completing, dating and signing the enclosed form of Proxy and returning it to the Company's transfer agent Computershare Trust Company of Canada, Proxy department 100 University Ave., 8th Floor, Toronto, ON M5J 2Y1 or voted via telephone or internet (online) as specified in the proxy form, no later than 10:00 a.m. on August 2, 2017.

Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold Valens 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 Valens Shares). Most shareholders are "non-registered" shareholders because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. Shares beneficially owned by a non-registered shareholder are registered either:

(i) in the name of an intermediary (an "**Intermediary**") that the non-registered shareholder deals with in respect of their shares (Intermediaries include, among others, banks, trust companies, securities dealers, or brokers and trustees or administrators of self-administered RRSP, RRI's, RESPs and similar plans); or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited or the Depository Trust & Clearing Corporation) of which the Intermediary is a participant.

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

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions

to clients.

If you are a Beneficial Shareholder:

There are two kinds of Beneficial Shareholders, those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for objecting beneficial owners) and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" for non – objecting beneficial owners).

The Company is taking advantage of those provisions of National Instrument 54–101 – "Communication of Beneficial Owners of Securities" of the Canadian Securities Administrators, which permits it to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a scannable voting instruction form ("**VIF**"). These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile to the number provided in the VIF. In addition, Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the ASA represented by the VIFs it receives.

This Circular, with related material, is being sent to both Registered and Beneficial Shareholders. If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name and address and information about your Valens Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary who holds your Valens Shares on your behalf. Please return your VIF as specified in your request for voting instructions that you receive.

Beneficial Shareholders who are OBOs should carefully follow the instructions of their Intermediary in order to ensure that their Valens Shares are voted at the Meeting.

The form of proxy that will be supplied to Beneficial Shareholders by the Intermediaries 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 on behalf of the Beneficial Shareholder. Most Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. in the United States and Broadridge Financial Solutions Inc., Canada, in Canada (collectively "**BFS**"). BFS mails a VIF in lieu of a Proxy provided by the Company. The VIF will name the same person(s) as the Proxy to represent Beneficial Shareholders at the Meeting. Beneficial Shareholders have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than the person(s) designated in the VIF, to represent them at the Meeting. To exercise this right, Beneficial Shareholders should insert the name of the desired representative in the blank space provided in the VIF. The completed VIF must then be returned to BFS in the manner specified and in accordance with BFS's instructions. BFS then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Valens Shares to be represented at the Meeting. **If you receive a VIF from BFS, you cannot use it to vote Valens Shares directly at the Meeting. The VIF must be completed and returned to BFS in accordance with its instructions, well in advance of the Meeting in order to have the Valens Shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Valens Shares registered in the name of your Intermediary, you, or a person designated by you, may attend at the Meeting as proxy holder for your Intermediary and vote your Valens Shares in that capacity. If you wish to attend the Meeting and indirectly vote your Valens Shares as proxy holder for your Intermediary, or have a person designated by you to do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the VIF provided to you and return the same to your Intermediary in accordance with the instructions provided by such Intermediary, well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal proxy which would enable you, or a person designated by you, to attend the Meeting and vote your Valens Shares.

With respect to OBOs, in accordance with applicable securities law requirements, ASA will have distributed copies of the Notice of Meeting, this Circular, the form of proxy and the supplemental mailing list ("**Meeting Materials**") request to the clearing agencies and Intermediaries for distribution to non-registered shareholders.

Intermediaries are required to forward the Meeting Materials to non-registered shareholders unless a non-registered shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to non-registered shareholders.

Beneficial Shareholders (non-registered shareholders) should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or voting instruction form is to be delivered.

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 Registered 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 or at the registered office of the Company at 1400 - 1040 West Georgia Street, Vancouver, British Columbia, Canada V6E 4H1, at any time up to and including the last Business Day that precedes the date of the Meeting or, if the Meeting is adjourned or postponed, 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 Valens 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 incorporation of the Company, nor any associate or affiliate of the foregoing persons, has any 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 as may be otherwise set out herein.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no informed person of the Company, proposed director of the Company or any associate or affiliate of an informed person or proposed director, has any material interest, direct or indirect, in any transaction since the incorporation of the Company or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Outstanding Valens Shares

The Company is authorized to issue an unlimited number of Valens Shares. As at June 30, 2017 there were 56,232,886 Valens Shares issued and outstanding, each carrying the right to one vote. Persons who are Registered Shareholders at the close of business on June 30, 2017 will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each Valens Share held. The Company is also authorized to issue an unlimited number of preferred shares, and as at June 30, 2017 there are no preferred shares outstanding. The Company has only one class of shares.

Principal Holders of Valens Shares

To the knowledge of the directors and executive officers of the Company, as of the date hereof, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company, except the following:

Name	Number of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly	Percentage of Outstanding Shares
1009368 BC Ltd.	22,152,492	39% ⁽¹⁾ (2)
Robert van Santen	6,437,931	11% ⁽¹⁾
Tim Tombe	6,691,446	12% ⁽¹⁾

(1) As of the Record Date (June 30, 2017), there were 56,232,886 issued and outstanding common shares of the Company.

(2) Principal shareholder is Norcen Dale Spanell.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast in person or by proxy at the Meeting is required to pass the resolution(s) described herein as ordinary resolutions and an affirmative vote of 66-2/3% of the votes cast in person or by proxy at the Meeting is required to pass the resolution(s) described herein as special resolutions.

ELECTION OF DIRECTORS

The Board is currently determined at three directors, and it is proposed that the size of the board of directors remain at three. The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the BCA, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment (for the five preceding years for new director nominees), the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the date of this Information Circular.

Name of Nominee; Current Position with the Company and Province and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽²⁾⁽⁴⁾
Robert J. van Santen ⁽³⁾ <i>Chief Financial Officer, Director</i> British Columbia, Canada	Chief Financial Officer and Director of the Company. Managing Director of Agilis Capital Corp. since January 2008.	Since August 27, 2012	6,437,931
John Binder ⁽³⁾ <i>Director</i> Alberta, Canada	Founder, President and CEO of Avmax Group Inc. Executive Vice-President for Regional Express Aviation Ltd. Chairman of the Board and CEO of R1 Airlines Ltd. Director of the Company.	Since September 1, 2015	2,324,533
A. Tyler Robson <i>Chief Executive Officer, Director</i> British Columbia, Canada	Chief Executive Officer of the Company since May 2017. Director and Chief Grower, Valens Agritech Ltd. Businessman.	April 29, 2016	3,740,362

<p>Tim Tombe⁽³⁾ <i>Director</i> British Columbia, Canada</p>	<p>Co-founder of Valens Agritech Ltd. Founded Advantage Microbial Solutions in 2009 to provide microbiological materials and organically certified material for the viticulture, agriculture and hydroponic industries.</p>	<p>November 3, 2016</p>	<p>6,691,446</p>
<p>Dave Gervais <i>Director</i> British Columbia, Canada</p>	<p>Co-founder of Valens Agritech Ltd., and former president of Northwest Supplements, a pharmaceutical wholesale company with international import/export capabilities.</p>	<p>November 3, 2016</p>	<p>5,277,494</p>
<p>Robert O'Brien <i>Director</i> British Columbia, Canada</p>	<p>President and CSO of Valens Agritech Ltd.; CEO Supra THC Services Inc., and Senior Executive for Scientific Affairs ISURA. Adjunct Professor at Thompson Rivers University.</p>	<p>April 11, 2017</p>	<p>2,620,000</p>

Notes:

1. Information furnished by the respective director nominees.
2. Voting securities beneficially owned, directly or indirectly, or over which control or direction is exercised.
3. Member of the audit committee.
4. Messrs. Binder, van Santen, Tombe, Gervais and O'Brien each hold options to purchase Common Shares. For more information see the Statement of Executive Compensation below.

Cease Trade Orders and Bankruptcy

Except as disclosed in this Information Circular and below, 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 this Information Circular is being prepared) that:

- (a) 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
- (b) 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.

Except as disclosed in this Information Circular and below, 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 this 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.

Other than as set out below, 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.

Effective April 10, 2017 Robert van Santen became a director of Worldwide Marijuana Inc., a Canadian Reporting Issuer previously listed on the CSE. The British Columbia Securities Commission issued an order on March 1, 2016 that Worldwide Marijuana Inc. be cease traded due to failure to file certain financial information and it remains under

the cease trade order as at the date of this Management Information Circular. Worldwide Marijuana Inc. was delisted by the CSE as of December 6, 2016.

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.

Director & Nominee Biographies:

Robert J. van Santen, *Chief Executive Officer and Director*

Mr. van Santen has been a Director of the Company since August 2012, was Chairman and Chief Executive Officer of the Company from October 2014 to May 2017, and remains Chairman and Chief Financial Officer. He has over 30 years of investment industry and financing experience, providing financial and intellectual capital to both private business and the public markets. He began his career in 1986 as an Investment Advisor with Burns Fry (now BMO Nesbitt Burns), was recognized as "Broker of the Year" in 1994, and left the industry as a Senior VP to establish family-controlled venture capital, merchant, and investment banking operations. Mr. van Santen is currently CIO at Westland Capital Advisors S.A. and Managing Director of Agilis Capital Corp. Rob holds a Bachelor of Commerce degree in organizational behaviour from Concordia University, professional designations as a Chartered Accountant, Chartered Professional Accountant, and Chartered Market Technician, as well as certifications that include the Canadian Securities Institute's CSC (Honours), CPC (Honours), PDO and the OLC.

John Binder, *Director*

John Binder is the founder, President and CEO of Avmax Group Inc., a Calgary based heavy aircraft maintenance and servicing facility, Executive Vice-President for Regional Express Aviation Ltd. and Chairman of the Board and CEO of R1 Airlines Ltd. (and Regional 1's founders). Avmax owns, operates and leases over 100 aircraft worldwide. Prior to founding Avmax John was President and owner of Western Avionics of Calgary, Canada's largest aircraft avionics company, now a division of the Avmax Group. Mr. Binder is a licensed aircraft engineer with over 45 years of experience in the aviation sector, was recognized with the Ernst & Young Entrepreneur of the Year for the Prairies Regional award, and was the recipient of the Max Ward Aviation Maintenance Trophy for contributions to the aircraft maintenance industry in 2010. In addition to his work with Avmax, Mr. Binder applies his entrepreneurial expertise to various other business interests.

A. Tyler Robson, *Director*

Mr. Robson was Chief Operating Officer of the Company until taking the reins as Chief Executive Officer in May 2017, as well as remaining Director of Operations at Valens Agritech Inc. He attended the University of Saskatchewan on a football scholarship, graduating with a Bachelor of Science degree to return to Kelowna to pursue research and development, plant innovation and life sciences, with an emphasis on medical cannabis and its applications in the treatment of seizures, chronic diseases, pain control, and neurological symptoms. As a Master Grower, Mr. Robson provides consulting services on plant genetics, growing methods, and leading facility and soil grown techniques that ensures consistently produced medical marijuana of the highest quality.

Timothy Tombe, *Director*

Mr. Tombe is co-founder of Valens Agritech Ltd. He founded Advantage Microbial Solutions in 2009 to provide microbiological materials to the viticulture industry, and a wide variety of organically certified material for the agriculture and hydroponic industry

David Gervais, *Director*

Mr. Gervais is a co-founder, former CEO of Valens Agritech Ltd., and former president of Northwest Supplements, a pharmaceutical wholesale company with international import/export capabilities. Mr. Gervais has been extensively involved in the medicinal cannabis sector since 2001, acquiring a wealth of cannabis related experience, knowledge, and expertise. As a master grower, as well as an advisor and consultant, Dave has focussed his attention on developing and implementing successful growing methods and systems, necessary to ensure healthy and successful commercial scale cannabis production.

Robert O'Brien, *Director*

Dr. O'Brien, President and CSO of Valens Agritech Ltd. and founder of Supra THC Services Inc., is an innovation solution provider with a strong experience base in analytical chemistry, laboratory and research team management, scientific education and corporate management. He has held leadership positions in both the private sector and academia. He is a recognized expert in analytical instrumentation design and has been working with quality control protocols for Natural Health Products for over a decade. He has taught or developed over 45 different university courses related to analytical chemistry and instrument analysis at the undergraduate and graduate level. Dr. O'Brien currently leads a comprehensive and diverse team of highly qualified experts.

APPOINTMENT OF AUDITOR

Davidson & Company LLP, Chartered Accountants, Suite 1200 – 609 Granville Street, Vancouver, British Columbia, will be nominated at the Meeting for appointment as auditor of the Company, to hold office until the next annual general meeting. Davidson & Company LLP was first appointed auditor of the Company by the shareholders on May 24, 2007.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators (“NI 52-110”) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following:

The Audit Committee’s Charter

The audit committee has a charter, a copy of which is attached as Schedule “A” to the information circular for the

2008 annual general meeting and filed on www.sedar.com September 5, 2008.

Composition of the Audit Committee

The following are the members of the Committee:

Robert J. van Santen	Non-Independent ¹	Financially literate ¹
John Binder	Independent ¹	Financially literate ¹
Timothy Tombe	Independent ¹	Financially literate ¹

Note:

1. As defined by NI 52-110.

Relevant Education and Experience

See disclosure under “*Director Biographies*” above.

Each member of the audit committee has:

- an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company’s financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

The audit committee has not made any recommendations to the Board to nominate or compensate any auditor other than Davidson & Company LLP.

Reliance on Certain Exemptions

The Company’s auditor, Davidson & Company LLP, has not provided any material non-audit services.

See the Audit Committee Charter for specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The audit committee has reviewed the nature and amount of the non-audited services provided by Davidson & Company LLP to the Company to ensure auditor independence. Fees incurred with Davidson & Company LLP for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table.

Nature of Services	Fees Paid to Auditor in Year Ended November 30, 2016 (post RTO year end)	Fees Paid to Auditor in Year Ended April 30, 2016
Audit Fees ⁽¹⁾	\$30,600	\$17,500
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	6,500	Nil
All Other Fees ⁽⁴⁾	Nil	Nil
Total	\$37,100	\$17,500

Notes:

1. “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company’s consolidated financial statements and fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
2. “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
3. “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance

with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

4. “All Other Fees” include all other non-audit services.

Exemption

The Company is a “venture issuer” as defined in NI 52-110 and relies on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

STATEMENT OF CORPORATE GOVERNANCE

Corporate Governance

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the Board’s view, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board facilitates its independent supervision over management of the Company through frequent meetings of the Board.

The independent members of the Board of Directors of the Company are John Binder and Timothy Tombe.

The non-independent director is Robert J. van Santen (Chief Financial Officer of the Company).

Directorships

The following table sets forth the directors of the Company who currently hold directorships in other reporting issuers:

Name of Director	Other Issuer	Trading market
Robert van Santen	Worldwide Marijuana Inc.	CSE

Orientation and Continuing Education

At present, each new director is given an outline of the nature of the Company’s business, its corporate strategy, and current issues with the Company. New directors are also required to meet with management of the Company to discuss and better understand the Company’s business and will be advised by counsel for the Company of their legal obligations as directors of the Company.

The introduction and education process will be reviewed on an annual basis and will be revised accordingly. There is a technical presentation of Board meetings, focusing on either a particular property or a summary of various properties. The question and answer portions of these presentations are a valuable learning resource for the non-technical directors.

Ethical Business Conduct

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

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board’s

duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

Compensation

The quantity and quality of the Board compensation is reviewed on an annual basis. At present, the Board is satisfied that the current compensation arrangements adequately reflect the responsibilities and risks involved in being an effective director of the Company. With respect to stock option compensation, the number of options granted is determined by the Board as a whole, which allows the directors to have input into compensation decisions. At this time, the Company does not believe its size and limited scope of operations requires a formal compensation committee.

Other Board Committees

The Board has no committees other than the audit committee. As the Company grows, and its operations and management structure became more complex, the Board expects it will constitute more formal standing committees, such as a Corporate Governance Committee, and a Compensation Committee and a Nominating Committee.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officers

In this section “Named Executive Officer” means the Chief Executive Officer (the “CEO”), the Chief Financial Officer (the “CFO”) and each of the three most highly compensated executive officers (a “NEO”), other than the CEO and CFO, who were serving as executive officers of the Company at the end of the most recently completed financial year and whose total compensation was more than \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

For the financial years ended April 30, 2015, April 30, 2016 and November 30, 2016, Wayne M. Koshman, former CEO, Robert J. van Santen, former CEO and current CFO, and Annie Storey, former CFO are the “Named Executive Officers” of the Company for the purposes of the following disclosure.

Compensation Discussion & Analysis

The compensation of the Company’s Named Executive Officers is determined by the Company’s Board of Directors (the “Board”).

The Company is a junior natural resource issuer whose shares are listed on the Canadian Securities Exchange (“CSE”), operated by CNSX Markets Inc. Recognized as a stock exchange in 2004, the CSE began operations in 2003 to provide a modern and efficient alternative for companies looking to access the Canadian public capital markets.

The Company’s principal objective is to identify potential oil and gas transactions as a means to enhance shareholder value. In this context, the Company has a modest management team, who are retained on a consulting contract basis, supplemented where necessary by members of the Board of Directors (the “Board”), the Advisory Board, and strategic business partners.

The general objectives of the Board’s compensation decisions are:

- to encourage management to achieve a high level of performance and results with a view to increasing long-term shareholder value;
- to align management’s interests with the long-term interest of shareholders;
- to provide compensation commensurate with peer companies in order to attract and retain

highly qualified executives; and

- to ensure that total compensation paid takes into account the Company's overall financial position.

The Board's compensation program is designed to provide competitive levels of compensation, a significant portion of which is dependent upon individual and corporate performance and contribution to increasing shareholder value. The Board recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive's level of responsibility. In general, a Named Executive Officer's compensation is comprised of contractor payments and stock option grants.

The compensation paid to the Named Executive Officers was paid to an individual who is proficient, experienced, has sufficient skills and potential and is performing at a high level. The compensation was variable in nature and directly related to the actual amount of work performed. The variable rates were based on market related rates for professionals performing similar duties and possessing a similar skill set.

Stock option grants are designed to reward the Named Executive Officers for success on a similar basis as the shareholders of the Company, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the Named Executive Officers.

The board has not formally considered the risks associated with the Company's compensation policies and practices. The Company's compensation policies and practices give greater weight toward long-term incentives to mitigate the risk of encouraging short term goals at the expense of long term sustainability. The discretionary nature of option grants are significant elements of the Company's compensation plans and provide the board of directors with the ability to reward historical performance and behaviour that the board of directors consider to be aligned with the Company's best interests. The Company has attempted to minimize those compensation practices and policies that expose the Company to inappropriate or excessive risks.

The Company has not established a policy on whether or not a NEO or director is permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. During the 2016 financial year ending November 30, 2016, the Company did not utilize any financial hedges.

Option-based Awards

Stock option grants are made on the basis of the number of stock options currently held, position, overall individual performance, anticipated contribution to the Company's future success and the individual's ability to influence corporate and business performance. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating the officers, directors and employees of the Company and to closely align the personal interest of such persons to the interest of the shareholders.

The recipients of incentive stock options and the terms of the stock options granted are determined from time to time by the Board. The exercise price of the stock options granted is generally determined by the market price at the time of grant. The Company has a share option plan in place dated for reference March 2, 2015 (the "Plan"), which was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. See disclosure under heading "*Share Option Plan*". Management proposes share option grants to members of the Board based on such criteria as performance, previous grants, and hiring incentives.

Summary Compensation Table

The compensation paid to the NEOs during the Company's three most recently completed financial years ended April 30, 2015, 2016 and November 30, 2016 (year end was changed as a result of the closing on November 2, 2016 of the reverse takeover of Valens Agritech Ltd.) is as set out below and expressed in Canadian dollars unless otherwise noted:

Name and principal position	Salary (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
				Annual incentive plans	Long-term incentive plans			
Robert J. van Santen CFO and Former CEO ⁽²⁾	2016 ⁽⁵⁾	Nil	41,836	Nil	Nil	Nil	195,000	236,836
	2016	Nil	35,997	Nil	Nil	Nil	195,000	230,997
	2015	Nil	17,227	Nil	Nil	Nil	189,583	206,810
Wayne M. Koshman Former CEO ⁽³⁾	2016 ⁽⁵⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	24,609	Nil	Nil	Nil	95,000	119,609
Annie Storey CFO ⁽⁴⁾	2016 ⁽⁵⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

1. The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company's common shares and expected life of the options.
2. Robert J. van Santen was appointed Chief Financial Officer and Corporate Secretary on August 27, 2012, resigned as CFO and Corporate Secretary in October 2014, was appointed CEO in October 2014, resigned as CEO on May 2, 2017 and was appointed CFO May 2, 2017.
3. Wayne M. Koshman was appointed Chief Executive Officer on August 27, 2012 and resigned as CEO in October 2014.
4. Annie Storey was appointed CFO and Corporate Secretary in March 2015, and resigned as CFO on May 2, 2017.
5. Change of year end to November 30 following close of reverse takeover and consolidation of Valens Agritech Ltd.

The Company has not issued any share-based awards during the year ended November 30, 2016.

Outstanding Option-based Awards

The following table sets out all outstanding option-based awards held by the NEOs as at November 30, 2016. There were no outstanding option-based awards at the year ended April 30, 2016:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Robert J. van Santen	20,000	3.00	25-09-2017	Nil	Nil	Nil
	20,000	3.00	10-10-2018	Nil	Nil	Nil
	3,333	3.00	28-11-2018	Nil	Nil	Nil
	75,000	0.30	31-08-2020	0.35	Nil	26,250
	500,000	0.65	30-11-2021	Nil	250,000	Nil
Annie Storey	25,000	0.30	01/09/2020	0.35	Nil	8,750

Note:

- The value of unexercised “in-the-money options” at the financial year-end is the difference between the market value of the Common Shares at November 30, 2016 and the option exercise price. The market value of the Common Shares is \$0.65, which was the closing price of the Common Shares on the CSE on November 30, 2016.

Value Vested or Earned During the Year

The following table sets out the value vested or earned by the NEOs under incentive plans during the financial year ended April 30, 2016:

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Robert J. van Santen (CEO, resigned May 2, 2017)	Nil	Nil	Nil
Annie Storey (CFO, resigned May 2,)	Nil	Nil	Nil

Notes:

- These amounts represent the aggregate dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date. The value of each amount has been determined by taking the difference between the market price of the option at date of exercise and the exercise or base price of the option under the option-based award on the vest date.

Pension Plan Benefits

The Company does not have any pension or retirement plan.

Termination and Change of Control Benefits

Other than as disclosed herein, the Company and its subsidiaries have no compensatory plan, contract or arrangement where a Named Executive Officer is entitled to receive more than \$100,000 (including periodic payments or installments) to compensate such executive officer in the event of resignation, retirement or other termination of the Named Executive Officer’s employment with the Company or its subsidiaries, a change of control of the Company or its subsidiaries, or a change in responsibilities of the Named Executive Officer following a change in control.

The Company entered into a consulting agreement with Agilis Capital Corporation (“Agilis”) with respect to the services of Robert J. van Santen, effective June 1, 2012, as amended on October 11, 2013 and October 15, 2014, and further amended by Resolution dated May 2, 2017. Pursuant to this agreement, Agilis is entitled to twenty-four months’ Base Fee as well as any unpaid cash bonuses in the event of termination without cause. In addition, all unvested stock options will immediately vest and become exercisable at any time during one year from the effective date of termination.

In the event of termination without cause or termination for good cause following a change of control, Agilis will be entitled to two times the annual Base Fee paid as well as any unpaid cash bonuses. In addition, all unvested stock options will immediately vest and become exercisable at any time during the three months from the effective date of termination.

Director Compensation

No compensation was paid to directors in their capacity as directors of the Company or its subsidiaries, in their capacity as members of a committee of the Board or of a committee of the board of directors of its subsidiaries, or as consultants or experts, during the Company's most recently completed financial year, except as disclosed below.

The following table discloses particulars of compensation provided to the directors of the Company (not including any director reported above as an NEO) during the Company's financial year ended November 30, 2016:

Name ⁽¹⁾	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
John Binder	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Timothy Tombe	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Tyler Robson	Nil	Nil	Nil	Nil	Nil	Nil	Nil
David Gervais	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

1. Mr. van Santen is not shown in this table as his are shown in the NEO compensation tables above.

The following table sets out all outstanding option-based awards as at April 30, 2016, for each director, excluding a director who is already set out in disclosure for an NEO above:

Name ⁽¹⁾	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
John Binder	66,666	\$0.30	31-08-2020	\$0.35	Nil	Nil
	100,000	\$0.65	30-11-2021	Nil	Nil	Nil
Timothy Tombe	350,000	\$0.65	30-11-2021	Nil	Nil	Nil
Tyler Robson	500,000	\$0.65	30-11-2021	Nil	Nil	Nil
David Gervais	500,000	\$0.65	30-11-2021	Nil	Nil	Nil

Notes:

1. Mr. van Santen is not shown in this table as he is shown in the NEO compensation tables above.
2. The Company's Common Share price was \$0.65 each at November 30, 2016.

The following table sets out the value vested or earned under incentive plans during the Company's fiscal year ended November 30, 2016, for each director of the Company, excluding the directors who are already set out in disclosure for an NEO above:

Name ⁽¹⁾	Option-based awards – Value vested during the year ⁽²⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
John Binder	23,333	Nil	Nil
Timothy Tombe	Nil	Nil	Nil
Tyler Robson	Nil	Nil	Nil

David Gervais	Nil	Nil	Nil
---------------	-----	-----	-----

Notes:

1. Mr. van Santen is not shown in this table as he is shown in the NEO compensation tables above.
2. These amounts represent the aggregate dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date. The value of each amount has been determined by taking the difference between the market price of the option at date of exercise and the exercise or base price of the option under the option-based award on the vest date.

See “*Securities Authorized under Equity Compensation Plans*” for further information on the Company’s Share Option Plan.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan which the Company has in place is the Plan. See above disclosure under heading “*Incentive Plan Awards*”.

The following table sets out equity compensation plan information as at the Company’s November 30, 2016 financial year end.

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders – March 2, 2015 (the Share Plan)	3,225,000	\$0.75	2,092,586 ⁽¹⁾
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	3,225,000	\$1.00	2,092,586 ⁽¹⁾

Note:

1. This figure is based on the total number of shares authorized for issuance under the Company’s Share Option Plan, less the number of options outstanding as at the Company’s November 30, 2016 year end. As at November 30, 2016, the Company was authorized to issue a total of 5,317,585 options.

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

This Information Circular, including the disclosure below, briefly describes (and, where practicable, states the approximate amount) of any material interest, direct or indirect, of any informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director, 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.

As at November 30, 2016, the Company paid \$179,313 (2015 - \$159,000) in consulting, management and directors’ fees to the current directors and executive officers, and/or their management companies.

Management Contracts

There are no management functions of the Company, which are to any substantial degree performed by a person or

company other than the directors or executive officers of the Company.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Share Option Plan

A number of Common Shares equal to ten (10%) percent of the issued and outstanding Common Shares in the capital stock of the Company from time to time are reserved for the issuance of stock options pursuant to the Company's Stock Option Plan dated for reference March 2, 2015, and approved by the shareholders of the Company at the last annual general meeting held on April 29, 2016 (the "Plan").

As the Plan is a rolling plan, under CSE policy, the Plan must be presented to shareholders for approval by ordinary resolution at every annual general meeting of the Company to authorize continuation of the Plan.

The Plan has been established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Plan is administered by the CEO and CFO of the Company. The Plan provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company. The Plan also provides that the number of Common Shares issuable under the Plan, together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of issued and outstanding Common Shares. Pursuant to the Plan all options expire on a date not later than 10 years after the date of grant of an option.

The Board is of the view that the Plan provides the Company with the flexibility to attract and maintain the services of executives, employees and other service providers in competition with other companies in the industry.

The Plan is subject to the following restrictions:

- (a) The Company must not grant an option to a director, employee, consultant, or consultant company (the "Service Provider") in any 12 month period that exceeds 5% of the outstanding shares, unless the Company has obtained by a majority of the votes cast by the shareholders of the Company eligible to vote at a shareholders' meeting, excluding votes attaching to shares beneficially owned by Insiders and their Associates ("Disinterested Shareholder Approval");
- (b) The aggregate number of options granted to a Service Provider conducting Investor Relations Activities in any 12-month period must not exceed 2% of the outstanding shares calculated at the date of the grant, without the prior consent of the CSE;
- (d) The Company must not grant an option to a Consultant in any 12-month period that exceeds 2% of the outstanding shares calculated at the date of the grant of the option;
- (e) The number of optioned shares issued to insiders in any 12-month period must not exceed 10% of the outstanding shares (in the event that the Plan is amended to reserve for issuance more than 10% of the outstanding shares) unless the Company has obtained Disinterested Shareholder Approval to do so; and
- (f) The exercise price of an option previously granted to an insider must not be reduced, unless the Company has obtained disinterested shareholder approval to do so.

Material Terms of the Plan

The following is a summary of the material terms of the Plan:

- (a) Persons who are Service Providers to the Company or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of options under the Plan;
- (b) Options granted under the Plan are non-assignable and non-transferable and are issuable for a period of up to 10 years;
- (c) For options granted to Service Providers, the Company must ensure that the proposed Optionee is a bona fide Service Provider of the Company or its affiliates;
- (d) An Option granted to any Service Provider will expire within one year (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the Company, but only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
- (e) If an Optionee dies, any vested option held by him or her at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of

- one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such option;
- (f) In the case of an Optionee being dismissed from employment or service for cause, such Optionee's options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
 - (g) The exercise price of each option will be set by the Board on the effective date of the option and will not be less than the Discounted Market Price (as defined in the Plan);
 - (h) Vesting of options shall be at the discretion of the Board, and will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Company or its affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its affiliates during the vesting period; or (ii) the Service Provider remaining as a Director of the Company or its affiliates during the vesting period; and
 - (i) The Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Plan with respect to all Plan shares in respect of options which have not yet been granted under the Plan.

A copy of the Plan will be available for inspection at the Meeting. A shareholder may also obtain a copy of the Plan by contacting the Company at 604-608-1999.

“RESOLVED that the Company's 10% rolling Stock Option Plan, dated for reference March 2, 2015, be and is hereby ratified and approved until the next annual general meeting.”

An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

The Board recommends that you vote in favour of the above resolution. In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote in favour of the resolution.

Additional Information

Additional information relating to the Company is on SEDAR at www.sedar.com. Shareholders may contact the Company at to request copies of the Company's financial statements and related management's discussion and analysis.

Financial information is provided in the Company's comparative audited financial statements and management's discussion and analysis for its most recently completed financial year ended November 30, 2016 which are filed on SEDAR.

OTHER MATTERS

The Directors are not aware of any other matters which they anticipate will come before the Meeting as of the date of this Circular.

APPROVAL OF INFORMATION CIRCULAR

The undersigned hereby certifies that the contents and the sending of this Circular have been approved by the Board.

Dated at Vancouver, British Columbia this 5th day of July, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ "Tyler Robson"

Chief Executive Officer and Director

A NOTE ON AUDITED FINANCIALS

The consolidated audited financial statements for the years ending November 30, 2016 provided at the Meeting have been audited in accordance with Canadian generally accepted auditing standards.