



WEEDMD INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR

Annual and Special Meeting of Shareholders of WeedMD Inc.

commencing at 10:00 a.m. (EST) on June 25, 2019 at:

The offices of Fogler, Rubinoff LLP located at
TD Centre North Tower, Suite 3000, 77 King Street West, Toronto, Ontario

Dated as of May 13, 2019

WEEDMD INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") of WeedMD Inc. ("**WeedMD**" or the "**Corporation**") will be held at the offices of Fogler, Rubinoff LLP located at TD Centre North Tower, Suite 3000, 77 King Street West, Toronto, Ontario, on June 25, 2019 commencing at 10:00 a.m. (EST) for the following purposes:

- (a) to receive the audited annual consolidated financial statements of the Corporation for the fiscal year ended December 31, 2018, together with the report of the auditor thereon;
- (b) to elect directors for the ensuing year;
- (c) to re-appoint the auditor for the ensuing year and authorize the board of directors of WeedMD to fix the auditor's remuneration;
- (d) to consider an ordinary resolution, the full text of which is set out in Schedule "B" to this Circular, ratifying, confirming, and approving the Corporation's omnibus incentive plan (a copy of which is set out in Schedule "C" to this Circular), as more fully described in the section of the Circular entitled "*Particulars of Matters to be Acted Upon – Omnibus Incentive Plan*"; and
- (e) to transact such other business as may properly be put before the Meeting.

Particulars of the foregoing matters are set forth in the Circular. The board of directors of the Corporation has fixed the close of business on May 6, 2019, as the record date for the determination of the Shareholders entitled to receive notice of, and to vote at, the Meeting. Only Shareholders whose names have been entered in the register of shareholders as of the close of business on May 6, 2019 will be entitled to receive notice of, and to vote at the Meeting.

Shareholders are entitled to vote at the Meeting either in person or by proxy, as described in the Circular under the heading "*Voting Information*". Only registered Shareholders of the Corporation, or the persons appointed as their proxies, are entitled to attend and vote at the Meeting. For information with respect to Shareholders who own their Common Shares through an intermediary, see "*Voting Information – Non-Registered Shareholders*" in the accompanying Circular.

Whether or not you are able to attend the Meeting in person, you are encouraged to provide voting instructions on the enclosed form of proxy as soon as possible. The Corporation's transfer agent, TSX Trust Company, must receive your proxy no later than June 21, 2019 at 10:00 a.m. (Toronto time), or, if the Meeting is adjourned or postponed, no later than 48 hours (excluding Saturdays, Sundays and holidays in the Province of Ontario) before any adjourned or postponed Meeting. You must send your proxy to the Corporation's transfer agent by either using the envelope provided or by mailing the proxy to WeedMD Inc. c/o TSX Trust Company, 301 – 100 Adelaide Street West, Toronto, Ontario, Canada M5H 4H1. You may vote by facsimile at 1-416-595-9593 or on the internet by going to www.voteproxyonline.com and following the instructions. You will need your 12-digit control number located on the form of proxy. If you wish to vote by facsimile or on the internet, you must do so no later than June 21, 2019 at 10:00 a.m. (Toronto time). In addition, you may personally deliver your completed, dated and signed form of proxy to TSX Trust Company at 301 – 100 Adelaide Street West, Toronto, Ontario, Canada M5H 4H1 no later than June 21, 2019 at 10:00 a.m. (Toronto time).

If you are a non-registered Shareholder (for example, if you hold Common Shares in an account with an intermediary), you should follow the voting procedures described in the form of proxy or voting instruction form provided by your intermediary or call your intermediary for information as to how you can vote your Common Shares. Note that the deadlines set by your intermediary for submitting your form of proxy or voting instruction form may be earlier than the dates described above, and non-registered Shareholders wishing to vote by facsimile or on the internet must do so no later than June 21, 2019 at 10:00 a.m. (Toronto time).

Late proxies may be accepted or rejected by the Chairman of the Meeting at his or her sole discretion. The Chairman is under no obligation to accept or reject any particular late proxy. The time limit for deposit of proxies may be waived or extended by the Chairman of the Meeting at his or her discretion, without notice.

DATED at Toronto, Ontario this 13th day of May, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*Keith Merker*"

Keith Merker
Chief Executive Officer

MANAGEMENT INFORMATION CIRCULAR

VOTING INFORMATION

Persons Making This Solicitation

This management information circular (the "**Circular**") is furnished in connection with the solicitation of proxies by the management of WeedMD Inc. ("**WeedMD**" or the "**Corporation**") for use at the annual general and special meeting (the "**Meeting**") of holders (the "**Shareholders**") of common shares of WeedMD (the "**Common Shares**") to be held at the offices of Fogler, Rubinoff LLP located at TD Centre North Tower, Suite 3000, 77 King Street West, Toronto, Ontario on June 25, 2019 commencing at 10:00 a.m. (EST) for the purposes set forth in the accompanying notice of meeting (the "**Notice of Meeting**"). Registered shareholders ("**Registered Shareholders**") of WeedMD of record at the close of business on May 6, 2019 (the "**Record Date**"), or the persons they appoint as their proxies, will be entitled to receive notice of and vote at the Meeting. For information with respect to shareholders who own their shares through an intermediary, see "*Voting Information – Non-Registered Shareholders*", below.

While it is expected that the solicitation will be made primarily by mail, proxies may also be solicited personally, by facsimile or by telephone by the directors, officers and employees of the Corporation. Directors, officers and employees of the Corporation will not receive any extra compensation for such activities.. **The solicitation of proxies by this Circular is being made by or on behalf of the management of the Corporation and the total cost of the solicitation will be borne by the Corporation.**

Notice-and-Access

In November 2012, the Canadian Securities Administrators announced the adoption of regulatory amendments to securities laws governing the delivery of proxy-related materials by public companies. Public companies are now permitted to advise their shareholders of the availability of all proxy-related materials on an easily-accessible website, rather than mailing copies of the materials.

The Corporation has elected to use the notice and access procedure ("**Notice and Access**") under National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**") and National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), for the delivery of Meeting materials to the Corporation's shareholders. Under Notice and Access provisions, shareholders will receive a notice ("**Notice and Access Notice**") containing information on how they can access the Corporation's Notice of Meeting, Circular and a form of proxy (collectively, the "**Meeting Materials**") electronically instead of receiving a printed copy; and it will contain information on how to obtain a printed copy of the Meeting Materials. The Notice of Meeting and Circular will be posted on the Corporation's website at www.weedmd.com on May 23, 2019, and will remain on the website for one year. The Meeting Materials will also be available on the Corporation's SEDAR corporate profile at www.sedar.com. **All registered and beneficial Shareholders will receive a Notice and Access Notice.**

If you wish to receive a paper copy of the Meeting Materials, they will be sent within three business days of your request, if such requests are made before the Meeting date. To ensure you receive the Meeting Materials in advance of the voting deadline and Meeting date, your request should be provided to the Corporation as soon as possible.

Appointment of Proxies

A Registered Shareholder of the Corporation may vote in person at the Meeting or may appoint another person to represent such Shareholder as proxy and to vote the Common Shares of such Shareholder at the Meeting. In order to appoint another person as proxy, such Shareholder must complete, execute and deliver the form of proxy accompanying this Circular, or another proper form of proxy in the manner specified in the Notice of Meeting or deposit the completed and executed form of proxy with the Chairman of the Meeting prior to the commencement of the Meeting or any adjournment or postponement thereof.

The persons named in the form of proxy accompanying this Circular are directors and/or officers of the Corporation. A Shareholder has the right to appoint a person (who need not be a Shareholder), other than the persons whose names appear in such form of proxy, to attend and act for and on behalf of such Shareholder at the Meeting and at any adjournment or postponement thereof. Such right may be exercised by either striking out the names of the persons specified in the form of proxy and inserting the name of the person to be appointed in the blank space provided in the form of proxy, or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to TSX Trust Company in time for use at the Meeting in the manner specified in the Notice of Meeting or depositing the completed and executed form of proxy with the Chairman of the Meeting prior to the commencement of the Meeting or any adjournment or postponement thereof.

A proxy will not be valid unless the completed, dated and signed proxy is delivered to TSX Trust Company, located at 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1 or by fax to (416) 595-9593, by 10:00 a.m. (EST) on June 21, 2019 or, if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the adjourned or postponed Meeting.

Revocation of Proxies

A Registered Shareholder of the Corporation who has given a proxy may revoke the proxy at any time prior to use by depositing an instrument in writing, including another completed form of proxy, executed by such Registered Shareholder or by his or her attorney authorized in writing or by electronic signature, or, if the Registered Shareholder is a corporation, by an authorized officer or attorney thereof, or by transmitting by telephone or electronic means, a revocation signed, subject to the *Business Corporations Act* (Ontario), by electronic signature: (i) to the head office of the Corporation, located at 250 Elm Street, Aylmer, Ontario, N5H 2M8, at any time prior to 5:00 p.m. (Toronto time) on the last Business Day preceding the day of the Meeting or any adjournment or postponement thereof; (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof; or (iii) in any other manner permitted by law.

Only a Registered Shareholder has the right to revoke a proxy. Non-registered holders of Common Shares who wish to change their voting instructions must contact the intermediary through which their Common Shares are held and by following the instructions of the intermediary respecting the revocation of such voting instructions.

Exercise of Discretion

The Common Shares represented by an appropriate form of proxy will be voted on any ballot that may be conducted at the Meeting, or at any adjournment or postponement thereof, in accordance with the instructions contained on the form of proxy and, if the Shareholder specifies a choice with respect to any matter to be acted on, the Common Shares will be voted accordingly. **In the absence of instructions, such Common Shares will be voted FOR each of the matters described in the Notice of Meeting.**

The enclosed form of proxy, when properly completed and signed, confers discretionary authority upon the persons named therein to vote on any amendments to or variations of the matters described in the Notice of Meeting and on other matters, if any, which may properly be brought before the Meeting or any adjournment or postponement thereof, whether or not any amendments variations or other matters are routine or contested. As at the date hereof, management of the Corporation knows of no such amendments or variations or other matters to be brought before the Meeting. However, if any other matter which is not now known to management of the Corporation should properly be brought before the Meeting, or any adjournment thereof, the Common Shares represented by such proxy will be voted on such matter in accordance with the judgment of the person named as proxy thereon.

IF A CHOICE WITH RESPECT TO SUCH MATTERS IS NOT SPECIFIED, THE PERSONS DESIGNATED BY MANAGEMENT OF THE CORPORATION IN THE ENCLOSED PROXY WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.

Non-Registered Shareholders

Most shareholders of the Corporation are non-registered shareholders ("**Non-Registered Shareholders**") because the Common Shares they beneficially own are not registered in their names but are instead registered in the name of an intermediary such as a brokerage firm, bank, trust corporation, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans through which they purchased the Common Shares (an "**Intermediary**"). A Non-Registered Shareholder typically holds their Common Shares either: (a) in the name of the Intermediary that the Non-Registered Shareholder deals with in respect of the Common Shares; or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. ("**CDS**")), of which the Intermediary is a participant.

Non-Registered Shareholders who have not objected to their Intermediary disclosing certain beneficial ownership information about themselves to the Corporation are referred to as "NOBOs". Non-Registered Shareholders who have objected to their Intermediary disclosing the ownership information about themselves to the Corporation are referred to as "OBOs". NI 54-101 permits the Corporation to send the Meeting Materials directly to the NOBOs. In accordance with NI 54-101, the Corporation has elected to send the Meeting Materials directly to NOBOs and has distributed copies of the Meeting Materials to Intermediaries for distribution to OBOs. The Corporation will pay for an Intermediary to deliver the Meeting Materials to Non-Registered Shareholders who are OBOs, including a voting instruction form (as described further below).

If you are a Non-Registered Shareholder and you have not declined to receive the Meeting Materials, then you will receive either a voting instruction form ("**Voting Instruction Form**") or, less frequently, a partially completed form of proxy. The purpose of these forms is to permit you to direct the voting of the Common Shares that you beneficially own. If you are a Non-Registered Shareholder, you should follow the procedures set out below, depending on which type of form you receive.

- a) Voting Instruction Form - In most cases in lieu of a proxy, you will receive, as part of the Meeting Materials, a Voting Instruction Form. If you do not wish to attend and vote at the Meeting in person (or have another person attend and vote on your behalf), the Voting Instruction Form must be completed, signed and returned in accordance with the directions on the Voting Instruction Form. If you wish to attend and vote at the Meeting in person (or have another person attend and vote on your behalf), then you must complete, sign and return the Voting Instruction Form in accordance with the directions provided and a form of proxy giving the right to attend and vote at the Meeting will be forwarded to you.

or

- b) Form of Proxy - Less frequently, you will receive, as part of the Meeting Materials, a form of proxy that has already been executed by the Intermediary (typically by a facsimile, stamped signature) and which is restricted as to the number of Common Shares beneficially owned by you, but which is otherwise incomplete. If you do not wish to attend and vote at the Meeting in person (or have another person attend and vote on your behalf), you must complete the form of proxy and deposit it with TSX Trust Company, located at 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1 or by fax to (416) 595-9593, as described above. If you wish to attend and vote at the Meeting in person (or have another person attend and vote on your behalf), you must insert your name (or such other person's) name in the blank space provided.

In any case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares which they beneficially own. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Shareholder should insert the Non-Registered Shareholder's name in the blank space provided. **Non-Registered Shareholders should follow the instructions on the forms they receive, including those regarding when and where the forms are to be delivered, and contact their Intermediaries promptly if they need assistance.**

Quorum

The quorum for any meeting of Shareholders is two persons present at the meeting. In the event that a quorum is not present at the time fixed for holding the Meeting, the Meeting shall stand adjourned to such date and to such time and place as may be determined by the Shareholders present at the Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a director or executive officer of the Corporation since the beginning of the Corporation's most recently completed financial year, or any proposed nominee by management of the Corporation for election as a director of the Corporation, 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 matters to be acted upon at the Meeting, other than the election of directors or the appointment of auditors.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the "**Board**") of WeedMD have fixed May 6, 2019 as the record date for the determination of the shareholders entitled to receive the Notice of Meeting. Shareholders of record at the close of business on the Record Date will be entitled to vote at the Meeting and at all adjournments thereof. Each Common Share will entitle the holder of record thereof to one vote at the Meeting.

As at the Record Date, there were 114,382,022 Common Shares outstanding. As of that date, to the knowledge of the directors and executive officers of WeedMD, no persons, firms or corporations beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the Common Shares.

PARTICULARS OF MATTERS TO BE ACTED UPON

Financial Statements

The audited annual consolidated financial statements of the Corporation for the fiscal year ended December 31, 2018, together with the report of the auditor thereon, will be presented to shareholders for review at the Meeting. No vote by the shareholders is required with respect to this matter.

Appointment of Auditor

Management recommends the re-appointment of RSM Canada LLP (formerly Collins Barrow LLP), Chartered Accountants of Toronto, Ontario, the present auditor, as the auditor of WeedMD to hold office until the close of the next annual meeting of the Shareholders. RSM Canada LLP (formerly Collins Barrow LLP) were first appointed as auditors of the Corporation on April 19, 2017.

Aggregate fees paid to RSM Canada LLP (formerly Collins Barrow LLP), Chartered Accountants during the fiscal years ended December 31, 2018 and December 31, 2017 are set out below under the section entitled "*Audit Committee – External Auditor Service Fees (By Category)*".

In the absence of contrary directions, the management designees of WeedMD intend to vote proxies in the accompanying form of proxy in favour of the re-appointment of RSM Canada LLP (formerly Collins Barrow LLP), Chartered Accountants as auditors of WeedMD and for the Board to approve their remuneration.

Election of Directors

It is intended that the persons named in the accompanying form of proxy will vote the Common Shares represented thereby in favour of electing as directors the nominees named below. **Unless such authority is withheld, the Common Shares represented by the accompanying form of proxy will be voted in favour of the nominees set out below.**

The term of office of all present directors of WeedMD expires at the Meeting. Management has been informed by each nominee that each is willing to stand for re-election and serve as a director.

The following table sets out the names of management's nominees for election as directors of WeedMD, each nominee's municipality of residence, all major offices and positions with WeedMD and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years, the period of time during which each has been a director of WeedMD and the number of Common Shares beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the date of this Circular. The following information relating to the nominees as directors is based on information received by WeedMD from said nominees.

Name and Municipality of Residence	Principal Occupation(s) for Last Five Years⁽¹⁾	Position with the Corporation	Director Since	Number of Common Shares Beneficially Owned or Controlled⁽²⁾
Michael Kraft ⁽⁵⁾ Ontario, Canada	Founder, President & CEO and Director of Lingo Media Corporation	Chairman & Director	April 2017	3,750,000 ⁽⁶⁾
Keith Merker Ontario, Canada	Chief Financial Officer of WeedMD	Chief Executive Officer, Corporate Secretary & Director ⁽⁹⁾	April 2017	1,250,000 ⁽⁷⁾
Gail Paech ⁽³⁾⁽⁴⁾⁽⁵⁾ Ontario, Canada	Chief Executive Officer of Associated Medical	Director	April 2017	37,500 ⁽⁸⁾
Rick Moscone Ontario, Canada	Partner at Fogler, Rubinoff LLP	Director	April 2017	Nil
Kevin McGovern ⁽³⁾⁽⁴⁾⁽⁵⁾ Florida, United States	Chairman of McGovern Capital	Director	January 2018	Nil
Michael Pesner ⁽³⁾⁽⁴⁾⁽⁵⁾ Quebec, Canada	President of Hermitage Canada Finance Inc.	Director	September 2018	Nil

Notes:

- (1) The information as to principal occupation, business or employment of the respective nominees is not within the knowledge of the management of WeedMD and has been furnished by the respective nominees. Unless otherwise indicated, each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years.
- (2) The information as to Common Shares beneficially owned or controlled is not within the knowledge of the management of WeedMD and has been furnished by the respective nominees. Information regarding voting securities held does not include voting securities issuable upon the exercise of options, warrants or other convertible securities of WeedMD.
- (3) Current member of the WeedMD Audit Committee.
- (4) Current member of the WeedMD Nomination and Governance Committee.
- (5) Current member of the WeedMD Compensation Committee.
- (6) Held by WFE Holdings III Inc., a corporation beneficially owned or controlled by Michael Kraft.
- (7) Held by 2245790 Ontario Ltd., a corporation beneficially owned or controlled by Keith Merker.
- (8) Held by Paech Results Inc., a corporation beneficially owned or controlled by Gail Paech.
- (9) Keith Merker was appointed Chief Executive Officer of the Corporation on July 10, 2018, taking the place of former CEO Bruce Dawson-Scully. Mr. Merker previously served as the Chief Financial Officer of the Corporation.

Biographical Information

Michael Kraft

Mr. Kraft is an entrepreneur with more than 30 years of experience in sales, marketing and corporate management, with a strong record of success in both public and private company leadership. He has an international network of industry and government leaders including 10 years of hands-on experience in China and other global markets.

Michael has secured in excess of \$100 million in equity financing for projects in China, Latin America, Africa and abroad.

Keith Merker

Mr. Merker is currently the Chief Executive Officer and Corporate Secretary of WeedMD, and previously served as the Corporation's Chief Financial Officer. He holds the Chartered Financial Analyst designation and has over 15 years of experience working as a finance professional, with extensive emphasis on emerging growth public and private companies, corporate finance, accounting, business development, mergers/acquisitions and raising funding in the capital markets.

Gail Paech

Ms. Paech is a highly focused, seasoned professional with over 25 years of senior executive experience in the public, private and not-for-profit sectors. She is a former Associate Deputy Minister, Economic Development and Trade and Assistant Deputy Minister, Ministry of Health. During her tenure as a senior civil servant, Gail gained the reputation for her ability to head up large-scale, high-profile, provincial initiatives that resulted in system transformation and lasting change in the delivery of core public services. She possesses in-depth knowledge of government decision-making processes, having been responsible for policy formulation of both sector-specific and government-wide policies, programs and the regulatory process. As interim CEO of the largest Long Term Care Association in Canada, Gail assisted in the development of consumer-oriented strategy that unleashed the innovation potential of the Long-Term Care sector while generating value for the healthcare system. As President and CEO of a large downtown Toronto hospital, Gail was responsible for implementing strategic direction which successfully repositioned the hospital during the province-wide restructuring program. Gail has considerable experience with a global consulting company where she was National Director responsible for the development and future direction of the healthcare practice across Canada. She conducted large-scale health system redesign projects across the country.

Rick Moscone

Mr. Moscone is a partner at the law firm of Fogler Rubinoff LLP. He has over 15 years' experience in corporate finance, mergers and acquisitions and securities regulatory matters. Rick is a Co-Chair of the Canadian Marketing Association Working Group on Cannabis and a frequent speaker on regulatory matters impacting the cannabis industry in Canada. Rick obtained an LLB from Queen's University and an MBA from Schulich School of Business.

Kevin McGovern

Mr. McGovern is the Chairman of McGovern Capital, a global investment, strategy and licensing provider which provides investments and business strategy to emerging companies, particularly those engaged in consumer technologies and holders of intellectual property rights and most recently over the past several years, in the global cannabis sector. Mr. McGovern was a founder of beverage company SoBe, before it was sold to Pepsi for \$375 million. He helped to drive the development and launch of products for a skin care supplier, TriStrata Inc. He has done significant work in eliminating water pollution through The Water Initiative and continues to do so globally through his personal entities. Mr. McGovern has served on various public and private boards including The Sports Authority and he is a member of the National Board of the Smithsonian (the world's largest research and museum institution). He is a graduate of Cornell University (BA) and St. John's University School of Law (JD) and is a Trustee Emeritus and a Presidential Councillor (highest honor to alumni) of Cornell University (having served as the Co-Chairman of the Technology Transfer Committee). Mr. McGovern was named the Cornell "Entrepreneur of the Year" in 2007, was given St. John's University School of Law's "Distinguished Alumni Award" and awarded The East West Institute's "Global Game Changer Award". The Luce Foundation honored him as its 2015 Humanitarian of the Year. He also teaches a course on "Global Innovation and Commercialization" at the graduate business school at Cornell University and has been a guest lecturer at Cornell NY Tech, MIT, NTU in Singapore, and KAUST in Saudi Arabia. The McGovern Family Center for Venture Development in Life Sciences at Cornell University was recently acclaimed as one of the Top 10 Venture Development Centers in North America.

Michael Pesner

Mr. Pesner, CPA, CA, has been President of Hermitage Canada Finance Inc. since 2002, a firm specializing in financial advisory services. He was previously a senior partner in financial advisory services at KPMG LLP, in Montreal, specializing in corporate finance, mergers and acquisitions, divestitures, restructuring and corporate recovery in Canada. Mr. Pesner holds a Bachelor of Commerce degree in Finance and Administration from McGill University as well as a Bachelor of Arts degree from Sir George Williams University. Mr. Pesner is also a Chartered Professional Accountant, a Licensed Insolvency Trustee, and a Certified Insolvency and Restructuring Professional. Mr. Pesner is currently a board member of Le Château Inc., Smart Employee Benefits Inc., and Wallbridge Mining Company Limited. Previously Mr. Pesner was a board member of KPMG LLP, Richmond Mines Inc., Société des alcools du Québec (SAQ) and well.ca.

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of management of the Corporation, no Nominee is, at the date of this Circular, or has been, within ten years before the date of this Circular,

- a) a director, chief executive officer or chief financial officer of any company (including the Corporation) that:
 - (i) was subject to an order that was issued while the nominee was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to an order that was issued after the Nominee 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,
- b) a director or executive officer of any company (including the Corporation) that, which such Nominee was acting in that capacity, or within one year of such nominee 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, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such Nominee.

For the purposes of section (a) above, the term "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant Corporation access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

Michael Pesner was a director of Quest Rare Minerals Ltd. ("QRM"). On January 31, 2017, the Autorité des marchés financiers issued a management cease trade order against QRM, and its directors including Michael Pesner, and officers, which cease order was revoked on March 14, 2017.

Further, on July 5, 2017, QRM filed a Notice of Intention to make a proposal under the *Bankruptcy and Insolvency Act* (Canada). On March 2, 2018, the Court approved and homologated the proposal dated January 3, 2018, as amended on January 11, 2018, which was accepted at the meeting of creditors held on January 24, 2018.

Michael Pesner was a director of Liquid Nutrition Group Inc. ("LNG") until June 3, 2015. Subsequently, certain securities commissions issued trade orders against LNG for default of filing its interim financial statements and management's discussion and analysis for the interim period March 1, 2015.

Michael Pesner was also a director of Prestige Telecom Inc. until May 25, 2011. Subsequently in November 2011, Prestige Telecom Inc. filed a notice of intention to file a proposal to its creditors pursuant to the *Bankruptcy and Insolvency Act* (Canada). On March 29, 2012, Prestige Telecom Inc. received a final order from the court approving the proposal which had been approved by at the meeting of creditors on March 6, 2012.

Penalties or Sanctions

To the knowledge of management of the Corporation, no director to be nominated for election at the Meeting has been subject to:

- a) penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- b) other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Conflicts of Interest

The directors are required by law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose any interests that they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and, if required by applicable law, will abstain from voting on such matter.

To the best of the Corporation's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among the Corporation, its promoters, directors and officers or other members of management of the Corporation or of any proposed promoter, director, officer or other member of management as a result of their outside business interests, except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Corporation and their duties as a director or officer of such other companies.

The persons designated as proxyholders by management of the Corporation in the Proxy which accompanies this Circular intend to vote FOR the election of the Nominees as directors of the Corporation whose names are set forth above, unless the shareholder has specified in the Proxy that the Common Shares represented by such Proxy are to be withheld from voting in respect thereof.

Omnibus Incentive Plan

On April 27, 2019, the Board approved the 2019 Omnibus Incentive Plan (the "**Omnibus Plan**") pursuant to which it is able to issue long-term equity incentives, and to replace the Corporation's existing stock option plan (the "**Stock Option Plan**"), subject to shareholder approval. Pursuant to the policies of the TSXV, the Omnibus Plan must be approved by disinterested shareholders at the annual meeting of the shareholders. A copy of the full Omnibus Plan is attached as Schedule "C" to this Circular.

The Corporation's current compensation program, described elsewhere in this Circular (see "*Executive Compensation*") provides total compensation for executives and employees in various roles that is comprised of a base salary (fixed cash amount), short-term incentive plan (annual, discretionary cash bonus) and long-term equity-based incentives (stock options) that align employees' interests with those of shareholders. The stock options are currently granted under the Corporation's stock option plan, which was first adopted by the Corporation on September 30, 2014 (the "**Stock Option Plan**"). For further information on the Stock Option Plan, see "*Executive Compensation – Executive Compensation Components – Stock Option Plan*".

A summary of the material terms of the Omnibus Plan are as follows:

The Omnibus Plan will, in respect of options to purchase Common Shares, serve as the successor to the Stock Option Plan, and no further options to purchase Common Shares will be granted under the Stock Option Plan from and after the effective date of the Omnibus Plan.

The purposes of the Omnibus Plan will be to: (i) provide the Corporation with a mechanism to attract, retain and motivate highly qualified directors, officers, employees and consultants; (ii) align the interests of eligible participants in the Omnibus Plan ("**Participants**") with that of other shareholders of the Corporation generally; and (iii) enable and encourage Participants to participate in the long-term growth of the Corporation through the acquisition of Common Shares as long-term investments.

The Omnibus Plan will be administered by the Board (or a committee thereof) and will provide that the Board may from time to time, in its discretion, and in accordance with TSXV requirements or any other stock exchange on which the Common Shares are listed (the "**Exchange**"), grant to eligible Participants, non-transferable awards (the "**Awards**"). Such Awards will include stock options ("**Options**"), restricted share units ("**RSUs**"), deferred share units ("**DSUs**") and performance share units ("**PSUs**").

Under the Omnibus Plan, the maximum number of Common Shares issuable from treasury pursuant to Awards shall not exceed 10% of the total outstanding Common Shares from time to time less the number of Common Shares issuable pursuant to all other security-based compensation arrangements of the Corporation. For greater certainty, the aggregate number of Common Shares available for issuance pursuant to settlement of Options shall not exceed 10% of the Company's outstanding share capital. The Plan with respect to the Options is a "rolling plan" and as a result, any and all increases in the number of issued and outstanding Shares will result in an increase to the Reserve. Shares in respect of which Options have not been exercised and are no longer subject to being purchased pursuant to the terms of any Options shall be available for further Options under the Plan.

For so long as the Corporation is listed on the TSX Venture Exchange or on another exchange that requires the Corporation to fix the number of Common Shares to be issued in settlement of Awards that are not Options, the maximum number of Common Shares available for issuance pursuant to the settlement of RSUs, DSUs and PSUs together shall be an aggregate of 11,415,702 Common Shares.

The maximum number of Common Shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the outstanding Common Shares, unless the Company obtains disinterested shareholder approval as required by the policies of the Exchange. The aggregate number of Common Shares for which Awards may be issued to any one consultant within any 12-month period shall not exceed 2% of the outstanding Common Shares, calculated on the date an Award is granted to the consultant. The aggregate number of Common Shares for which Options may be issued to any persons retained to provide Investor Relations Activities (as defined by the Exchange) within any 12-month period shall not exceed 2% of the outstanding Shares, calculated on the date an Option is granted to such persons.

Further, unless disinterested shareholder approval as required by the policies of the Exchange is obtained: (i) the maximum number of Common Shares for which Awards may be issued to insiders of the Corporation (as a group) at any point in time shall not exceed 10% of the outstanding Common Shares; and (ii) the aggregate number of Awards granted to insiders of the Corporation (as a group), within any 12-month period, shall not exceed 10% of the outstanding Common Shares, calculated at the date an Award is granted to any insider.

The Omnibus Plan will provide for customary adjustments or substitutions, as applicable, in the number of Common Shares that may be issued under the Omnibus Plan in the event of a merger, arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Corporation, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to shareholders of the Corporation, or any similar corporate event or transaction.

In the event of an actual or potential Change of Control (as is defined in the Omnibus Plan) of the Corporation, the Board shall have discretion as to the treatment of Awards, including whether to (i) accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of any Awards; (ii) permit the conditional redemption or exercise of any Awards, on such terms as it sees fit; (iii) otherwise amend or modify the terms of any Awards; and (iv) terminate, following the successful completion of a Change of Control, on such terms as it sees fit, the Awards not exercised prior to the successful completion of such Change of Control. If there is a Change of Control, any Awards held by a Participant shall automatically vest following such Change of Control, if the Participant is an employee, officer or a director and their employment, or officer or director position is terminated within 12 months following the Change of Control, provided that no acceleration of Awards shall occur in the case of a Participant that was retained to provide Investor Relations Activities unless the approval of the Exchange is either obtained or not required.

Options

Subject to the terms and conditions of the Omnibus Plan, the Board may grant Options to Participants in such amounts and upon such terms (including the exercise price, duration of the Options, the number of Common Shares to which the Option pertains, and the conditions, if any, upon which an Option shall become vested and exercisable) as the Board shall determine.

The exercise price of the Options will be determined by the Board at the time any Option is granted. In no event will such exercise price be lower than the last closing price of the Common Shares on the Exchange less any discount permitted by the rules or policies of the Exchange at the time the Option is granted. Such price upon exercise of any Option shall be payable to the Corporation in full in cash, certified cheque or wire transfer.

Unless otherwise specified in an Award agreement granting Options, Options shall vest subject to Exchange policies, and the Board may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

Subject to any requirements of the Exchange, the Board may determine the expiry date of each Option. Subject to a limited extension if an Option expires during a black out period, Options may be exercised for a period of up to ten years after the grant date, provided that: (i) upon a Participant's termination for cause, all Options, whether vested or not, as at the date on which a Participant ceases to be eligible to participate under the Omnibus Plan (the "**Termination Date**") as a result of termination of employment, will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested Options as at the Termination Date shall automatically and immediately vest, and all vested Options will continue to be subject to the Omnibus Plan and be exercisable for a period of 12 months after the Termination Date; (iii) in the case of the disability of a Participant, all Options shall remain and continue to vest (and are exercisable) in accordance with the terms of the Omnibus Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; (iv) in the case of the retirement of a Participant, the Board shall have discretion, with respect to such Options, to determine whether to accelerate the vesting of such Options, cancel such Options with or without payment and determine how long, if at all, such Options may remain outstanding following the Termination Date, provided, however, that in no event shall such Options be exercisable for more than 12 months after the Termination Date; and; (v) in all other cases where a Participant ceases to be eligible under the Omnibus Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Board, all unvested Options shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested Options will continue to be subject to the Omnibus Plan and be exercisable for a period of 90 days after the Termination Date.

RSUs

Subject to the terms and conditions of the Omnibus Plan, the Board may grant RSUs to Participants in such amounts and upon such terms (including time-based restrictions on vesting, restrictions under applicable laws or under the requirements of the Exchange) as the Board shall determine.

Unless otherwise specified in an Award agreement granting RSUs, RSUs shall vest at the discretion of the Board, subject to the policies of the Exchange, provided that, and subject to the Board's discretion: (i) upon a Participant's

termination for cause, all RSUs, whether vested (if not yet paid out) or not as at the Termination Date will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested RSUs as at the Termination Date shall automatically and immediately vest and be paid out; (iii) in the case of the disability of a Participant, all RSUs shall remain and continue to vest in accordance with the terms of the Omnibus Plan for a period of 12 months after the Termination Date, provided that any RSUs that have not been vested within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; (iv) in the case of the retirement of a Participant, the Board shall have discretion, with respect to such RSUs, to determine whether to accelerate the vesting of such RSUs, cancel such RSUs with or without payment and determine how long, if at all, such RSUs may remain outstanding following the Termination Date, provided, however, that in no event shall such RSUs be exercisable for more than 12 months after the Termination Date; and (v) in all other cases where a Participant ceases to be eligible under the Omnibus Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Board, all unvested RSUs shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested RSUs will be paid out in accordance with the Omnibus Plan.

When and if RSUs become payable, the Participant issued such RSUs shall be entitled to receive payment from the Corporation in settlement of such RSU: (i) in a number of Common Shares (issued from treasury) equal to the number of RSUs being settled, or (ii) in any other form, all as determined by the Board at its sole discretion. The Board's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the RSUs.

Participants holding RSUs may, if the Board so determines, be credited with dividends paid with respect of the underlying Common Shares or dividend equivalents while they are so held in a manner determined by the Board in its sole discretion.

DSUs

Subject to the terms and conditions of the Omnibus Plan, the Board may grant DSUs to Participants in such amounts and upon such terms (including the requirement that Participants pay a stipulated purchase price for each DSU, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of the Exchange, or holding or sale restrictions placed on the Common Shares by the Corporation upon vesting of such DSUs) as the Board shall determine.

When and if DSUs become payable, the Participant issued such DSUs shall be entitled to receive payment from the Corporation in settlement of such DSU: (i) in a number of Common Shares (issued from treasury) equal to the number of DSUs being settled, or (ii) in any other form, all as determined by the Board at its sole discretion. The Board's determination regarding the form of payout shall be set forth or reserved for later determination in the Award agreement for the grant of the DSUs. Participants holding DSUs may, if the Board so determines, be credited with dividends paid with respect of the underlying Common Shares or dividend equivalents while they are so held in a manner determined by the Board in its sole discretion.

The extent to which a Participant shall have the right to retain DSUs following termination of the Participant's employment or other relationship with the Corporation, shall be set out in each DSU award agreement and determined in the sole discretion of the Board, and need not be uniform among all DSUs issued pursuant to the Omnibus Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with the applicable rules of the Exchange.

Performance Awards

Subject to the terms and conditions of the Omnibus Plan, the Board may grant PSUs to Participants in such amounts and upon such terms (including the performance criteria applicable to such PSUs) as the Board shall determine. Each PSU shall have an initial value equal to the fair market value of a Common Share on the date of grant. After the applicable performance period has ended, the holder of a PSU shall be entitled to receive payout on the value and number of PSUs, determined as a function of the extent to which the corresponding performance criteria have been achieved.

Subject to the terms of the Omnibus Plan, the Board, in its sole discretion, may pay earned PSUs in the form of a number of Common Shares issued from treasury equal to the number of earned PSUs at the end of the applicable performance period. Any Common Shares may be granted subject to any restrictions deemed appropriate by the Board.

Participants holding PSUs may, if the Board so determines, be credited with dividends paid with respect of the underlying Common Shares or dividend equivalents while they are so held in a manner determined by the Board in its sole discretion.

The extent to which a Participant shall have the right to retain PSUs following termination of the Participant's employment or other relationship with the Corporation, shall be set out in each PSU award agreement and determined in the sole discretion of the Board, and need not be uniform among all PSUs issued pursuant to the Omnibus Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with the applicable rules of the Exchange.

With shareholder approval of the Omnibus Plan, the main components of the Corporation's compensation program will be:

- the fixed base salary;
- short-term incentives – the annual discretionary cash bonus; and
- medium and long-term equity-based incentives – Options, RSUs, DSUs, and Performance Awards.

As of the Record Date, there were an aggregate of 9,489,843 Options outstanding and unexercised under the existing Stock Option Plan. The Omnibus Plan will be administered by the Board of the Corporation or such committee as may be designated by the Board to administer the Omnibus Plan. The Omnibus Plan must be renewed at each annual shareholder meeting according to TSXV rules.

At the Meeting, Shareholders will be asked to pass an ordinary resolution, the full text of which is set out in Schedule "B" to this Circular (the "**Omnibus Resolution**"). In order to be adopted, the Omnibus Resolution must be passed by a simple majority of the votes cast in person or by proxy, at the Meeting, of disinterested shareholders. All directors and senior officers and their associates and affiliates will be excluded from voting on the Omnibus Resolution including Keith Merker, Michael Kraft, Nichola Thompson, Gail Paech, Rick Moscone, Kevin McGovern, Michael Pesner and Josephine DesLauriers. As of the date hereof, the Corporation has advised that a total of 5,037,500 Common Shares will be excluded from voting on the Omnibus Resolution.

The Board unanimously recommends that the shareholders vote FOR the Omnibus Resolution. It is intended that the Common Shares represented by proxies in favour of management nominees will be voted in favour of the Omnibus Resolution in the absence of direction to the contrary from the shareholder appointing them. An affirmative vote of a majority of the votes cast by disinterested shareholders at the meeting is sufficient for approval of the Omnibus Resolution.

EXECUTIVE COMPENSATION

Named Executive Officers

During the financial year ended December 31, 2018, the following individuals acted as named executive officers ("**Named Executive Officers**" or "**NEOs**"), as such term is defined in Form 51-102F6 – *Statement of Executive Compensation*, of the Corporation:

- Bruce Dawson-Scully, former Chief Executive Officer;
- Keith Merker, Chief Executive Officer, former Chief Financial Officer, and Corporate Secretary;
- Nichola Thompson, Chief Financial Officer;
- Dr. Luc C. Duchesne, Chief Scientific Officer; and

- Josephine DesLauriers, Vice President of People.

Compensation Discussion and Analysis

The purpose of the Compensation Discussion and Analysis section of this Circular is to provide information about the Corporation's executive compensation philosophy, objectives, and processes and to discuss compensation decisions relating to the Corporation's Named Executive Officers.

How the Corporation Determines Compensation

WeedMD's compensation committee (the "**Compensation Committee**"), as described in more detail under "*Corporate Governance*", is responsible for reviewing, establishing and overseeing the compensation policies of WeedMD and compensation of the NEOs. See "*Particulars of Annual Matters to be Acted Upon – Election of Directors*" for a summary biography of each member of the WeedMD Compensation Committee which sets out the relevant experience to the performance of his or her duties as a member of the WeedMD Compensation Committee. Based on the recommendations of the Compensation Committee, the Board as a whole is responsible for determining the compensation paid to the executive officers and directors of WeedMD.

The Compensation Committee is currently comprised of Michael Kraft, Gail Paech, Michael Pesner and Kevin McGovern. Each member of the Compensation Committee has been determined by the WeedMD Board to be "independent" as such term is defined in NI 52-110.

Objectives of the Compensation Program

WeedMD's executive compensation program has been designed to motivate, reward, attract and retain high caliber management deemed essential to ensure our success. The program seeks to align executive compensation with WeedMD's short-term and long-term business objectives, business strategy and financial performance. WeedMD's compensation program is designed to achieve the following objectives:

- provide competitive compensation opportunities in order to attract and retain talented, high caliber executive officers, whose expertise, skills and performance are critical to WeedMD's success;
- motivate these executive officers to achieve WeedMD's strategic vision and business objectives;
- align the interests of the executive officers with those of the Shareholders and other stakeholders by tying a meaningful portion of compensation directly to the overall growth of WeedMD's business; and
- provide incentives that encourage appropriate levels of risk-taking by the executive team.

Executive Compensation Components

WeedMD's executive compensation program is comprised of fixed and variable components. The variable components include equity and non-equity elements. Each compensation component has a different function, but all elements are designed to work in concert to maximize WeedMD and individual performance and provide financial incentives to senior executives based on the level of achievement of specific operational and financial objectives. The compensation of the NEOs includes: base salary; bonuses; long-term equity incentives, consisting of stock options granted under the Stock Option Plan and any other equity plan that may be approved by the WeedMD Board; limited perquisites; and customary benefit programs. These principal elements of compensation are described in more detail below.

Base Salary

Base salaries for executive officers are established based on the scope of their responsibilities and their prior relevant experience, taking into account compensation paid by other companies in the industry for similar positions and the overall market demand for such executives at the time of hire. The Corporation does not actively benchmark its compensation to other companies, but has reviewed the public disclosure available for other comparable cannabis

companies to assist in determining the competitiveness of base salary (as well as bonuses, benefits and stock options) paid to the executive officers of the Corporation. An executive officer's base salary is determined by reviewing the executive officer's other compensation to ensure that the executive officer's total compensation is in line with the Corporation's overall compensation philosophy.

Base salaries are reviewed annually and increased for merit reasons, based on the executive's success in meeting or exceeding individual objectives and/or for market competitiveness. Additionally, base salaries can be adjusted as warranted throughout the year to reflect promotions or other changes in the scope or breadth of an executive's role or responsibilities, as well as for market competitiveness.

Bonus Plans

WeedMD's compensation program includes eligibility for annual incentive cash bonuses. Factors considered in determining bonus amounts include individual performance, financial criteria (such as share price performance) and operational criteria (such as the attainment of corporate milestones).

Stock Option Plan

WeedMD maintains the Stock Option Plan for directors, officers, employees and consultants of WeedMD, which was established on September 30, 2014.

The purpose of the Stock Option Plan is to add incentive and to provide consideration for effective services of full and part-time employees, full and part-time officers and directors of WeedMD, and persons performing special technical or other services to WeedMD. The number of Options, the exercise price per Common Share, the vesting period and any other terms and conditions of Options granted pursuant to the Stock Option Plan, from time to time, are determined by the Board at the time of the grant, subject to the defined parameters of the Stock Option Plan.

The Stock Option Plan is administered by the Board. Participation is limited to directors, full and part-time officers, full and part-time employees and consultants providing services to WeedMD.

The exercise price of any Option cannot be less than the discounted market price of the Common Shares at the time the Option is granted. Market price is deemed to be the closing price as reported on the principal stock exchange or over-the-counter market on which the Common Shares are listed or quoted, on the last trading day immediately preceding the day upon which the Option is granted. The exercise period cannot exceed ten years.

Options terminate on the date of expiration specified, 90 days after a participant ceases to be eligible (or 30 days if the recipient is involved in investor relations activities), or one (1) year after the date of death.

The Stock Option Plan allows for the issuance of stock options on a "rolling" basis whereby up to a maximum of 10% of the issued and outstanding Common Shares may be reserved for granting under the Stock Option Plan with no vesting provisions. The maximum number of Common Shares reserved for issuance to any individual officer or director shall not exceed five per cent (5%) of the issued and outstanding Common Shares and to any technical consultant shall not exceed two percent (2%) of the issued and outstanding Common Shares, in each case subject to adjustment of such number pursuant to the provisions contained in the Stock Option Plan related to share capital readjustments.

Other Long-Term Benefits – Omnibus Plan

At the Meeting, the Corporation will put forth the Omnibus Plan to be voted upon. The Omnibus Plan was approved by the Board on April 27, 2019. If approved by the shareholders, the Omnibus Plan will replace the Stock Option Plan and thereafter all outstanding stock options will be governed by the Omnibus Plan and no further stock options will be granted under the Stock Option Plan. For more information on the Omnibus Plan, see "*Particular Matters to be Acted Upon – Omnibus Incentive Plan*". A copy of the Omnibus Plan is attached to this Circular as Schedule "C".

Perquisites and Other Benefits

Certain of the WeedMD executive officers are provided perquisites to aid in the performance of their respective duties and to provide compensation competitive with executives with similar positions and levels of responsibilities. Perquisites generally include reimbursement of automobile expenses, monthly personal cell phone allowances, technology allowances and/or payment of professional development fees. Such perquisites are not a significant element of the compensation of executive officers.

Health and Insurance Benefits

Each of our executive officers, including our Named Executive Officers, is eligible to participate in our health and insurance plans on the same terms and conditions as provided to all other eligible employees. Such benefits include:

- medical and dental benefits;
- long-term disability insurance; and
- life insurance and accidental death and disability coverage.

We believe the benefits described above are necessary and appropriate to provide a competitive compensation package to our executive officers, including our Named Executive Officers.

Compensation of Named Executive Officers

The following table provides a summary of total compensation earned during each of the twelve month periods ended December 31, 2016, December 31, 2017 and December 31, 2018, by each NEO for services rendered in all capacities during those periods.

Name and Principal Position of Named Executive Officer	Twelve Months Ended Dec. 31	Salary (\$)	Option-Based Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation		All Other Compensation (\$)	Total Compensation (\$)
				Annual Incentive Plans (\$) ⁽¹⁾	Long-Term Incentive Plans (\$)		
Bruce Dawson-Scully Former Chief Executive Officer ⁽³⁾	2018	\$226,195	\$169,184	---	---	---	\$395,379
	2017	\$154,942	\$153,424	---	---	---	\$308,366
	2016	\$177,692	---	---	---	---	\$177,692
Keith Merker Chief Executive Officer, former Chief Financial Officer & Corporate Secretary ⁽³⁾	2018	\$250,823	\$648,000	\$107,912	---	---	\$1,006,735
	2017	\$156,910	\$119,329	---	---	\$543,750	\$819,989
	2016	\$140,000	---	---	---	---	\$140,000
Dr. Luc C. Duchesne Former Chief Scientific Officer ⁽⁴⁾	2018	\$118,222	\$676,734	---	---	\$22,038	\$816,994
	2017	\$158,077	\$119,329	---	---	\$435,000	\$712,406
	2016	\$176,179	---	---	---	---	\$176,179
Nichola Thompson, Chief Financial Officer ⁽⁵⁾	2018	\$161,906	\$171,905	\$42,503	---	---	\$376,314
	2017	---	---	---	---	---	---
	2016	---	---	---	---	---	---
Josephine DesLauriers, Vice President of People ⁽⁶⁾	2018	\$163,921	\$171,905	\$42,819	---	---	\$378,645
	2017	---	---	---	---	---	---
	2016	---	---	---	---	---	---

Notes:

- (1) Represents amounts earned as cash bonuses.
- (2) This value was used both for the purposes of compensation (grant date fair value) and accounting value and was derived using the Black-Scholes methodology.
- (3) Mr. Dawson-Scully stepped down from the position of Chief Executive Officer on July 11, 2018 and Mr. Merker was appointed as Chief Executive Officer of the Corporation commencing July 11, 2018.
- (4) Mr. Duchesne resigned from his position as Chief Scientific Officer effective July 31, 2018, and remained as a consultant to the Corporation until November 2, 2018.
- (5) Ms. Thompson was appointed the interim Chief Financial Officer of the Corporation commencing July 9, 2018 and was appointed the Chief Financial Officer commencing April 25, 2019.
- (6) Ms. DesLauriers joined the Corporation as Vice President of People on February 6, 2018.

Outstanding Option-Based Awards

The table below reflects all option-based awards for each Named Executive Officer outstanding as at December 31, 2018. WeedMD does not have any other equity incentive plan other than the Stock Option Plan.

NEO OPTION-BASED AWARDS OUTSTANDING AS AT DECEMBER 31, 2018				
	Number of Securities Underlying Unexercised Options ⁽¹⁾	Option Exercise Price (\$/Security)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$)
Bruce Dawson-Scully Former Chief Executive Officer ⁽³⁾	---	---	---	\$0
Keith Merker Chief Executive Officer, former Chief Financial Officer & Corporate Secretary ⁽³⁾	437,500 ⁽²⁾	\$0.60	February 24, 2027	\$146,486
	425,000	\$2.36	January 12, 2023	\$0
	500,000	\$2.07	September 6, 2023	\$0
Dr. Luc C. Duchesne Former Chief Scientific Officer ⁽⁴⁾	425,000	\$2.36	January 12, 2023	\$0
Nichola Thompson, Chief Financial Officer ⁽⁵⁾	100,000	\$2.36	January 12, 2023	\$0
	100,000	\$2.07	September 6, 2023	\$0
Josephine DesLauriers, Vice President of People ⁽⁶⁾	100,000	\$2.36	January 12, 2023	\$0
	100,000	\$2.07	September 6, 2023	\$0

Notes:

- (1) Fair value of the WeedMD Options was determined using the Black-Scholes option-pricing model.
- (2) Held by 2245790 Ontario Ltd., a corporation beneficially owned or controlled by Keith Merker.
- (3) Mr. Dawson-Scully stepped down from the position of Chief Executive Officer on July 11, 2018 and Mr. Merker was appointed as Chief Executive Officer of the Corporation commencing July 11, 2018.
- (4) Mr. Duchesne resigned from his position as Chief Scientific Officer effective July 31, 2018, and remained as a consultant to the Corporation until November 2, 2018.
- (5) Ms. Thompson was appointed the interim Chief Financial Officer of the Corporation commencing July 9, 2018 and was appointed the Chief Financial Officer commencing April 25, 2019.
- (6) Ms. DesLauriers joined the Corporation as Vice President of People on February 6, 2018.

Incentive Award Plans – Value Vested or Earned During the Year Ended December 31, 2018

The following table sets out for each WeedMD NEO, the value of option-based awards which vested during the year ended December 31, 2018 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2018.

	Option-Based Awards — Value Vested During 2018 (\$)	Non-Equity Incentive Plan Compensation — Value Earned During 2018 (\$)
Bruce Dawson-Scully Former Chief Executive Officer ⁽¹⁾	\$179,998	---
Keith Merker Chief Executive Officer, former Chief Financial Officer & Corporate Secretary ⁽¹⁾	\$299,829	---
Dr. Luc C. Duchesne Former Chief Scientific Officer ⁽²⁾	\$269,996	---
Nichola Thompson, Chief Financial Officer ⁽³⁾	\$171,905	---
Josephine DesLauriers, Vice President of People ⁽⁴⁾	\$171,905	---

Notes:

- (1) Mr. Dawson-Scully stepped down from the position of Chief Executive Officer on July 11, 2018 and Mr. Merker was appointed as Chief Executive Officer of the Corporation commencing July 11, 2018.
- (2) Mr. Duchesne resigned from his position as Chief Scientific Officer effective July 31, 2018, and remained as a consultant to the Corporation until November 2, 2018.
- (3) Ms. Thompson was appointed the interim Chief Financial Officer of the Corporation commencing July 9, 2018 and was appointed the Chief Financial Officer commencing April 25, 2019.
- (4) Ms. DesLauriers joined the Corporation as Vice President of People on February 6, 2018.

Employment Agreements and Termination and Change of Control Benefits

Except as set out herein, WeedMD has not entered into any employment contracts with the NEOs or under any compensatory plan, contract or arrangement whereby a NEO would receive payment from WeedMD in the event of (a) the resignation, retirement or termination of a NEO, (b) a change of control of WeedMD or (c) a change in a NEO's responsibilities.

WeedMD has entered into an employment agreement with Ms. Josephine DesLauriers. The employment agreement provides that Ms. DesLauriers will receive, in the event of termination without cause, or in the event of her resignation for good cause (as described therein), a severance payment equal to two weeks' salary for the first year of completed employment, and an additional week per completed year thereafter, up to a maximum of eight weeks' salary payment.

Director Compensation

WeedMD's director compensation program is designed to attract and retain qualified individuals. The WeedMD Compensation Committee assesses the director compensation program annually and makes recommendations with respect to director compensation to the WeedMD Board.

The following table provides a summary of all amounts of compensation provided to directors of WeedMD, other than directors who are also WeedMD NEOs, during the year ended December 31, 2018.

	Fee Earned (\$)	Option-Based Awards (\$) ⁽¹⁾	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (US\$)	Total (\$)
Michael Kraft	\$242,000	\$676,734	---	---	\$918,734
Gail Paech	\$104,250	\$410,817	---	---	\$515,067
Rick Moscone	---	\$95,539	---	---	\$95,539
Kevin McGovern	\$104,250	\$246,809	---	---	\$351,059
Michael Pesner ⁽²⁾	\$34,819	\$210,342	---	---	\$245,161

Notes:

- (1) Fair value of the WeedMD Options was determined by the Black-Scholes option pricing model.
(2) Michael Pesner was appointed as a director of WeedMD on September 5, 2018.

Directors' Option-Based Awards

All directors are entitled to participate in the Stock Option Plan. During the financial year ended December 31, 2018, 1,048,000 Options were granted to directors (other than NEOs). During such financial year, no Options were exercised by directors, including NEOs. As at December 31, 2018, the Corporation had 8,023,503 outstanding Options, of which 1,473,000 were issued to the directors (other than NEOs).

As of the date of this Circular, the Corporation grants options in accordance with the Stock Option Plan. However, the Corporation is seeking to replace the Stock Option Plan with the Omnibus Plan, a copy of which is attached to this Circular as Schedule "C". For more information on the Omnibus Plan, see "*Particular Matters to be Acted Upon – Omnibus Incentive Plan*".

Outstanding Option-Based Awards

The following table discloses the particulars of option-based awards granted to directors of WeedMD, other than directors who are also Named Executive Officers, during the fiscal year ended December 31, 2018.

	Number of Common Shares Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽¹⁾
Michael Kraft	425,000 ⁽²⁾	\$2.36	January 12, 2023	\$0
Gail Paech	258,000	\$2.36	January 12, 2023	\$0
Rick Moscone	60,000	\$2.36	January 12, 2023	\$0
Kevin McGovern	155,000	\$2.36	January 12, 2023	\$0
Michael Pesner ⁽³⁾	150,000	\$2.07	September 6, 2023	\$0

Notes:

- (1) Fair value of the WeedMD Options was determined by the Black-Scholes option pricing model.
(2) Held by Buckingham Group Limited, a corporation beneficially owned or controlled by Michael Kraft.
(3) Michael Pesner was appointed as a director of WeedMD on September 5, 2018.

Incentive Plan Awards – Value Vested or Earned During the Year Ended December 31, 2018

The following table sets out for each director, other than WeedMD NEOs, the value of option-based awards which vested during the year ended December 31, 2018 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2018.

	Option-based awards – Value vested during the year⁽¹⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Michael Kraft	\$528,128	---
Gail Paech	\$320,605	---
Rick Moscone	\$74,559	---
Kevin McGovern	\$246,809	---
Michael Pesner ⁽²⁾	\$210,342	---

Notes:

- (1) Fair value of the WeedMD Options was determined by the Black-Scholes option pricing model.
 (2) Michael Pesner was appointed as a director of WeedMD on September 5, 2018.

MANAGEMENT CONTRACTS

No management functions of WeedMD are, to any substantial degree, performed other than by directors or senior officers of WeedMD or its subsidiaries.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information regarding the number of Common Shares to be issued upon the exercise of outstanding options, and the weighted-average exercise price of outstanding options, outstanding on December 31, 2018.

Plan Category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by securityholders	8,023,503 ⁽¹⁾	\$1.79	3,103,553 ⁽²⁾
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
TOTAL	8,023,503	\$1.79	3,103,553

Notes:

- (1) Common Shares to be issued on the exercise of outstanding stock options governed by the Stock Option Plan.
 (2) Based on 10% of the 111,270,564 Common Shares issued and outstanding as of December 31, 2018.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer or employee of the Corporation, or any associate of any such person, is as at the date hereof, or has been, during the financial year ended December 31, 2018, indebted to the Corporation or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Corporation or any of its subsidiaries.

REPORT ON CORPORATE GOVERNANCE

General

The following sections set out a description of WeedMD's corporate governance practices as approved by the Board in compliance with National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") and National Policy 58-201 – *Corporate Governance Guidelines* ("**NP 58-201**").

NP 58-201 contains a series of guidelines for effective corporate governance. The guidelines deal with such matters as the constitution and independence of corporate boards, their functions, the effectiveness and education of board members and other items dealing with sound corporate governance. For the purposes of this disclosure, the applicable meaning of "independent" is that which is provided in NI 58-101, which states that a director is considered "independent" if he or she has no direct or indirect "material relationship" with the Corporation, which is one that could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment; provided that, with respect to the members of the audit committee of the Board (the "**Audit Committee**"), the meaning of "independent" shall be that defined under, and required by, NI 52-110.

Board of Directors

Five of the six members of the WeedMD Board are "independent", as that term is defined in NI 58-101, being Michael Kraft, Gail Paech, Rick Moscone, Kevin McGovern, and Michael Pesner. Keith Merker is not considered "independent" because he also functions as the Chief Executive Officer of WeedMD. Accordingly, a majority of the members of the WeedMD Board are "independent".

Other Board Positions

Certain members of the Board are also members of the board of directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction, as follows:

Name	Name and Jurisdiction of Reporting Issuer	Position	Exchange	From
Michael Kraft	Lingo Media Corporation	President, CEO, Director	TSXV	November 1996
	Pioneering Technology Corp.	Director	TSXV	July 2006
	Percy Street Capital Corporation	Director	TSXV	August 2015
	JM Capital II Corp.	Director	TSXV	January 2012
Keith Merker	Lift & Co. Corp. (formerly MJ Opportunity Corp.)	Director	TSXV	August 2017
Gail Paech	Extencicare, Canada	Director	TSX/S&P	January 2016

Michael Pesner	Wallbridge Mining Company Limited	Director	TSX	January 2019
	Le Château Inc.	Director	TSXV	December 2012
	Smart Employee Benefits Inc.	Director	TSXV	May 2017

Orientation and Continuing Education

The Board does not have a formal orientation policy. New directors, when elected or appointed, are and will be provided with access to information, including sufficient historical data, to become familiar with WeedMD and its operations and to familiarize themselves with the procedures of the Board.

The skills and knowledge of the Board, as a whole, is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds and have years of collective experience in managing and maintaining operations of companies in various sectors. Board members are encouraged to take courses that will continue to update their knowledge of any changes in regulatory and reporting requirements, as well as communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to WeedMD's records. Reference is made to the table under the heading "*Particulars of Annual Matters to be Acted Upon – Election of Directors*" for a description of the current principal occupations of the WeedMD Board members and proposed nominees.

Code of Conduct

WeedMD has a Code of Conduct for directors, officers, employees and representatives of the Corporation and its subsidiaries worldwide.

Directors and executive officers are required by applicable law and WeedMD's corporate governance practices and policies to promptly disclose any potential conflict of interest that may arise. If a director or executive officer has a material interest in an agreement or transaction, applicable law and principles of sound corporate governance require them to declare the interest in writing and, where required by applicable law, to abstain from voting with respect to such agreement or transaction.

The Code of Conduct also sets out: (i) standards for WeedMD and its employees' relationships with customers and others; (ii) standards for the accuracy of the WeedMD's books and records and the provision of information to the public; and (iii) rules regarding the ownership, protection and proper use of WeedMD's assets. Significant efforts are made to ensure all directors, officers, employees and representatives of WeedMD fully understand their responsibilities under the Code of Conduct through training, leadership communications, certification requirements and awareness initiatives.

Any waiver of the Code of Conduct's provisions shall be granted only in exceptional circumstances and then only by the Board in writing. Waivers granted to directors or executive officers may only be granted by the Board and shall be publicly disclosed as required by law.

Nomination of Directors

WeedMD's nomination and governance committee (the "**Nomination and Governance Committee**") is responsible for overseeing and assessing the functioning of the Board and the committees thereof. The Nomination and Governance Committee is tasked with annually reviewing and making recommendations to the Board with regard to the size, composition and role of the Board and its standing committees (including any additional committees to be established) and the methods and processes by which the Board, committees and individual directors fulfill their duties and responsibilities, including the methods and processes for evaluating board, committee and individual director effectiveness.

Committees

The Corporation has three separate standalone committees: the Audit Committee, the Nomination and Governance Committee, and the Compensation Committee.

Compensation Committee

Kevin McGovern, Michael Kraft, Michael Pesner and Gail Paech serve as members of the Compensation Committee. Each of the members of the Compensation Committee is "independent" within the meaning of NI 52-110, except Kevin McGovern. Under the Compensation Committee's mandate, the Compensation Committee is responsible for, among other things: (a) in consultation with senior management, establishing WeedMD's general compensation philosophy, and overseeing the development and implementation of compensation programs; (b) reviewing and approving the compensation of the Chief Executive Officer; (c) in consultation with the Chief Executive Officer, reviewing compensation programs applicable to the senior management of WeedMD; (d) making recommendations to the Board with respect to WeedMD's incentive compensation plans and equity-based plans, the activities of the individuals and committees responsible for administering these plans, and discharging any responsibilities imposed on the Compensation Committee by any of these plans; and (e) annually reviewing directors' compensation and recommending any changes to the Board for consideration.

Nomination and Governance Committee

The Nomination and Governance Committee is comprised of Gail Paech, Kevin McGovern and Michael Pesner. Each of the members of the Nomination and Governance Committee is "independent" within the meaning of NI 52-110.

The Nomination and Governance Committee is responsible for seeking out and evaluating suitable candidates to serve on the Board. In so doing, the Nomination and Governance Committee will: (i) consider what competencies and skills the Board, as a whole, should possess; (ii) assess what competencies and skills each existing director possesses; (iii) recommend to the Board the necessary and desirable competencies of directors, taking into account WeedMD's strategic direction and changing circumstances and needs; (iv) identify individuals qualified to become new members of the Board and recommend to the Board the new director nominees for the next annual meeting of shareholders; and (v) annually conduct, review and report to the Board the results of an assessment of the performance and effectiveness of the Board.

AUDIT COMMITTEE

The following information regarding the WeedMD Audit Committee is required to be disclosed pursuant to NI 52-110.

Pursuant to applicable laws, the policies of the TSXV and NI 52-110, WeedMD is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of WeedMD or an affiliate of WeedMD. NI 52-110 requires WeedMD, 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.

WeedMD's Audit Committee is responsible for WeedMD's financial reporting process and the quality of its financial reporting. In addition to its other duties, the Audit Committee reviews all financial statements, annual and interim, intended for circulation among Shareholders and reports upon these to the Board. In addition, the Board may refer to the Audit Committee other matters and questions relating to the financial position of WeedMD. In performing its duties, the Audit Committee maintains effective working relationships with the Board, management and the external auditors and monitors independence of those auditors.

Audit Committee Charter

The Board has adopted a written charter for the Audit Committee, in the form set out under Schedule "A" to this Circular, which sets out the Audit Committee's responsibilities.

The Audit Committee's principal duties and responsibilities include assisting the Board in discharging the oversight of: (i) the integrity of WeedMD's consolidated financial statements and accounting and financial processes and the audits of WeedMD's consolidated financial statements; (ii) compliance with legal and regulatory requirements; (iii) external auditors' qualifications and independence; (iv) the work and performance of financial management and external auditors; and (v) system of disclosure controls and procedures and system of internal controls regarding finance, accounting, legal compliance, and risk management established by management and the Board. The Audit Committee has access to all books, records, facilities and personnel and may request any information about us as it may deem appropriate. It also has the authority to retain and compensate special legal, accounting, financial and other consultants or advisors to advise the Audit Committee.

Composition of the Audit Committee

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

Name	Independent / Not Independent ⁽¹⁾	Financial literacy ⁽¹⁾
Michael Pesner ⁽²⁾	Independent	Financially literate
Gail Paech	Independent	Financially literate
Kevin McGovern	Not Independent	Financially literate

Notes:

- (1) Terms have their respective meanings ascribed in NI 52-110.
- (2) Chairman of the WeedMD Audit Committee.

Relevant Education and Experience

The education and experience of each Audit Committee member that is relevant to the performance of his or her responsibilities as an audit committee member is as follows:

Michael Pesner

Mr. Pesner, CPA, CA, has been President of Hermitage Canada Finance Inc. since 2002, a firm specializing in financial advisory services. He was previously a partner in financial advisory services at KPMG LLP, in Montreal, specializing in corporate finance, mergers and acquisitions, divestitures, restructuring and corporate recovery in Canada. Mr. Pesner holds a Bachelor of Commerce degree in Finance and Administration from McGill University as well as a Bachelor of Arts degree from Sir George Williams University. Mr. Pesner is also a Chartered Professional Accountant, a Licensed Insolvency Trustee, and a Certified Insolvency and Restructuring Professional. Mr. Pesner has considerable experience as chair of audit committees of several publicly listed companies.

Gail Paech

Ms. Paech is a highly focused, seasoned professional with over 25 years of senior executive experience in the public, private and not-for-profit sectors. She is a former Associate Deputy Minister, Economic Development and Trade and Assistant Deputy Minister, Ministry of Health. During her tenure as a senior civil servant, Gail gained the reputation for her ability to head up large-scale, high-profile, provincial initiatives that resulted in system transformation and lasting change in the delivery of core public services. She possesses in-depth knowledge of government decision-making processes, having been responsible for policy formulation of both sector specific and government-wide policies, programs and the regulatory process. As interim CEO of the largest Long Term Care Association in Canada, Gail assisted in the development of consumer-oriented strategy that unleashed the innovation potential of the Long-Term Care sector while generating value for the healthcare system. As President and CEO of a large downtown Toronto hospital, Gail was responsible for implementing strategic direction which successfully repositioned the hospital during the province- wide restructuring program. Gail has considerable experience with a global consulting

company where she was National Director responsible for the development and future direction of the healthcare practice across Canada. She conducted large scale health system redesign projects across the country.

Kevin McGovern

Mr. McGovern is the Chairman of McGovern Capital, a global investment, strategy and licensing provider which provides investments and business strategy to emerging companies, particularly those engaged in consumer technologies and holders of intellectual property rights and most recently over the past several years, in the global cannabis sector. Mr. McGovern was a founder of beverage company SoBe, before it was sold to Pepsi for \$375 million. He helped to drive the development and launch of products for a skin care supplier, TriStrata Inc. He has done significant work in eliminating water pollution through The Water Initiative and continues to do so globally through his personal entities. Mr. McGovern has served on various public and private boards including The Sports Authority and he is a member of the National Board of the Smithsonian (the world's largest research and museum institution). He is a graduate of Cornell University (BA) and St. John's University School of Law (JD) and is a Trustee Emeritus and a Presidential Councillor (highest honor to alumni) of Cornell University (having served as the Co-Chairman of the Technology Transfer Committee). Mr. McGovern was named the Cornell "Entrepreneur of the Year" in 2007, was given St. John's University School of Law's "Distinguished Alumni Award" and awarded The East West Institute's "Global Game Changer Award". The Luce Foundation honored him as its 2015 Humanitarian of the Year. He also teaches a course on "Global Innovation and Commercialization" at the graduate business school at Cornell University and has been a guest lecturer at Cornell NY Tech, MIT, NTU in Singapore, and KAUST in Saudi Arabia. The McGovern Family Center for Venture Development in Life Sciences at Cornell University was recently acclaimed as one of the Top 10 Venture Development Centers in North America.

Audit Committee Oversight

At no time since the commencement of the fiscal year ended December 31, 2018 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees (By Category)

The following table sets forth, by category, the fees for all services rendered by the Company's current external auditor, RSM Canada LLP (formerly Collins Barrow LLP), for the financial years ended December 31, 2018 and 2017:

	Fiscal Year Ended December 31, 2018 (\$)	Fiscal Year Ended December 31, 2017 (\$)
Audit Fees	\$240,750	\$87,000
Audit-related Fees ⁽¹⁾	\$31,400	\$10,400
Tax Fees	Nil	Nil
All Other Fees ⁽²⁾	\$15,600	\$18,044

Notes:

- (1) Includes fees for services related to review of interim financial statements.
- (2) Includes fees for services related to financing support and review of filing statement.

On April 13, 2017, WeedMD (formerly Aumento Capital V Corporation) and WeedMD Rx Inc. completed a business combination transaction whereby WeedMD Rx Inc. amalgamated with a wholly-owned subsidiary of WeedMD (the "**RTO Transaction**"). The following table sets forth, by category, the fees for all services rendered by Grant Thornton

LLP, formerly the auditors of WeedMD prior to the RTO Transaction (with respect to Aumento Capital V Corporation), for the financial year ended December 31, 2017:

	Fiscal Year Ended December 31, 2017 (\$)
Audit Fees	Nil
Audit-related Fees ⁽¹⁾	\$13,300
Tax Fees	Nil
All Other Fees	Nil

Note:

(1) Includes fees for services related to review of interim financial statements.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise described herein, none of the persons who were directors or executive officers of the Corporation or a subsidiary of the Corporation at any time during the Corporation's last financial year, the persons nominated for election as directors of the Corporation, any person or corporation who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding Common Shares, nor any associate or affiliate of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Corporation.

ADDITIONAL INFORMATION

Additional information relating to WeedMD can be found on SEDAR at www.sedar.com. Financial and other information is provided in WeedMD's audited consolidated financial statements and management's discussion and analysis for the financial year ended December 31, 2018, which can be found on SEDAR at www.sedar.com and will be sent without charge to any securityholder upon request to the Chief Financial Officer of WeedMD at 250 Elm Street, Aylmer, Ontario, N5H 2M8.

APPROVAL OF BOARD OF DIRECTORS

The contents of this Circular, and the sending thereof to each director of the Corporation, to the auditors of the Corporation and the Shareholders has been approved by the Board.

DATED in the City of Toronto, in the Province of Ontario, this 13th day of May, 2019.

(signed) "*Keith Merker*"

Keith Merker
Chief Executive Officer

SCHEDULE "A"
WEEDMD AUDIT COMMITTEE CHARTER

A. RESPONSIBILITY

The Audit Committee is responsible for assisting the Board of Directors (the "**Board**") of WeedMD Inc. (the "**Corporation**") in fulfilling its oversight responsibilities in relation to:

- a) the integrity of the Corporation's financial statements;
- b) the Corporation's compliance with legal and regulatory requirements related to financial reporting;
- c) the qualifications, independence and performance of the Corporation's auditor;
- d) the design, implementation and maintenance of internal controls and disclosure controls; and
- e) any additional matters delegated to the Audit Committee by the Board.

B. MEMBERS

The Board must appoint a minimum of three directors to be members of the Audit Committee. The members of the Audit Committee will be selected by the Board on the recommendation of the Nomination and Governance Committee.

A majority of the members of the Audit Committee will be "independent directors" ("**Independent Directors**") as defined in National Instrument 52-110—Audit Committees, as amended from time to time ("**NI 52-110**"). In addition, every member of the Audit Committee will be "financially literate" as defined in NI 52-110.

C. DUTIES

The Audit Committee is responsible for performing the duties set out below as well as any other duties that are otherwise required by law or delegated to the Audit Committee by the Board.

1. Appointment and Review of the Auditor

The auditor is ultimately accountable to the Audit Committee and reports directly to the Audit Committee. Accordingly, the Audit Committee will evaluate and be responsible for the Corporation's relationship with the auditor. Specifically, the Audit Committee will:

- a) select, evaluate and nominate the auditor to be proposed for appointment or reappointment, as the case may be, by the shareholders;
- b) review and approve the auditor's engagement letter;
- c) review the independence, experience, qualifications and performance of the auditor, including the engagement and lead partners, in recommending its appointment or reappointment, including considering whether the auditor's provision of any permitted non-audit services is compatible with maintaining its independence;
- d) resolve any disagreements between senior management and the auditor regarding financial reporting;
- e) at least annually, obtain and review a report by the auditor describing:

- (i) the auditor's internal quality-control procedures, including with regard to safeguarding confidential information;
- (ii) any material issues raised by the most recent internal quality control review, or peer review, of the auditor, or review by any independent oversight body, such as the Canadian Public Accountability Board, or governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the auditor, and the steps taken to deal with any issues raised in any such review; and
- (iii) where appropriate, terminate the auditor.

2. Confirmation of the Auditor's Independence

At least annually, and before the auditor issues its report on the annual financial statements, the Audit Committee will:

- (a) review a formal written statement from the auditor describing all of its relationships with the Corporation;
- (b) discuss with the auditor any relationships or services that may affect its objectivity and independence;
- (c) obtain written confirmation from the auditor that it is objective within the meaning of the Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of Chartered Accountants to which it belongs and is an independent public accountant within the meaning of the Independence Standards of the Canadian Institute of Chartered Accountants; and
- (d) confirm that the auditor has complied with applicable rules, if any, with respect to the rotation of certain members of the audit engagement team.

3. Pre-Approval of Non-Audit Services

The Audit Committee will pre-approve the appointment of the auditor for any non-audit service to be provided to the Corporation. Before the appointment of the auditor for any non-audit service, the Audit Committee will consider the compatibility of the service with the auditor's independence. The Audit Committee may pre-approve the appointment of the auditor for any non-audit services by adopting specific policies and procedures, from time to time, for the engagement of the auditor for non-audit services. Such policies and procedures will be detailed as to the particular service, and the Audit Committee must be informed of each service, and the procedures may not include delegation of the Audit Committee's responsibilities to management. In addition, the Audit Committee may delegate to one or more members the authority to pre approve the appointment of the auditor for any non-audit service to the extent permitted by applicable law provided that any pre-approvals granted pursuant to such delegation shall be reported to the full Audit Committee at its next scheduled meeting.

4. Communications with the Auditor

The Audit Committee has the authority to communicate directly with the auditor and will meet privately with the auditor periodically to discuss any items of concern to the Audit Committee or the auditor, such as:

- a) the scope, planning and staffing of the audit;
- b) the auditor's materiality threshold for the audit;
- c) the assessment by the auditor of significant audit risk;
- d) any material written communications between the auditor and senior management, such as any management letter or schedule of unadjusted differences;

- e) whether or not the auditor is satisfied with the quality and effectiveness of financial recording procedures and systems;
- f) the extent to which the auditor is satisfied with the nature and scope of its examination;
- g) whether or not the auditor has received the full co-operation of senior management and other employees of the Corporation;
- h) the auditor's opinion of the competence and performance of the Chief Financial Officer and other key financial personnel;
- i) the items required to be communicated to the Audit Committee under the Canadian authoritative guidance;
- j) critical accounting policies and practices to be used by the Corporation;
- k) alternative treatments of financial information within generally accepted accounting principles that have been discussed with senior management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the auditor;
- l) any difficulties encountered in the course of the audit work, any restrictions imposed on the scope of activities or access to requested information, any significant disagreements with senior management and their response; and
- m) any illegal act that may have occurred and the discovery of which is required to be disclosed to the Audit Committee.

5. Review of the Audit Plan

The Audit Committee will discuss with the auditor the nature of an audit and the responsibility assumed by the auditor when conducting an audit under generally accepted auditing standards. The Audit Committee will review a summary of the auditor's audit plan for each audit.

6. Review of Audit Fees

The Audit Committee will determine the auditor's fee and the terms of the auditor's engagement. In determining the auditor's fee, the Audit Committee should consider, among other things, the number and nature of reports to be issued by the auditor, the quality of the internal controls of the Corporation, the size, complexity and financial condition of the Corporation and the extent of support to be provided to the auditor by the Corporation.

7. Review of Financial Statements

The Audit Committee will review and discuss with senior management and the auditor the annual audited financial statements, together with the auditor's report thereon, and the interim financial statements, before recommending them for approval by the Board. The Audit Committee will also review and discuss with senior management and the auditor management's discussion and analysis relating to the annual audited financial statements and interim financial statements. The Audit Committee will also engage the auditor to review the interim financial statements prior to the Audit Committee's review of such financial statements.

Before recommending any financial statements to the Board for approval, the Audit Committee will satisfy itself that such financial statements, together with the other financial information included in the Corporation's annual and interim filings, fairly present in all material respects the financial condition, results of operations and cash flows of the Corporation as of the relevant date and for the relevant periods.

In conducting its review of the financial statements and related management's discussion and analysis, the Audit Committee will:

- a) consider the quality of, and not just the acceptability of, the accounting principles, the reasonableness of senior management's judgments and estimates that have a significant effect upon the financial statements, and the clarity of the disclosures in the financial statements;
- b) discuss any analyses prepared by senior management or the auditor that set out significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of any alternative treatments of financial information that have been discussed with management and the ramification of their use and the auditor's preferred treatment;
- c) discuss the effect of off-balance sheet transactions, arrangements, obligations (including contingent liabilities) and other relationships with unconsolidated entities or other persons that may have a material current or future effect on the Corporation's financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources, or significant components of revenues and expenses;
- d) consider any changes in accounting practices or policies and their impact on financial statements of the Corporation;
- e) discuss with senior management, the auditor and, if necessary, legal counsel, a report from senior management describing any litigation, claim or other contingency, including tax assessments, that could have a material effect upon the financial position of the Corporation, and the manner in which these matters have been disclosed in the financial statements;
- f) discuss with senior management and the auditor any correspondence with regulators or governmental agencies, employee complaints or published reports that raise material issues regarding the Corporation's financial statements or accounting policies;
- g) discuss with the auditor any special audit steps taken in light of material weaknesses in internal control;
- h) review the results of the audit, including any reservations or qualifications in the auditor's opinion;
- i) discuss with the auditor any difficulties encountered in the course of the audit work, including any restrictions on the scope of their procedures and access to requested information, accounting adjustments proposed by the auditor but were "passed" (as immaterial or otherwise), and significant disagreements with senior management;
- j) discuss with the auditor any issues on which the Corporation's audit team consulted the auditor's national office; and
- k) consider any other matter which in its judgment should be taken into account in reaching its recommendation to the Board concerning the approval of the financial statements.

8. Review of Other Financial Information

The Audit Committee will review:

- a) all earnings press releases and other press releases containing financial information, as well as financial information and earnings guidance provided to analysts and rating agencies. The Audit Committee will also review the use of "pro forma" or "adjusted" non-GAAP information in such press releases and financial information. Such review may consist of a general discussion of the types of information to be disclosed or the types of presentations to be made;
- b) all other financial statements of the Corporation that require approval by the Board before they are released to the public;

- c) the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Corporation's financial statements; and
- d) disclosures made to the Audit Committee by the Chief Executive Officer and Chief Financial Officer during their certification process for applicable securities law filings about any significant deficiencies and material weaknesses in the design or operation of the Corporation's internal control over financial reporting which are reasonably likely to adversely affect the Corporation's ability to record, process, summarize and report financial information, and any fraud involving senior management or other employees who have a significant role in the Corporation's internal control over financial reporting.

9. Relations with Senior Management and other Board Committees

The members will periodically meet privately with senior management to discuss any areas of concern to the Audit Committee or senior management. The Audit Committee will provide input to the Compensation Committee on the competence and performance of the Chief Financial Officer and will provide input to the Chief Financial Officer on the competence and performance of other key financial personnel. The Audit Committee will meet with the Board as reasonably required to ensure all public disclosure of financial information (including annual and interim financial statements and management's discussion and analysis related thereto, and all news releases containing financial information) are approved by the Audit Committee prior to public disclosure. Members of the Audit Committee will also consult with the Board when requested in connection with making materiality determinations relating to the Corporation's disclosure obligations.

10. Oversight of Internal Controls and Disclosure Controls

The Audit Committee will review with senior management the adequacy of the internal controls and procedures that have been adopted by the Corporation to safeguard assets from loss and unauthorized use and to verify the accuracy of the financial records. The Audit Committee will review any special audit steps adopted in light of material control deficiencies. The Audit Committee will review with senior management the controls and procedures that have been adopted by the Corporation to confirm that material information about the Corporation and its subsidiaries that is required to be disclosed under applicable law or stock exchange rules is disclosed.

11. Legal Compliance

The Audit Committee will review with legal counsel any legal matters that could have a significant effect on the Corporation's financial statements. It will also review with legal counsel material inquiries received from regulators and governmental agencies and advise the Board accordingly.

12. Risk Management

The Audit Committee will oversee the Corporation's risk assessment and management function and, on a quarterly basis, will review a report from senior management describing the major financial (including taxation matters), legal, operational and reputational risk exposures of the Corporation and the steps senior management has taken to monitor and control such exposures, including the Corporation's policies with respect to monitoring risk assessment and managing and controlling risks. At least annually, the Audit Committee will meet separately with members of senior management and, if desired by the Audit Committee and/or the Corporation's auditors, to assess the Corporation's risk assessment and management policies and practices, including an assessment of the Corporation's most significant areas of risk and the Corporation's plans to monitor and manage those areas of risk (including the Corporation's insurance relating thereto).

13. Taxation Matters

The Audit Committee will review with senior management the status of taxation matters of the Corporation. The Audit Committee will also review a report from senior management confirming that the Corporation has withheld or collected and remitted all amounts required to be withheld or collected and remitted by it in respect of any taxes, levies, assessments, reassessments and other charges payable to any governmental authority.

14. Employees of the Auditor

The Audit Committee will pre-approve the hiring by the Corporation of any partners or employees or former partners or employees of the auditor.

15. Conduct and Ethics

On a quarterly basis, the Audit Committee will review all expenses incurred by the Chief Executive Officer and will confirm that the Chief Executive Officer reviews all expenses incurred by the directors and senior management of the Corporation, respectively.

16. Complaints Procedure

The Audit Committee will review the procedures established by the Board for the receipt, retention and follow-up of complaints received by the Corporation regarding accounting, internal controls, disclosure controls or auditing matters and for the confidential, anonymous submission of concerns by employees of the Corporation regarding such matters.

17. Reporting

The Audit Committee will regularly report to the Board on:

- a) the auditor's independence;
- b) the performance of the auditor and the Audit Committee's recommendations regarding its reappointment or termination;
- c) the adequacy of the Corporation's internal controls and disclosure controls;
- d) its recommendations regarding the annual and interim financial statements of the Corporation, including any issues with respect to the quality or integrity of the financial statements;
- e) its review of the annual and interim management's discussion and analysis;
- f) the Corporation's compliance with legal and regulatory requirements related to financial reporting;
- g) the Corporation's risk assessment and management policies and practices; and
- h) all other significant matters it has addressed and with respect to such other matters that are within its responsibilities.

D. MEETINGS

Subject to the Corporation's by-laws and articles and the requirements under the Business Corporations Act (Ontario):

1. Scheduling

The Audit Committee will meet at least four (4) times annually or more frequently as it determines is necessary to fulfill its responsibilities, which will be not less than four times a year. A meeting of the Audit Committee may be called by the Chair of the Audit Committee, the Chair of the Board, the Chief Executive Officer, the President, the Chief Financial Officer, any Audit Committee member or the Corporation's auditor. Meetings will be held at a location determined by the Chair of the Audit Committee.

2. Notice

Notice of the time and place of each meeting will be given to each member either by telephone or other electronic means not less than 48 hours before the time of the meeting. Meetings may be held at any time without notice if all of the members have waived or are deemed to have waived notice of the meeting. A member participating in a meeting will be deemed to have waived notice of the meeting.

3. Agenda

The Chair of the Audit Committee will preside as Chair of each meeting and will establish the agenda for each meeting and lead discussion on meeting agenda items. The Chair shall instruct management to circulate properly prepared agenda materials to Committee members with sufficient time to review prior to scheduled meetings. Any member may propose the inclusion of items on the agenda, request the presence of or a report by any member of senior management, or at any meeting raise subjects that are not on the agenda for the meeting.

4. Distribution of Information

The Chair of the Audit Committee will distribute, or cause the Secretary to distribute, an agenda and meeting materials in advance of each meeting to allow members sufficient time to review and consider the matters to be discussed.

5. Attendance and Participation

Each member is expected to attend all meetings. A member who is unable to attend a meeting in person may participate by telephone or teleconference.

6. Quorum

A majority of members will constitute a quorum for any meeting of the Audit Committee.

7. Voting and Approval

At meetings of the Audit Committee, each member will be entitled to one vote and questions will be decided by a majority of votes. In case of an equality of votes, the Chair of the Audit Committee will not have a second or casting vote in addition to his or her original vote.

8. Procedures

Procedures for Audit Committee meetings will be determined by the Chair of the Audit Committee unless otherwise determined by the by-laws of the Corporation or a resolution of the Audit Committee or the Board.

9. Transaction of Business

The powers of the Audit Committee may be exercised at a meeting where a quorum is present in person or by telephone or other electronic means, or by resolution in writing signed by all members entitled to vote on that resolution at a meeting of the Audit Committee.

10. Absence of Chair

In the absence of the Chair of the Audit Committee at a meeting of the Audit Committee, the members in attendance must select one of them to act as chair of that meeting.

11. Secretary

The Audit Committee may appoint one of its members or any other person to act as secretary.

12. Minutes of Meetings

A person designated by the Chair of the Audit Committee at each meeting will keep minutes of the proceedings of the Audit Committee and the Chair will cause the Secretary to circulate copies of the minutes to each member on a timely basis.

E. CHAIR

Each year, the Board will appoint one member to be Chair of the Audit Committee. If, in any year, the Board does not appoint a Chair of the Audit Committee, the incumbent Chair of the Audit Committee will continue in office until a successor is appointed.

F. REMOVAL AND VACANCIES

Any member may be removed and replaced at any time by the Board, and will automatically cease to be a member as soon as the member ceases to meet the qualifications set out above. The Board will fill vacancies on the Audit Committee by appointment from among qualified members of the Board. If a vacancy exists on the Audit Committee, the remaining members will exercise all of its powers so long as a quorum remains in office.

G. ASSESSMENT

At least annually, the Nomination and Governance Committee will review the effectiveness of the Audit Committee in fulfilling its responsibilities and duties as set out in this Charter and in a manner consistent with the mandate adopted by the Board.

H. REVIEW AND DISCLOSURE

The Audit Committee will review this Charter at least annually and submit it to the Nomination and Governance Committee together with any proposed amendments.

I. ACCESS TO OUTSIDE ADVISORS AND RECORDS

The Audit Committee may retain any outside advisor at the expense of the Corporation at any time and has the authority to determine any such advisor's fees and other retention terms.

The Audit Committee, and any outside advisors retained by it, will have access to all records and information relating to the Corporation which it deems relevant to the performance of its duties.

SCHEDULE "B"
RESOLUTIONS OF THE SHAREHOLDERS
OF
WEEDMD INC.

Omnibus Incentive Plan

WHEREAS the Board of Directors (the "**Board**") of WeedMD Inc. (the "**Corporation**") has determined that the adoption of the 2019 Omnibus Incentive Plan of the Corporation (the "**Omnibus Plan**"), a copy of which is attached hereto as Schedule "C", is in the best interests of the Corporation and its shareholders;

"BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS THAT:

1. The Omnibus Plan substantially as described in the Management Information Circular of the Corporation dated May 13th 2019, is hereby approved, ratified and confirmed.
2. The Omnibus Plan be authorized and approved as the stock option plan and equity incentive plan of the Corporation, subject to any limitations imposed by applicable regulations, laws, rules and policies.
3. Any officer or director of the Corporation is authorized and directed to execute and deliver, under corporate seal or otherwise, all such documents and instruments and to do all such acts as in the opinion of such officer or director may be necessary or desirable to give effect to this resolution."

SCHEDULE "C"
WEEDMD INC.
2019 OMNIBUS INCENTIVE PLAN

See attached.

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WEEDMD INC.

2019 OMNIBUS EQUITY INCENTIVE COMPENSATION PLAN

**ARTICLE I
ESTABLISHMENT, PURPOSE AND DURATION**

- 1.1 Establishment of the Plan. The following is the omnibus equity incentive compensation plan of WeedMD Inc. (the "**Company**") pursuant to which share based compensation Awards (as defined below) may be granted to eligible Participants (as defined below). The name of the plan is the WeedMD 2019 Omnibus Equity Incentive Compensation Plan (the "**Plan**").

The Plan permits the grant of Options, Restricted Share Units, Deferred Share Units and Performance Share Units (as such terms are defined below). The Plan was approved by the Board (as defined below) on April 27, 2019 and is being put forth before the shareholders of the Company for approval on June 25, 2019, and will be effective upon receipt of shareholder and Exchange approvals (the "**Effective Date**") until the date it is terminated by the Board in accordance with the Plan.

- 1.2 Purposes of the Plan. The purposes of the Plan are to: (i) provide the Company with a mechanism to attract, retain and motivate highly qualified directors, officers, employees and consultants; (ii) align the interests of Participants with that of other shareholders of the Company generally; and (iii) enable and encourage Participants to participate in the long-term growth of the Company through the acquisition of Shares (as defined below) as long-term investments.
- 1.3 Successor Plan. The Plan shall in respect of Options (as defined below) serve as the successor to the Company's stock option plan dated effective September 20, 2014, and most recently reapproved by the holders of the Company's Shares on July 11, 2018 (the "**Predecessor Plan**"), and no further awards shall be made under the Predecessor Plan from and after the Effective Date of the Plan.

**ARTICLE II
DEFINITIONS**

- 2.1 Whenever used in the Plan, the following terms shall have the respective meanings set forth below, unless the context clearly requires otherwise, and when such meaning is intended, such term shall be capitalized.
- (a) "**Affiliate**" means any corporation, partnership or other entity (i) in which the Company, directly or indirectly, has majority ownership interest or (ii) which the Company controls. For the purposes of this definition, the Company is deemed to "control" such corporation, partnership or other entity if the Company possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation, partnership or other entity, whether through the ownership of voting securities, by contract or otherwise, and includes a corporation which is considered to be a subsidiary for purposes of consolidation under International Financial Reporting Standards.
- (b) "**Award**" means, individually or collectively, a grant under the Plan of Options, Deferred Share Units, Restricted Share Units or Performance Share Units, in each case subject to the terms of the Plan.
- (c) "**Award Agreement**" means either (i) a written agreement entered into by the Company or an Affiliate of the Company and a Participant setting forth the terms and provisions applicable to Awards granted under the Plan; or (ii) a written statement issued by the Company or an Affiliate of the Company to a Participant describing the terms and provisions of such Award. All Award Agreements shall be deemed to incorporate the provisions of the Plan, subject to such modifications or additions as the Committee may, in its sole discretion, determine appropriate. An Award Agreement need not be identical to other Award Agreements either in form or substance.

- (d) **"Blackout Period"** means a period of time during which the Participant cannot sell Shares, due to applicable law or policies of the Company in respect of insider trading.
- (e) **"Board"** or **"Board of Directors"** means the Board of Directors of the Company as may be constituted from time to time.
- (f) **"Cause"** means (i) if the Participant has a written agreement pursuant to which he or she offers his or her services to the Company and the term "cause" is defined in such agreement, "cause" as defined in such agreement; or otherwise (ii) (a) the inability of the Participant to perform his or her duties due to a legal impediment such as an injunction, restraining order or other type of judicial judgment, decree or order entered against the Participant; (b) the failure of the Participant to follow the Company's reasonable instructions with respect to the performance of his or her duties; (c) any material breach by the Participant of his or her obligations under any code of ethics, any other code of business conduct or any lawful policies or procedures of the Company; (d) excessive absenteeism, flagrant neglect of duties, serious misconduct, or conviction of crime or fraud; and (e) any other act or omission of the Participant which would in law permit an employer to, without notice or payment in lieu of notice, terminate the employment of an employee.
- (g) **"Change of Control"** means the occurrence of any one or more of the following events:
 - (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Company as a result of which the holders of Shares prior to the completion of the transaction hold or beneficially own, directly or indirectly, less than 50% of the outstanding Voting Securities of the successor corporation after completion of the transaction;
 - (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the assets of the Company and/or any of its subsidiaries to any other person or entity, other than a disposition to a wholly-owned subsidiary in the course of a reorganization of the assets of the Company and its subsidiaries;
 - (iii) a resolution is adopted to wind-up, dissolve or liquidate the Company;
 - (iv) an acquisition by any person, entity or group of persons or entities acting jointly or in concert of beneficial ownership of more than 50% of the Voting Securities, or securities convertible into, exercisable for or carrying the right to purchase more than 50% of the Voting Securities on a post-conversion basis, assuming only the conversion or exercise of securities beneficially owned by the acquirer; or
 - (v) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.
- (h) **"Committee"** means the Board of Directors or if so delegated in whole or in part by the Board, any duly authorized committee of the Board appointed by the Board to administer the Plan.
- (i) **"Company"** means WeedMD Inc.
- (j) **"Consultant"** has the meaning set out in Policy 4.4 of the Exchange or such replacement definition for so long as the Shares are listed on the Exchange, and if the Shares are not so listed, shall have the meaning, if any, that applies to a listing of the Shares on such other exchange as the Shares are then listed on.

- (k) **"Deferred Share Unit"** means an Award denominated in units that provides the holder thereof with a right to receive Shares upon settlement of the Award, granted under and subject to the terms of the Plan.
- (l) **"Director"** means any individual who is a member of the Board of Directors of the Company.
- (m) **"Disability"** means the disability of the Participant which would entitle the Participant to receive disability benefits pursuant to the long-term disability plan of the Company (if one exists) then covering the Participant, provided that the Board may, in its sole discretion, determine that, notwithstanding the provisions of any such long-term disability plan, the Participant is permanently disabled for the purposes of the Plan.
- (n) **"Dividend Equivalent"** means a right with respect to an Award to receive cash, Shares or other property equal in value and form to dividends declared by the Board and paid with respect to outstanding Shares. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement, and if specifically provided for in the Award Agreement shall be subject to such terms and conditions set forth in the Award Agreement as the Committee shall determine.
- (o) **"Employee"** means any employee or officer of the Company or an Affiliate of the Company. Directors who are not otherwise employed by the Company or an Affiliate of the Company shall not be considered Employees under the Plan.
- (p) **"Exchange"** means the TSX Venture Exchange, or any other stock exchange on which the Common Shares of the Company are listed.
- (q) **"Exchange Policies"** mean the policies of the Exchange, including those set forth in the Corporate Finance Manual of the Exchange.
- (r) **"FMV"** means, unless otherwise required by any applicable provision of any regulations thereunder or by any applicable accounting standard for the Company's desired accounting for Awards or by the rules of the Exchange, a price that is determined by the Committee, provided that such price cannot be less than the last closing price of the Shares on the Exchange less any discount permitted by the rules or policies of the Exchange.
- (s) **"Insider"** shall have the meaning ascribed thereto in Exchange Policies.
- (t) **"ITA"** means the Income Tax Act (Canada).
- (u) **"Non-Employee Director"** means a Director who is not an Employee.
- (v) **"Notice Period"** means any period of contractual notice or reasonable notice that the Company or an Affiliate of the Company may be required at law, by contract or otherwise agrees to provide to a Participant upon termination of employment, whether or not the Company or Affiliate elects to pay severance in lieu of providing notice to the Participant, provided that where a Participant's employment contract provides for an increased severance or termination payment in the event of termination following a Change of Control, the Notice Period for the purposes of the Plan shall be the Notice Period under such contract applicable to a termination which does not follow a Change of Control.
- (w) **"Option"** means the conditional right to purchase Shares at a stated Option Price for a specified period of time subject to the terms of the Plan.
- (x) **"Option Price"** means the price at which a Share may be purchased by a Participant pursuant to an Option, as determined by the Committee.

- (y) "**Participant**" means an Employee, Non-Employee Director or Consultant who has been selected to receive an Award, or who has an outstanding Award granted under the Plan or the Predecessor Plan.
- (z) "**Performance Period**" means the period of time during which the assigned performance criteria must be met in order to determine the degree of payout and/or vesting with respect to an Award.
- (aa) "**Performance Share Unit**" means an Award granted under Article 9 herein and subject to the terms of the Plan, denominated in units, the value of which at the time it is payable is determined as a function of the extent to which corresponding performance criteria have been achieved.
- (bb) "**Period of Restriction**" means the period when an Award of Restricted Share Units is subject to forfeiture based on the passage of time, the achievement of performance criteria, and/or upon the occurrence of other events as determined by the Committee, in its discretion.
- (cc) "**Person**" shall have the meaning ascribed to such term in Exchange Policies.
- (dd) "**Reserve**" shall have the meaning ascribed to such term under Article 4.1 herein.
- (ee) "**Restricted Share Unit**" means an Award denominated in units subject to a Period of Restriction, with a right to receive Shares upon settlement of the Award, granted under Article 7 herein and subject to the terms of the Plan.
- (ff) "**Retirement**" or "**Retire**" means a Participant's permanent withdrawal from employment or office with the Company or an Affiliate of the Company on terms and conditions accepted and determined by the Board.
- (gg) "**Shares**" means common shares of the Company.
- (hh) "**Share Units**" means Deferred Share Units, Performance Share Units and Restricted Share Units, including any Dividend Equivalent granted with respect to a Deferred Share Unit, Performance Share Unit and/or Restricted Share Unit.
- (ii) "**Termination Date**" means the date on which a Participant ceases to be eligible to participate under the Plan as a result of a termination of employment, officer position, board service or consulting arrangement with the Company or any Affiliate of the Company for any reason, including death, Retirement, resignation or termination with or without Cause. For the purposes of the Plan, a Participant's employment, officer position, board service or consulting arrangement with the Company or an Affiliate of the Company shall be considered to have terminated effective on the last day of the Participant's actual and active employment, officer position or board or consulting service with the Company or the Affiliate whether such day is selected by agreement with the individual, unilaterally by the Company or the Affiliate and whether with or without advance notice to the Participant. For the avoidance of doubt, no period of notice or pay in lieu of notice that is given or that ought to have been given under applicable law in respect of such termination of employment that follows or is in respect of a period after the Participant's last day of actual and active employment shall be considered as extending the Participant's period of employment for the purposes of determining his or her entitlement under the Plan.
- (jj) "**Voting Securities**" shall mean any securities of the Company ordinarily carrying the right to vote at elections of directors and any securities immediately convertible into or exchangeable for such securities.

ARTICLE III ADMINISTRATION

- 3.1 General. The Committee shall be responsible for administering the Plan. The Committee may employ legal counsel, consultants, accountants, agents and other individuals, any of whom may be an Employee, and the Committee, the Company, and its officers and Directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Committee shall be final, conclusive and binding upon the Participants, the Company, and all other interested parties. No member of the Committee will be liable for any action or determination taken or made in good faith with respect to the Plan or Awards granted hereunder. Each member of the Committee shall be entitled to indemnification by the Company with respect to any such determination or action in the manner provided for by the Company and its subsidiaries.
- 3.2 Authority of the Committee. The Committee shall have full and exclusive discretionary power to determine the terms and provisions of Award Agreements, to interpret the terms and the intent of the Plan and any Award Agreement or other agreement ancillary to or in connection with the Plan, to determine eligibility for Awards, and to adopt such rules, regulations and guidelines for administering the Plan as the Committee may deem necessary or proper. Such authority shall include, but not be limited to, selecting Award recipients, establishing all Award terms and conditions, including grant, exercise price, issue price and vesting terms, determining any performance goals applicable to Awards and whether such performance goals have been achieved, and, subject to Article 13, adopting modifications and amendments to the Plan or any Award Agreement, including, without limitation, any that are necessary or appropriate to comply with the laws or compensation practices of the jurisdictions in which the Company and its Affiliates operate.
- 3.3 Delegation. The Committee may delegate to one or more of its members any of the Committee's administrative duties or powers as it may deem advisable; provided, however, that any such delegation must be permitted under applicable corporate law.

ARTICLE IV SHARES SUBJECT TO THE PLAN AND MAXIMUM AWARDS

- 4.1 Maximum Number of Shares Available for Awards. The maximum number of Shares available for issuance pursuant to the exercise or redemption, as applicable, of Awards granted under the Plan will be 10% of the total outstanding Shares from time to time less the number of Shares issuable pursuant to all other security-based compensation arrangements of the Company (the "**Reserve**"). For greater certainty, the aggregate number of Shares available for issuance pursuant to settlement of Options shall not exceed 10% of the Company's outstanding Share capital. Shares in respect of which Options have not been exercised and are no longer subject to being purchased pursuant to the terms of any Options shall be available for further Options under the Plan. The Plan with respect to the Options is a "rolling plan" and as a result, any and all increases in the number of issued and outstanding Shares will result in an increase to the Reserve.
- 4.2 Maximum Number of Shares Available for the Settlement of Share Units. For so long as the Corporation is listed on the TSX Venture Exchange or on another exchange that requires the Corporation to fix the number of Shares to be issued in settlement of Share Units, the maximum number of Shares available for issuance pursuant to the settlement of Share Units shall be 11,415,702 Shares. For greater certainty, the aggregate number of Shares available for issuance pursuant to settlement of Share Units shall not exceed the lesser of (i) 10% of the Company's outstanding Share capital less the number of Options outstanding; and (ii) 11,415,702 less the number of Share Units redeemed for Shares.
- 4.3 Award Grants to Individuals. The aggregate number of Shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the outstanding Shares, calculated on the date an Award is granted to the Participant, unless the Company obtains disinterested shareholder approval as required by the policies of the Exchange. The aggregate number of Shares for which Awards may be issued to any one Consultant (as defined by the Exchange) within any 12-month period shall not exceed 2% of the outstanding Shares, calculated on the date an Award is granted to the Consultant. The aggregate number of Shares for which Options may be issued to any Persons retained to provide Investor Relations Activities (as

defined by the Exchange) within any 12-month period shall not exceed 2% of the outstanding Shares, calculated on the date an Option is granted to such Persons.

- 4.4 Award Grants to Insiders. Unless disinterested shareholder approval as required by the policies of the Exchange is obtained: (i) the maximum number of Shares for which Awards may be issued to Insiders (as a group) at any point in time shall not exceed 10% of the outstanding Shares; and (ii) the aggregate number of Awards granted to Insiders (as a group), within any 12-month period, shall not exceed 10% of the outstanding Shares, calculated at the date an Award is granted to any Insider.
- 4.5 Adjustments in Authorized Shares. In the event of any corporate event or transaction (collectively, a "**Corporate Reorganization**") (including, but not limited to, a change in the Shares of the Company or the capitalization of the Company) such as a merger, arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Company, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to shareholders of the Company, or any similar corporate event or transaction, the Committee shall make or provide for such adjustments or substitutions, as applicable, in the number and kind of Shares that may be issued under the Plan, the number and kind of Shares subject to outstanding Awards, the Option Price, grant price or exercise price applicable to outstanding Awards, the limit on issuing Awards other than Options granted with an Option Price equal to at least the FMV of a Share on the date of grant and any other value determinations applicable to outstanding Awards or to the Plan, as are equitably necessary to prevent dilution or enlargement of Participants' rights under the Plan that otherwise would result from such corporate event or transaction. In connection with a Corporate Reorganization, the Committee shall have the discretion to permit a holder of Options to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan and the applicable Award Agreement) and the holder will then accept on the exercise of such Option, in lieu of the Shares that such holder would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that such holder would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, that holder had owned all Shares that were subject to the Option. Such adjustments shall be made automatically, without the necessity of Committee action, on the customary arithmetical basis in the case of any stock split, including a stock split effected by means of a stock dividend, and in the case of any other dividend paid in Shares.

The Committee shall also make appropriate adjustments in the terms of any Awards under the Plan as are equitably necessary to reflect such Corporate Reorganization and may modify any other terms of outstanding Awards, including modifications of performance criteria and changes in the length of Performance Periods. The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under the Plan, provided that any such adjustments must comply with all regulatory requirements.

Subject to the provisions of Article 11 and any applicable law or regulatory requirement, without affecting the number of Shares reserved or available hereunder, the Committee may authorize the issuance, assumption, substitution or conversion of Awards under the Plan in connection with any Corporate Reorganization, upon such terms and conditions as it may deem appropriate. Additionally, the Committee may amend the Plan, or adopt supplements to the Plan, in such manner as it deems appropriate to provide for such issuance, assumption, substitution or conversion as provided in the previous sentence.

ARTICLE V ELIGIBILITY AND PARTICIPATION

- 5.1 Eligibility. Awards under the Plan shall be granted only to bona fide Employees, Non-Employee Directors and Consultants, as per the policies of the Exchange.
- 5.2 Actual Participation. Subject to the provisions of the Plan, the Committee may, from time to time, in its sole discretion select from among eligible Employees, Non-Employee Directors and Consultants, those to whom Awards shall be granted under the Plan, and shall determine in its discretion the nature, terms, conditions and amount of each Award.

ARTICLE VI STOCK OPTIONS

- 6.1 Grant of Options. Subject to the terms and provisions of the Plan, Options may be granted to Participants in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee in its discretion.
- 6.2 Award Agreement. Each Option grant shall be evidenced by an Award Agreement that shall specify the Option Price, the duration of the Option, the number of Shares to which the Option pertains, the conditions, if any, upon which an Option shall become vested and exercisable, and any such other provisions as the Committee shall determine. The Award Agreement for the grant of Options shall be in such form or forms as the Committee may from time to time approve.
- 6.3 Option Price. The Option Price for each grant of an Option under the Plan shall be determined by the Committee and shall be specified in the Award Agreement. The Option Price for an Option shall be not less than the FMV of the Shares on the date of grant.
- 6.4 Vesting of Options. Unless otherwise specified in an Award Agreement, and subject to any provisions of the Plan or the applicable Award Agreement relating to acceleration of vesting of Options, Options shall vest subject to Exchange Policies, and the Committee may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.
- 6.5 Duration of Options. Each Option granted to a Participant shall expire at such time as the Committee shall determine at the time of grant; provided, however, that, subject to section 6.6, no Option shall be exercisable later than the tenth (10) anniversary date of its grant.
- 6.6 Blackout Periods. If the date on which an Option is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such Option shall be extended to the last day of such 10 business day period.
- 6.7 Exercise of Options. Options granted under this Article 6 shall be exercisable at such times and on the occurrence of such events, and be subject to such restrictions and conditions, as the Committee shall in each instance approve, which need not be the same for each grant or for each Participant.
- 6.8 Payment. Options granted under this Article 6 shall be exercised by the delivery of a notice of exercise to the Company or an agent designated by the Company in a form specified or accepted by the Committee, or by complying with any alternative procedures which may be authorized by the Committee, setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment of the Option Price.

The Option Price upon exercise of any Option shall be payable to the Company in full in cash, certified cheque or wire transfer.

As soon as practicable after receipt of a notification of exercise and full payment of the Option Price, the Shares in respect of which the Option has been exercised shall be issued as fully-paid and non-assessable common shares of the Company. As of the business day the Company receives such notice and such payment, the Participant (or the person claiming through a Participant, as the case may be) shall be entitled to be entered on the share register of the Company as the holder of the number of Shares in respect of which the Option was exercised and to receive as promptly as possible thereafter, but in any event, on or before the 15th day of the third month of the year following the year in which the Option was exercised, a certificate or evidence of book entry representing the said number of Shares. The Company shall cause to be delivered to or to the direction of the Participant Share certificates or evidence of book entry Shares in an appropriate amount based upon the number of Shares purchased under the Option(s).

Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such Shares pursuant thereto shall comply with all relevant provisions of applicable Canadian and U.S. securities law, including, without limitation, the 1933 Act, the United States Securities and Exchange Act of 1934, as amended, applicable U.S. state laws, the rules and regulations promulgated thereunder, and the requirements of any stock exchange or consolidated stock price reporting system on which prices for the Shares are quoted at any given time. As a condition to the exercise of an Option, the Company may require the person exercising such Option to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required by law.

6.9 Death, Disability, Retirement and Termination or Resignation of Employment. If the Award Agreement does not specify the effect of a termination, cessation or resignation of employment then the following default rules will apply:

- (a) Death: If a Participant dies while an Employee, Director of, or Consultant to, the Company or an Affiliate of the Company:
 - (i) all unvested Options as at the Termination Date shall automatically and immediately vest; and
 - (ii) all vested Options (including those that vested pursuant to (i) above) shall continue to be subject to the Plan and exercisable for a period of 12 months after the Termination Date, provided that any Options that have not been exercised within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.
- (b) Disability: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their Disability then all Options remain and continue to vest (and are exercisable) in accordance with the terms of the Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.
- (c) Retirement: If a Participant Retires then the Board shall have the discretion, with respect to such Participant's Options, to determine: (i) whether to accelerate vesting of any or all of such Options, (ii) whether any of such Options shall be cancelled, with or without payment, and (iii) how long, if at all, such Options may remain outstanding following the Termination Date; provided, however, that in no event shall such Options be exercisable for more than 12 months after the Termination Date.
- (d) Termination for Cause: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their termination for Cause, then all Options, whether vested or not, as at the Termination Date shall automatically and immediately expire and be forfeited.
- (e) Termination without Cause or Voluntary Resignation: If a Participant ceases to be eligible to be a Participant under the Plan for any reason, other than as set out in sections 6.9(a)-(d), then, unless otherwise determined by the Board in its sole discretion, as of the Termination Date:
 - (i) all unvested Options shall automatically and immediately expire and be forfeited, and
 - (ii) all vested Options shall continue to be subject to the Plan and exercisable for a period of 90 days after the Termination Date, provided that any Options that have not been exercised within 90 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.

- 6.10 **Nontransferability of Options.** An Option granted under this Article 6 may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by bequeath or by the laws of descent and distribution, subject to the requirements of the Exchange or as otherwise allowed by the Exchange.

ARTICLE VII RESTRICTED SHARE UNITS

- 7.1 **Grant of Restricted Share Units.** Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Restricted Share Units to Participants in such amounts and upon such terms as the Committee shall determine.
- 7.2 **Restricted Share Unit Agreement.** Each Restricted Share Unit grant shall be evidenced by an Award Agreement that shall specify the Period(s) of Restriction, the number of Restricted Share Units granted, and the settlement date for Restricted Share Units, and any such other provisions as the Committee shall determine, provided that unless otherwise determined by the Committee or as set out in any Award Agreement, no Restricted Share Unit shall vest later than allowed by the policies of the Exchange. The Committee shall impose, in the Award Agreement at the time of grant, such other conditions and/or restrictions on any Restricted Share Units granted pursuant to the Plan as it may deem advisable, including, without limitation, restrictions based upon the time-based restrictions on vesting and, restrictions under applicable laws or under the requirements of the Exchange.
- 7.3 **Vesting of Restricted Share Units.** Unless otherwise specified in an Award Agreement, and subject to any provisions of the Plan or the applicable Award Agreement relating to acceleration of vesting of Restricted Share Units, Restricted Share Units shall vest at the discretion of the Committee, and subject to the policies of the Exchange.
- 7.4 **Black Out Periods.** If the date on which a Restricted Share Unit is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such Award shall be extended to the last day of such 10 business day period.
- 7.5 **Nontransferability of Restricted Share Units.** The Restricted Share Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated until the date of settlement through delivery or other payment, or upon earlier satisfaction of any other conditions, as specified by the Committee in its sole discretion and set forth in the Award Agreement at the time of grant or thereafter by the Committee. All rights with respect to the Restricted Share Units granted to a Participant under the Plan shall be available during such Participant's lifetime only to such Participant.
- 7.6 **Dividends and Other Distributions.** During the Period of Restriction, Participants holding Restricted Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Restricted Share Units.
- 7.7 **Death, Disability, Retirement and Termination or Resignation of Employment.** If the Award Agreement does not specify the effect of a termination or resignation of employment then the following default rules will apply:
- (a) **Death:** If a Participant dies while an Employee, Director of, or Consultant to, the Company or an Affiliate:
 - (i) all unvested Restricted Share Units as at the Termination Date shall automatically and immediately vest; and

- (ii) all vested Restricted Share Units (including those that vested pursuant to (i) above) shall be paid to the Participant's estate in accordance with the terms of the Plan and the Award Agreement.
- (b) Disability: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their Disability, then all Restricted Share Units remain and continue to vest in accordance with the terms of the Plan for a period of 12 months after the Termination Date, provided that any Restricted Share Units that have not vested within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.
- (c) Retirement: If a Participant Retires then the Board shall have the discretion, with respect to such Participant's Restricted Share Units, to determine: (i) whether to accelerate vesting of any or all of such Restricted Share Units, (ii) whether any of such Restricted Share Units shall be cancelled, with or without payment, and (iii) how long, if at all, such Restricted Share Units may remain outstanding following the Termination Date; provided, however, that in no event shall such Restricted Share Units remain outstanding for more than 12 months after the Termination Date. Notwithstanding the above, for U.S. Participants, the treatment of Restricted Share Units upon retirement shall be provided for in the Award Agreement.
- (d) Termination for Cause: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their termination for Cause, then all Restricted Share Units, whether vested or not, as at the Termination Date shall automatically and immediately be forfeited.
- (e) Termination without Cause or Voluntary Resignation: If a Participant ceases to be eligible to be a Participant under the Plan for any reason, other than as set out in sections 7.7(a)-(d), then, unless otherwise determined by the Board in its sole discretion, as of the Termination Date:
 - (i) all unvested Restricted Share Units shall automatically and immediately be forfeited, and
 - (ii) all vested Restricted Share Units shall be paid to the Participants in accordance with the terms of the Plan and the Award Agreement.

7.8 Payment in Settlement of Restricted Share Units. When and if Restricted Share Units become payable, the Participant issued such Restricted Share Units shall be entitled to receive payment from the Company in settlement of such Restricted Share Units: (i) in a number of Shares (issued from treasury) equal to the number of Restricted Share Units being settled, or (ii) in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the Restricted Share Units.

ARTICLE VIII DEFERRED SHARES UNITS

8.1 Grant of Deferred Share Units. Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Deferred Share Units to Participants in such amounts and upon such terms as the Committee shall determine.

8.2 Deferred Share Unit Agreement. Each Deferred Share Unit grant shall be evidenced by an Award Agreement that shall specify the number of Deferred Share Units granted, the settlement date for Deferred Share Units, and any other provisions as the Committee shall determine, including, but not limited to a requirement that Participants pay a stipulated purchase price for each Deferred Share Unit, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of the Exchange, or holding requirements or sale restrictions placed on the Shares by the Company upon vesting of such Deferred Share Units.

- 8.3 Nontransferability of Deferred Share Units. The Deferred Share Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated. All rights with respect to the Deferred Share Units granted to a Participant under the Plan shall be available during such Participant's lifetime only to such Participant.
- 8.4 Black Out Periods. If the date on which a Deferred Share Unit is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such Award shall be extended to the last day of such 10 business day period.
- 8.5 Dividends and Other Distributions. Participants holding Deferred Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate.

The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Deferred Share Units.

- 8.6 Termination of Employment, Consultancy or Directorship. Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Deferred Share Units following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Deferred Share Units issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination, provided that provisions shall comply with applicable rules of the Exchange.
- 8.7 Payment in Settlement of Deferred Share Units. When and if Deferred Share Units become payable, the Participant issued such Deferred Share Units shall be entitled to receive payment from the Company in settlement of such Deferred Share Units: (i) in a number of Shares (issued from treasury) equal to the number of Deferred Share Units being settled, or (ii) in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the Deferred Share Units.

ARTICLE IX PERFORMANCE SHARE UNITS

- 9.1 Grant of Performance Share Units. Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Performance Share Units to Participants in such amounts and upon such terms as the Committee shall determine.
- 9.2 Value of Performance Share Units. Each Performance Share Unit shall have an initial value equal to the FMV of a Share on the date of grant. The Committee shall set performance criteria for a Performance Period in its discretion, which, depending on the extent to which they are met, will determine, in the manner determined by the Committee and set forth in the Award Agreement, the value and/or number of each Performance Share Unit that will be paid to the Participant.
- 9.3 Earning of Performance Share Units. Subject to the terms of the Plan and the applicable Award Agreement, after the applicable Performance Period has ended, the holder of Performance Share Units shall be entitled to receive payout on the value and number of Performance Share Units, determined as a function of the extent to which the corresponding performance criteria have been achieved. Notwithstanding the foregoing, the Company shall have the ability to require the Participant to hold any Shares received pursuant to such Award for a specified period of time.
- 9.4 Form and Timing of Payment of Performance Share Units. Payment of earned Performance Share Units shall be as determined by the Committee and as set forth in the Award Agreement. Subject to the terms of the

Plan, the Committee, in its sole discretion, may pay earned Performance Share Units in the form of a number of Shares issued from treasury equal to the number of earned Performance Share Units at the end of the applicable Performance Period. Any Shares may be granted subject to any restrictions deemed appropriate by the Committee. The determination of the Committee with respect to the form of payout of such Awards shall be set forth in the Award Agreement for the grant of the Award or reserved for later determination. In no event will delivery of such Shares be made later than the earlier of: (i) 3 months after the close of the year in which such conditions or restrictions were satisfied or lapsed and (ii) December 31 of the third year following the year of the grant date.

- 9.5 Dividends and Other Distributions. Participants holding Performance Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Performance Share Units.
- 9.6 Termination of Employment, Consultancy or Directorship. Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Performance Share Units following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Performance Share Units issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with applicable rules of the Exchange.
- 9.7 Non-transferability of Performance Share Units. Performance Share Units may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, a Participant's rights under the Plan shall inure during such Participant's lifetime only to such Participant.

ARTICLE X BENEFICIARY DESIGNATION

- 10.1 Beneficiary. A Participant's "beneficiary" is the person or persons entitled to receive payments or other benefits or exercise rights that are available under the Plan in the event of the Participant's death. A Participant may designate a beneficiary or change a previous beneficiary designation at such times as prescribed by the Committee and by using such forms and following such procedures approved or accepted by the Committee for that purpose. If no beneficiary designated by the Participant is eligible to receive payments or other benefits or exercise rights that are available under the Plan at the Participant's death, the beneficiary shall be the Participant's estate.
- 10.2 Discretion of the Committee. Notwithstanding the provisions above, the Committee may, in its discretion, after notifying the affected Participants, modify the foregoing requirements, institute additional requirements for beneficiary designations, or suspend the existing beneficiary designations of living Participants or the process of determining beneficiaries under this Article 10, or both, in favor of another method of determining beneficiaries.

ARTICLE XI RIGHTS OF PERSONS ELIGIBLE TO PARTICIPATE

- 11.1 Employment. Nothing in the Plan or an Award Agreement shall interfere with or limit in any way the right of the Company or an Affiliate of the Company to terminate any Participant's employment, consulting or other service relationship with the Company or the Affiliate at any time, nor confer upon any Participant any right to continue in the capacity in which he or she is employed or otherwise serves the Company or the Affiliate.

Neither an Award nor any benefits arising under the Plan shall constitute part of an employment or service contract with the Company or an Affiliate of the Company, and, accordingly, subject to the terms of the Plan, the Plan may be terminated or modified at any time in the sole and exclusive discretion of the Committee or the Board without giving rise to liability on the part of the Company or its Affiliates for severance payments or otherwise, except as provided in the Plan.

For purposes of the Plan, unless otherwise provided by the Committee, a transfer of employment of a Participant between the Company and an Affiliate or among Affiliates of the Company, shall not be deemed a termination of employment. The Committee may provide, in a Participant's Award Agreement or otherwise, the conditions under which a transfer of employment to an entity that is spun off from the Company or an Affiliate of the Company shall not be deemed a termination of employment for purposes of an Award.

- 11.2 Participation. No Employee or other Person eligible to participate in the Plan shall have the right to be selected to receive an Award. No person selected to receive an Award shall have the right to be selected to receive a future Award, or, if selected to receive a future Award, the right to receive such future Award on terms and conditions identical or in proportion in any way to any prior Award.
- 11.3 Rights as a Shareholder. A Participant shall have none of the rights of a shareholder with respect to Shares covered by any Award until the Participant becomes the holder of such Shares.

ARTICLE XII CHANGE OF CONTROL

- 12.1 Change of Control and Termination of Employment. Subject to section 12.2 and the terms and provisions of any Award Agreement, if there is a Change of Control, any Awards held by a Participant shall automatically vest following such Change of Control, on the Termination Date, if the Participant is an Employee, officer or a Director and their employment, or officer or Director position is terminated within 12 months following the Change of Control, provided that no acceleration of Awards shall occur in the case of a Participant that was retained to provide Investor Relations Activities unless the approval of the Exchange is either obtained or not required.
- 12.2 Discretion to Board. Notwithstanding any other provision of the Plan, in the event of an actual or potential Change of Control, the Board may, in its sole discretion, without the necessity or requirement for the agreement of any Participant: (i) accelerate, conditionally or otherwise, on such terms as it sees fit (including, but not limited to those set out in (iii) and (iv) below), the vesting date of any Awards; (ii) permit the conditional redemption or exercise of any Awards, on such terms as it sees fit; (iii) otherwise amend or modify the terms of any Awards, including for greater certainty by (1) permitting Participants to exercise or redeem any Awards to assist the Participants to participate in the actual or potential Change of Control, or (2) providing that any Awards exercised or exercised shall be exercisable or redeemed for, in lieu of Shares, such property (including shares of another entity or cash) that shareholders of the Company will receive in the Change of Control; and (iv) terminate, following the successful completion of a Change of Control, on such terms as it sees fit, the Awards not exercised or redeemed prior to the successful completion of such Change of Control.
- 12.3 Non-Occurrence of Change of Control. In the event that any Awards are conditionally exercised pursuant to section 12.2 above and the Change of Control does not occur, the Board may, in its sole discretion, determine that any (i) Awards so exercised shall be reinstated as the type of Award prior to such exercise, and (ii) Shares issued be cancelled and any exercise or similar price received by the Company shall be returned to the Participant.
- 12.4 Agreement with Purchaser in a Change of Control. In connection with a Change of Control, the Board may be permitted to condition any acceleration of vesting on the Participant entering into an employment, confidentiality or other agreement with the purchaser as the Board deems appropriate.

**ARTICLE XIII
AMENDMENT AND TERMINATION**

- 13.1 Amendment and Termination. The Board may, at any time, suspend or terminate the Plan. Subject to compliance with any applicable law, including the rules of the Exchange, the Board may also, at any time, amend or revise the terms of the Plan and any Award Agreement. No such amendment of the Plan or Award Agreement may be made if such amendment would materially and adversely impair any rights arising from any Awards previously granted to a Participant under the Plan without the consent of the Participant or the representatives of his or her estate, as applicable.
- 13.2 Reduction of Option Price or Grant Price. Disinterested shareholder approval as required by the policies of the Exchange shall be obtained for any reduction in the Option Price if the Participant is an Insider of the Company at the time of the proposed amendment.

**ARTICLE XIV
WITHHOLDING**

- 14.1 Withholding. The Company or any of its Affiliates shall have the power and the right to deduct or withhold, or require a Participant to remit to the Company or the Affiliate, an amount sufficient to satisfy federal, provincial and local taxes or domestic or foreign taxes required by law or regulation to be withheld with respect to any taxable event arising from or as a result of the Plan or any Award hereunder. The Committee may provide for Participants to satisfy withholding requirements by having the Company withhold and sell Shares or the Participant making such other arrangements, including the sale of Shares, in either case on such conditions as the Committee specifies.
- 14.2 Acknowledgement. Participant acknowledges and agrees that the ultimate liability for all taxes legally payable by Participant is and remains Participant's responsibility and may exceed the amount actually withheld by the Company. Participant further acknowledges that the Company: (a) makes no representations or undertakings regarding the treatment of any taxes in connection with any aspect of the Plan; and (b) does not commit to and is under no obligation to structure the terms of the Plan to reduce or eliminate Participant's liability for taxes or achieve any particular tax result. Further, if Participant has become subject to tax in more than one jurisdiction, Participant acknowledges that the Company may be required to withhold or account for taxes in more than one jurisdiction.

**ARTICLE XV
SUCCESSORS**

- 15.1 Any obligations of the Company or its Affiliates under the Plan with respect to Awards granted hereunder shall be binding on any successor to the Company or its Affiliates, respectively, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or otherwise, of all or substantially all of the businesses and/or assets of the Company or the Affiliate, as applicable.

**ARTICLE XVI
GENERAL PROVISIONS**

- 16.1 Delivery of Title. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under the Plan prior to:
- (a) Obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
 - (b) Completion of any registration or other qualification of the Shares under any applicable law or ruling of any governmental body that the Company determines to be necessary or advisable.

- 16.2 Investment Representations. The Committee may require each Participant receiving Shares pursuant to an Award under the Plan to represent and warrant in writing that the Participant is acquiring the Shares for investment and without any present intention to sell or distribute such Shares.
- 16.3 Uncertificated Shares. To the extent that the Plan provides for issuance of certificates to reflect the transfer of Shares, the transfer of such Shares may be effected on a non-certificated basis to the extent not prohibited by applicable law or the rules of the Exchange.
- 16.4 No Fractional Shares. No fractional Shares shall be issued or delivered pursuant to the Plan or any Award Agreement. In such an instance, unless the Committee determines otherwise, fractional Shares and any rights thereto shall be forfeited or otherwise eliminated.
- 16.5 Other Compensation and Benefit Plans. Nothing in the Plan shall be construed to limit the right of the Company or an Affiliate of the Company to establish other compensation or benefit plans, programs, policies or arrangements. Except as may be otherwise specifically stated in any other benefit plan, policy, program or arrangement, no Award shall be treated as compensation for purposes of calculating a Participant's rights under any such other plan, policy, program or arrangement.
- 16.6 No Constraint on Corporate Action. Nothing in the Plan shall be construed (i) to limit, impair or otherwise affect the Company's or its Affiliates' right or power to make adjustments, reclassifications, reorganizations or changes in its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell or transfer all or any part of its business or assets, or (ii) to limit the right or power of the Company or its Affiliates to take any action which such entity deems to be necessary or appropriate.
- 16.7 Compliance with Canadian Securities Laws. All Awards and the issuance of Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to an exemption from the prospectus requirements of Canadian securities laws where applicable.
- 16.8 Compliance with U.S. Securities Laws. All Awards and the issuance of Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to the registration requirements of the U.S. Securities Act of 1933, as amended or an exemption from such registration requirements. If the Awards or Shares are not so registered and no such registration exemption is available, the Company shall not be required to issue any Shares otherwise issuable hereunder.

ARTICLE XVII LEGAL CONSTRUCTION

- 17.1 Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.
- 17.2 Severability. In the event any provision of the Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.
- 17.3 Requirements of Law. The granting of Awards and the issuance of Shares under the Plan shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or securities exchanges as may be required. The Company or an Affiliate of the Company shall receive the consideration required by law for the issuance of Awards under the Plan.

The inability of the Company or an Affiliate of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company or the Affiliate to be necessary for the lawful issuance and sale of any Shares hereunder, shall relieve the Company or the Affiliate of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

17.4 Governing Law. The Plan and each Award Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan to the substantive law of another jurisdiction.