

# SIMPLY BETTER BRANDS CORP.



## Notice of Annual General and Special Meeting of Shareholders & Management Information Circular

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**The Annual General and Special Meeting of Shareholders** of Simply Better Brands Corp. will be held:

Thursday, July 15, 2021, 11:00 a.m. (Eastern time)

To proactively deal with the unprecedented public health impact of COVID-19, and to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, the Annual General and Special Meeting will be held in a virtual only format, which will be conducted via a live audio webcast. Shareholders (as defined herein) and duly appointed proxyholders can attend the meeting online at <https://web.lumiagm.com/262639686> where they can participate, vote, or submit questions during the meeting's live webcast. You must be connected to the internet at all times to be able to vote – it is your responsibility to ensure you stay connected for the entire Annual General and Special Meeting.

Dated: June 1, 2021

*THIS NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF SIMPLY BETTER BRANDS CORP. OF PROXIES TO BE VOTED AT THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS OF SIMPLY BETTER BRANDS CORP. TO BE HELD ON JULY 15, 2021.*



## NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON JULY 15, 2021

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June 1, 2021

**NOTICE IS HEREBY GIVEN THAT** an annual general and special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares (the "**Shares**") of Simply Better Brands Corp. ("**Simply Better**" or the "**Company**") will be held as a virtual only meeting via live audio webcast online at <https://web.lumiagm.com/262639686> at 11:00 a.m. (Eastern Time) on Thursday, July 15, 2021 for the following purposes:

1. to receive and consider the audited financial statements of the Company for the financial year ended December 31, 2020 and the report of the auditors thereon;
2. to fix the number of directors for the ensuing year at four;
3. to elect directors for the ensuing year as described in the management information circular (the "**Circular**") accompanying this notice;
4. to appoint Marcum LLP as auditors for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditors;
5. to ratify, confirm, adopt and approve the ordinary resolution of disinterested shareholders, as more particularly set forth in the Circular, relating to the approval of the equity incentive plan of the Company, the full text of which is attached hereto as Schedule A; and
6. to transact such further or other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the accompanying Circular which forms a part of this Notice.

The record date (the "**Record Date**") for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting is June 1, 2021. Only Shareholders of record at the close of business on the Record Date ("**Registered Shareholders**") will be entitled to vote at the Meeting, unless that Shareholder has transferred any Shares subsequent to that date and the transferee Shareholder, not later than 10 days before the Meeting, establishes ownership of the Shares and demands that the transferee's name be included on the list of Shareholders entitled to vote at the Meeting in respect of such transferred Shares.

This year, in light of the continuing COVID-19 pandemic and to protect our employees, Shareholders and other stakeholders, Simply Better will hold the Meeting in a virtual only format, which will be conducted via live audio webcast. Shareholders will have an equal opportunity to participate in the Meeting and engage with directors of the Company and management as well as other Shareholders, regardless of their geographic location.

Provided they are connected to the internet and comply with all of the requirements set out in the Circular, Registered Shareholders and duly appointed proxyholders will be able to attend and participate in the Meeting, ask questions and vote in real time at <https://web.lumiagm.com/262639686>. Beneficial Shareholders (being Shareholders who hold their Shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary) who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, but guests will not be able to vote at the Meeting. Shareholders that usually vote by proxy ahead of the Meeting will be able to do so in the normal way as described below.

Registered Shareholders may attend and participate in the Meeting virtually or may be represented by proxy. Registered Shareholders who are unable to attend the Meeting virtually or any adjournment or postponement thereof are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment or postponement thereof. To be effective, the enclosed form of proxy must be received by Odyssey Trust Company: (a) by mail to Odyssey Trust Company, 702, 67 Yonge Street, Toronto ON M5E 1J8, Canada, (b) by facsimile to 1-800-517- 4553, or (c) online at <https://login.odysseytrust.com/pxlogin>. In order to be valid and

acted upon at the Meeting, proxies must be returned to Odyssey Trust Company not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment or postponement thereof. Shareholders are cautioned that the transmission of proxies by mail is at each Shareholder's risk.

Beneficial Shareholders (being Shareholders holding Shares that are registered in the name of a broker, custodian, bank, trust company or other intermediary or nominee) should complete and return the voting instruction form or other authorization provided to them in accordance with the instructions provided therein. Failure to do so may result in their Shares not being voted at the Meeting.

Shareholders who wish to appoint a person other than the management designees identified on the enclosed form of proxy or voting instruction form to represent him, her or it at the Meeting may do so by inserting such person's name in the blank space provided in the form of proxy or voting instruction form and following the instructions for submitting such form of proxy or voting instruction form. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or voting instruction form. If you wish that a person other than the management nominees identified on the form of proxy or voting instruction form attend and participate at the Meeting as your proxy and vote your Shares, including if you are a non-registered shareholder and wish to appoint yourself as proxyholder to attend, participate and vote at the Meeting, you **MUST** register such proxyholder after having submitted your form of proxy or voting instruction form identifying such proxyholder. Failure to register the proxyholder will result in the proxyholder not receiving a Username to participate in the Meeting. Without a Username, proxyholders will not be able to attend, participate or vote at the Meeting. To register a proxyholder, Shareholders **MUST** send an email to [sbbc@odysseytrust.com](mailto:sbbc@odysseytrust.com) and provide Odyssey Trust Company ("**Odyssey**") with their proxyholder's contact information, amount of Shares appointed, name in which the Shares are registered if they are a Registered Shareholder, or name of broker where the Shares are held if a beneficial shareholder, so that Odyssey may provide the proxyholder with a Username via email.

The proxyholder has discretion under the enclosed form of proxy to consider matters to come before the Meeting. The persons named in the enclosed proxy will have discretionary authority with respect to: (a) any amendments or variations of the matters of business to be acted on at the Meeting; and (b) any other matters properly brought before the Meeting or any adjournment or postponement thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the Meeting is routine and whether or not the amendment, variation or other matter that comes before the Meeting is contested.

At the date of this Circular, management of Simply Better knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Simply Better Notice of Meeting. Shareholders who are planning on returning the accompanying form of proxy are encouraged to review this Circular carefully before submitting the form of proxy.

**It is the intention of the persons named in the enclosed form of proxy for Shareholders, if not expressly directed to the contrary in such form of proxy, to vote FOR each of resolutions to be considered at the Meeting.**

As a Shareholder of the Company, it is very important that you read the Circular and other Meeting materials carefully. They contain important information with respect to voting your Shares and attending and participating at the Meeting.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
SIMPLY BETTER BRANDS CORP.**

(s) "*Kathy Casey*"

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Kathy Casey  
Chief Executive Officer and a Director  
Simply Better Brands Corp.

# MANAGEMENT INFORMATION CIRCULAR

## SOLICITATION OF PROXIES

**THIS MANAGEMENT INFORMATION CIRCULAR (THE "CIRCULAR") IS PROVIDED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT OF SIMPLY BETTER BRANDS CORP. ("SIMPLY BETTER" OR THE "COMPANY")** of proxies from the holders (the "**Shareholders**") of common shares (the "**Shares**") for the annual general meeting of the Shareholders of the Company (the "**Meeting**") to be held as a virtual only Meeting via live audio webcast online <https://web.lumiagm.com/262639686> at 11:00 a.m. (Eastern Time) on Thursday, July 15, 2021, or at any adjournment(s) thereof for the purposes set out in the accompanying notice of meeting (the "**Notice of Meeting**"). Shareholders will not be able to attend the Meeting in person.

This year, in light of the continuing COVID-19 pandemic, and to protect our employees, Shareholders and other stakeholders, Simply Better will hold the Meeting in virtual only format, which will be conducted via live audio webcast. Shareholders will have an equal opportunity to participate in the Meeting online regardless of their geographic location. Inside this Circular, you will find important and detailed instructions about how to participate at the virtual Meeting.

Provided they are connected to the internet and comply with all of the requirements set out in the Circular, Shareholders whose names have been entered into the register of Shareholders as the owner of Shares as of the Record Date (as defined below) and duly appointed proxyholders will be able to attend and participate in the Meeting, ask questions and vote in real time at <https://web.lumiagm.com/262639686>. Beneficial Shareholders (being Shareholders who hold their Shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary) who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, but guests will not be able to vote at the Meeting. Shareholders that usually vote by proxy ahead of the Meeting will be able to do so in the normal way as described below.

The solicitation of proxies is made on behalf of the management of the Company. Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Company may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Company.

Unless otherwise stated, the information contained in this Circular is as of June 1, 2021 (the "**Effective Date**").

Unless the context otherwise requires, all references to "\$", "C\$" and "dollars" mean references to the lawful money of Canada. All references to "US\$" refer to United States dollars. Figures in tables may not add or be exact due to rounding.

### Notice and Access

The Company has elected to use the "notice-and-access" provisions under NI 54-101 (the "**Notice-and-Access Provisions**") for the Meeting in respect of mailings to Beneficial Shareholders (as defined herein) but not in respect of mailings to registered Shareholders. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that are mailed to Shareholders by allowing a reporting issuer to post an information circular in respect of a meeting of its Shareholders and related materials online. Use of the Notice-and-Access Provisions reduces the environmental impact of producing and distributing paper copies of documents in large quantities.

More specifically, the Company has elected to use a procedure known as 'stratification' in relation to the use of the Notice-and-Access Provisions. As a result, registered Shareholders will receive paper copies of the Notice of the Meeting, this Circular, a form of proxy and the financial information in respect of our most recently completed financial year (the "**Meeting Materials**"), whereas Beneficial Shareholders will receive a notice containing information prescribed by the Notice-and-Access Provisions and a VIF (as defined herein). In addition, paper copies of the Meeting Materials will be mailed to those Shareholders who do not hold their Shares in their own name but who have previously requested to receive paper copies of these materials.

The Company will be delivering proxy-related materials to non-objecting Beneficial Shareholders directly with the assistance of Broadridge (as defined herein). The Company intends to pay for intermediaries to deliver proxy-related materials to objecting Beneficial Shareholders.

The Meeting Materials will be available electronically at <https://web.lumiagm.com/262639686> as of June 1, 2021, and will remain on the website for one full year thereafter. The Meeting Materials will also be available on SEDAR at [www.sedar.com](http://www.sedar.com).

Shareholders who wish to receive paper copies of the Meeting Materials may request copies by calling toll-free at 1(888) 290-1175 (within North America) or 1(587) 885-0960 (outside of North America). Meeting Materials will be sent to such Shareholders and to Shareholders requesting paper copies of the Meeting Materials by any other means at no cost to them, within three business days of receipt of the request, if such requests are made before the date of the Meeting, including any adjournment or postponement thereof, and within 10 calendar days of receipt of the request, if such requests are made on or after the date of the Meeting and within one calendar year of the Meeting Materials being filed online.

### APPOINTMENT AND REVOCATION OF PROXIES

Accompanying this Circular is a form of proxy for holders of Common Shares. The persons named (the "**Management Designees**") in the enclosed form of proxy have been selected by the directors of the Company and have indicated their willingness to represent as proxy the Shareholder who appoints them.

A form of proxy will not be valid for the Meeting or any adjournment or postponement thereof unless it is completed and delivered to the Company c/o Odyssey Trust Company: (i) by mail to 702, 67 Yonge Street, Toronto ON M5E 1J8, Canada; or (ii) by fax at 1-800-517-4553; or (iii) online at <https://odysseytrust.com/Transfer-Agent/Login>, so that it is received by 11 a.m. (Eastern Time) on July 13, 2021 (or at least 48 hours prior to the commencement of any reconvened Meeting in the event of any adjournment(s) or postponement(s) thereof, excluding Saturdays, Sundays and holidays). Shareholders are cautioned that the transmission of proxies by mail is at each Shareholder's risk. Late proxies may be accepted or rejected by the Chairman of the Meeting, in his or her discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

**A Shareholder has the right to appoint a person (a "third party proxyholder", who need not be a Shareholder) to represent such Shareholder at the Meeting other than the Management Designees, including beneficial Shareholders who wish to appoint themselves as proxyholder to attend, participate or vote at the Meeting. Shareholders who wish to appoint a third party proxyholder to attend, participate or vote at the Meeting as their proxy and vote their Shares MUST submit their proxy or voting instruction form (as applicable) appointing such third party proxyholder AND register the third party proxyholder, as described below. Registering your proxyholder is an additional step to be completed AFTER you have submitted your proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving a Username to attend, participate or vote at the Meeting.**

- **Step 1: Submit your proxy or voting instruction form:** To appoint a third party proxyholder, insert such person's name in the blank space provided in the form of proxy or voting instruction form (if permitted) and follow the instructions for submitting such form of proxy or voting instruction form. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or voting instruction form. If you are a beneficial Shareholder located in the United States, you must also provide Odyssey Trust Company with a duly completed legal proxy if you wish to attend, participate or vote at the Meeting or, if permitted, appoint a third party as your proxyholder. See below under "*Advice to Beneficial Shareholders - Information for Beneficial Shareholders in the United States*".
- **Step 2: Register your proxyholder:** To register a proxyholder, Shareholders MUST send an email to [sbbc@odysseytrust.com](mailto:sbbc@odysseytrust.com) by 11:00 a.m. on July 13, 2021 and provide Odyssey Trust Company with the required proxyholder contact information, amount of Shares appointed, name in which the Shares are registered if they are a registered Shareholder, or name of broker where the Shares are held if a beneficial Shareholder, so that Odyssey may provide the proxyholder with a Username via email. Without a Username, proxyholders will not be able to attend, participate or vote at the Meeting.



A Shareholder who has given a form of proxy may revoke it as to any matter on which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the Shareholder or by his or her authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal (if applicable) by an officer or attorney thereof duly authorized, either at the registered office of the Company or to Odyssey Trust Company, Odyssey Transfer Inc. 702, 67 Yonge Street, Toronto ON M5E 1J8, Canada, fax 1-800-517-4553, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment or postponement thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such Meeting on the day of the Meeting, or any adjournment or postponement thereof.

If you are a beneficial Shareholder and wish to attend, participate or vote at the Meeting, you have to insert your own name in the space provided on the voting instruction form sent to you by your intermediary, follow all of the applicable instructions provided by your intermediary AND register yourself as your proxyholder, as described above. By doing so, you are instructing your intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your intermediary. Please also see further instructions below under the heading "*Attending, Participating and Voting at the Meeting*".

### **Signature of Proxy**

The form of proxy accompanying this Circular must be executed by the Shareholder or its attorney authorized in writing, or if the Shareholder is a corporation, the form of proxy should be signed in its corporate name under its corporate seal by an authorized officer whose title should be indicated. A proxy signed by a person acting as attorney or in some other representative capacity should reflect such person's capacity following its signature and should be accompanied by the appropriate instrument evidencing qualification and authority to act.

### **ADVICE TO BENEFICIAL SHAREHOLDERS**

**The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold their Shares in their own name.** Shareholders who hold their Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Shares in their own name (referred to in this Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records maintained by the Company's registrar and transfer agent as the registered holders of Shares will be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Shares will, in all likelihood, not be registered in the Shareholder's name on the records of Simply Better. Such Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominees for many Canadian brokerage firms). Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, the brokers and their agents and nominees are prohibited from voting Shares for their clients. Simply Better does not know for whose benefit the Shares registered in the name of CDS & Co. are held. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Applicable regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting.

Often, the form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the form of proxy provided to registered Shareholders by the Company; however, its purpose is limited to instructing the registered Shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada. Broadridge typically prepares and mails a machine-readable voting instruction form (a "**VIF**") in lieu of the form of proxy. The Beneficial Shareholder is requested to complete and return the VIF to Broadridge by mail or facsimile, or to otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and

provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. A Beneficial Shareholder who receives a VIF cannot use that VIF to vote Shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Shares voted. If you have any questions respecting the voting of Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his or her broker or other intermediary, a Beneficial Shareholder may attend at the Meeting as a proxyholder for the registered holder and vote the Shares in that capacity. Should a Beneficial Shareholder wish to vote at the Meeting, see "*Appointment and Revocation of Proxies*" and "*Attending, Participating and Voting at the Meeting*".

All references to Shareholders in this Circular and the accompanying form of proxy and Notice of Meeting are to registered Shareholders unless specifically stated otherwise.

### **Information for Beneficial Shareholders in the United States**

If you are a Beneficial Shareholder located in the United States and wish to attend, participate or vote at the Meeting or, if permitted, appoint a third party as your proxyholder, in addition to the steps described above and below under "*Appointment and Revocation of Proxies*" and "*Attending, Participating and Voting at the Meeting*", you must obtain a valid legal proxy from your intermediary. Follow the instructions from your intermediary included with the legal proxy form and the voting information form sent to you, or contact your intermediary to request a legal proxy form or a legal proxy if you have not received one. After obtaining a valid legal proxy from your intermediary, you must then submit such legal proxy to Odyssey. Requests for registration from beneficial Shareholders located in the United States that wish to attend, participate or vote at the Meeting or, if permitted, appoint a third party as their proxyholder must be sent by email to [sbbc@odysseytrust.com](mailto:sbbc@odysseytrust.com) by 11:00 a.m. on July 13, 2021.

### **VOTING OF PROXIES**

Each Shareholder may instruct his or her proxy how to vote his or her Shares by completing the blanks on the form of proxy accompanying this Circular (the "**Instrument of Proxy**"). All Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting (including the voting on any ballot), and where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the Shares represented by the proxy will be voted in accordance with such specification. In the absence of any such specification as to voting on the Instrument of Proxy, the Management Designees, if named as proxy, will vote in favour of the matters set out therein. In the absence of any specification as to voting on any other form of proxy, the Shares represented by such form of proxy will be voted in favour of the matters set out therein.

The enclosed Instrument of Proxy confers discretionary authority upon the Management Designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting or any adjournment or postponement thereof. As of the date hereof, the Company is not aware of any amendments to, variations of or other matters that may come before the Meeting. In the event that other matters come before the Meeting (or any adjournment or postponement thereof), the Management Designees will then vote in accordance with the judgment of management of the Company.

### **ATTENDING, PARTICIPATING AND VOTING AT THE MEETING**

Simply Better is holding the Meeting as a completely virtual meeting, which will be conducted via live webcast. Shareholders will not be able to attend the Meeting in person. In order to attend, participate or vote at the Meeting (including for voting and asking questions at the Meeting), Shareholders must have a valid Username.

Registered Shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting online at <https://web.lumiagm.com/262639686>. Such persons may then enter the Meeting by clicking "I have a login" and entering a Username and Password before the start of the Meeting:

- **Registered Shareholders:** The control number located on the form of proxy (or in the email notification you received) is the Username. The Password to the Meeting is "sbbc2021" (case sensitive). If as a registered Shareholder you are using your control number to login to the Meeting and you have previously voted, you do not need to vote again when the polls open. By voting at the Meeting, you will revoke your previous voting instructions received prior to voting cutoff.
- **Duly appointed proxyholders:** Odyssey will provide the proxyholder with a Username by e-mail after the voting deadline has passed. The Password to the Meeting is "sbbc2021" (case sensitive). Only registered Shareholders and duly appointed proxyholders will be entitled to attend, participate and vote at the Meeting. Beneficial Shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as a guest but not be able to participate or vote at the Meeting. Shareholders who wish to appoint a third party proxyholder to represent them at the Meeting (including beneficial Shareholders who wish to appoint themselves as proxyholder to attend, participate or vote at the Meeting) MUST submit their duly completed proxy or voting instruction form AND register the proxyholder. See "Appointment and Revocation of Proxies" above.
- **Guests:** Guests are welcome to attend and view the webcast, but will be unable to participate or vote at the Meeting. To join as a guest please visit the Meeting online at <https://web.lumiagm.com/262639686> and select "Join as a Guest" when prompted.

Beneficial Shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as a guest but will not be able to vote at the Meeting. This is because Simply Better and its transfer agent do not have a record of the beneficial Shareholders of Simply Better, and, as a result, will have no knowledge of your Shareholdings or entitlement to vote, unless you appoint yourself as proxyholder. If you are a beneficial Shareholder and wish to vote at the Meeting, you have to appoint yourself as proxyholder by inserting your own name in the space provided on the voting instruction form sent to you and must follow all of the applicable instructions provided by your intermediary. See "*Appointment and Revocation of Proxies*" above.

## QUORUM

The Articles of the Company (the "**Articles**") provide that a quorum of Shareholders is present at a meeting of Shareholders of the Company if at least two persons holding or representing by proxy not less than 5% of the issued shares entitled to vote at the meeting are present.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares. As at the Effective Date of this Circular, the Company has 21,496,896 Common Shares issued and outstanding.

### Voting Rights

The Common Shares carry one vote per share for all matters coming before Shareholders at the Meeting.

The holders of Common Shares are entitled to receive notice of any meeting of Shareholders of the Company, and to attend and vote at those meetings, except those meetings at which holders of a specific class of shares are entitled to vote separately as a class under the *Business Corporations Act* (British Columbia) (the "**BCBCA**").

Unless a different majority is required by law or the Company's Articles, resolutions to be approved by holders of Shares require approval by a simple majority of the total number of votes of all Shares cast at a meeting of Shareholders at which a quorum is present, with holders of Common Shares entitled to one vote per Share. Holders of Shares of record at the close of business on June 1, 2021 (the "**Record Date**") are entitled to vote such Shares at the Meeting except to the extent that, (a) the holder has transferred the ownership of any of its Shares after the Record Date, and (b) the transferee of those Shares produces properly endorsed share certificates, or otherwise establishes that they own the Shares, and demands not later than ten days before the day of the Meeting that their name be included on the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote their Shares at the Meeting.



To the knowledge of the directors and the executive officers of the Company, as at the Effective Date, other than as disclosed below, no person or company beneficially owns, directly or indirectly, or controls or directs, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company.

Name	Nature of Ownership	Number and Percentage of Common Shares held <sup>(1)</sup>
Cody Alt <sup>(2)</sup>	Direct	3,593,112 (16.71%)
Jeff Yauck <sup>(2)</sup>	Direct	3,508,569 (16.32%)

**Note:**

- (1) As of the close of business prior to the Effective Date and based on the most recent public filings of such entity filed on the System for Electronic Disclosure by Insiders at [www.sedi.ca](http://www.sedi.ca). Percentage is based on 21,496,896 Common Shares issued and outstanding as at the Effective Date.
- (2) Each of Cody Alt and Jeff Yauck also hold 24,950 units (or 24.95%) representing membership interests in the capital of PureKana, LLC. The Company holds the remaining 50,100 units of PureKana, LLC (50.1%).

**PARTICULARS OF THE MATTERS TO BE ACTED UPON**

To the knowledge of the board of directors of the Company (the "**Board**"), the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting.

**ITEM 1. REPORT AND FINANCIAL STATEMENTS**

The audited financial statements of the Company for the financial year ended December 31, 2020 and the auditor's report on such statements will be presented at the Meeting. These financial statements have been mailed to the Shareholders requesting them, together with this Circular. A copy of the Company's financial statements for the financial year ended December 31, 2020 and the auditor's report thereon are also available under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com). No vote by the Shareholders is required to be taken on the financial statements.

**ITEM 2. FIXING THE NUMBER OF DIRECTORS**

The term of office of each of the current directors expires at the Meeting. At the Meeting, Shareholders will be asked to consider passing an ordinary resolution fixing the number of directors of Simply Better to be elected at four members, as may be adjusted between Shareholder meetings by way of resolution of the Board in accordance with the Company's Articles.

The resolution to fix the number of directors of Simply Better at four must be approved by a simple majority of the aggregate votes cast by Shareholders present in person or by proxy at the Meeting. **Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the ordinary resolution in favour of fixing the number of directors to be elected at the Meeting at four.**

**ITEM 3. ELECTION OF DIRECTORS**

The Shareholders will be asked to consider a resolution electing the directors of the Company to hold office until the next annual meeting of Shareholders. The persons nominated are, in the opinion of management, qualified to direct the activities of the Company until the next annual meeting of Shareholders. All nominees have indicated their willingness to stand for election.

The following table sets forth the name of each of the persons proposed to be nominated for election as a director, all positions and offices in the Company presently held by such nominees, the nominee's municipality and province or country of residence, principal occupation at the present time and during the preceding five years, the period during which the nominee has served as a director, the number and percentage of Common Shares that the nominee has advised are beneficially owned by the nominee, directly or indirectly, or over which control or direction is exercised, as at the Effective Date and current public board memberships, if any.

**Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the election of the persons named in the following table to the Board.** The Company does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies held by Management Designees will be

voted for another nominee in their discretion unless the Shareholder has specified in his or her form of proxy that his or her Common Shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next annual meeting of Shareholders or until his or her successor is duly elected or appointed, all as the case may be, unless his or her office is earlier vacated in accordance with the Articles of the Company or the provisions of the BCBCA to which the Company is subject.

At all meetings of the Board, every question is decided by a majority of the votes cast on the question; and in the case of an equality of votes, the chairman of the meeting shall not be entitled to a second or casting vote. The quorum for the transaction of business at any meeting of the Board shall consist of a majority of the number of directors then elected or appointed.

### Nominees for Election as Directors

Name, Municipality of Residence, Office & Age	Present Occupation and Position Held During the Last Five Years	Number and Percentage of Common Shares Held or Controlled as at the Effective Date <sup>(1)</sup>
<p><b>Jeff Yauck</b> Scottsdale, Arizona, USA <i>Director</i></p> <p>Age: 33</p>	<p>Mr. Yauck is the co-founder of PureKana and has been the Chief Marketing Officer of PureKana since December 2019. Mr. Yauck previously served as Chief Operating Officer of PureKana from inception until December 2019. Mr. Yauck is also the Chief Executive Officer of PJ Marketing LLC, a CBD company he founded in 2018. Mr. Yauck also founded Oats Overnight.</p>	<p><b>Common Shares:</b> 3,508,569 (16.32%)</p>
<p><b>Brian Meadows</b> Vancouver, British Columbia, Canada <i>CFO, Corporate Secretary</i></p> <p>Age: 56</p>	<p>Mr. Meadows has been the Chief Financial Officer of PureKana since January 2019. Prior thereto, he was the President and CFO of GLG Life Tech Corporation from October 2007 to January 2019.</p>	<p><b>Common Shares:</b> 85,543 (0.39%)</p>
<p><b>Paul Norman</b> Miami, Florida, USA <i>Chairman, Director</i></p> <p>Age: 56</p>	<p>Mr. Norman has been the Chief Executive Officer and Chairman of Heavenly Rx, LLC since June 2019. Prior thereto, Mr. Norman was the President North America of Kellogg Company from June 2015 through April 2018.</p>	<p><b>Common Shares:</b> 153,366 (0.71%)</p>

Name, Municipality of Residence, Office & Age	Present Occupation and Position Held During the Last Five Years	Number and Percentage of Common Shares Held or Controlled as at the Effective Date <sup>(1)</sup>
<b>Michael Galloro</b> Toronto, Ontario, Canada <i>Director</i>  Age: 46	Mr. Galloro is a Chartered Professional Accountant and a Principal at ALOE Finance, a transaction advisory firm. Mr. Galloro has been the CEO of AF2 Capital Corp. since March 2021. Mr. Galloro was the CEO, CFO and a director of AF1 Capital Corp from January 2019 through December 2020. From September 2012 through June 2020, Mr. Galloro was the CEO, CFO and a director of Bluma Wellness Inc. Mr. Galloro was the CFO of Yangaroo Inc. from December 2010 through February 2019.  <b>Director Since:</b> January 29, 2019  <b>Status:</b> Not Independent  <b>Board Committees:</b> Audit Committee (Chair), Compensation Committee  <b>Public Board Membership:</b> Simply Inc. (OTCQX), Fountain Asset Corp. (TSXV), World-Class Extractions Inc. (CSE), AF2 Capital Corp. (TSXV)	<b>Common Shares:</b> 90,000 (0.42%)

**Note:**

(1) Percentages based on 21,496,896 Common Shares issued and outstanding as of the Effective Date. Securities beneficially owned, directly or indirectly, or over which control or direction is exercised, as of the Effective Date, based upon information furnished to the Company by the above individuals.

**Cease Trade Orders or Bankruptcies**

To the best of the Company's knowledge, no proposed director is, as at the Effective Date, or has been within the 10 years before the Effective Date, a director or executive officer of any company (including Simply Better), that:

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

Except as described below, no proposed director is, as at the Effective Date, or has been within 10 years before the Effective Date, a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Meadows served as the Chief Financial Officer of GLG Life Tech Corporation ("**GLG**") from October 2007 through January 2019. On May 2, 2012, the British Columbia Securities Commission (the "**BCSC**") imposed a cease trade order ("**CTO**") on GLG's common shares for failure to file its annual financial statements, its management discussion and analysis relating to its annual financial statements, its annual information form and the CEO and CFO certifications (collectively, the "Required Documents") for the period ended December 31, 2011, beyond the prescribed deadline of March 30, 2012. Similar CTO's were imposed by the Ontario Securities Commission ("**OSC**") and the Manitoba Securities Commission ("**MSC**") on May 16, 2012 and July 9, 2012, respectively. On May 3, 2012, the Investment Industry Regulatory Organization of Canada (IIROC) imposed a temporary suspension of trading in the common shares of GLG. On August 15, 2012, GLG filed its Required Documents for the period ending December 31, 2011. The CTO was revoked on June 18, 2013 by the BCSC, on June 27, 2013 by the OSC and

June 17, 2013 by the MSC. Trading resumed in GLG's common shares on the Toronto Stock Exchange on June 28, 2013.

On April 10, 2012, Mr. Meadows was the subject of a management cease trade order ("**MCTO**") issued by the BCSC as a result of GLG having not filed its Required Documents. The MCTO was revoked on June 18, 2013 by the BCSC.

### **Personal Bankruptcies**

No proposed director has, within 10 years before the Effective Date, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such proposed director.

### **Penalties and Sanctions**

To the best of the Company's knowledge, no proposed director has, as at the Effective Date, been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director, other than a settlement agreement entered into before December 31, 2000 that would likely not be important to a reasonable securityholder in deciding whether to vote for a proposed director.

### **ITEM 4. APPOINTMENT OF AUDITOR**

Marcum LLP are the current auditors of the Company and were appointed on December 8, 2020. Management proposes that Marcum LLP continue to be appointed as auditors of the Company to hold office until the earlier of the next annual meeting of Shareholders or their removal by the Company, at a remuneration to be fixed by the Board. **Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote the proxies in favor of an ordinary resolution appointing Marcum LLP as auditor of the Company and to authorize the Board to fix the remuneration of Marcum LLP.**

### **ITEM 5. APPROVAL OF EQUITY INCENTIVE PLAN**

At the Meeting, shareholders will be asked to approve a resolution approving the Company's equity incentive plan (the "**Equity Incentive Plan**"). The Equity Incentive Plan was originally adopted by the Board on January 19, 2021, subject to shareholder approval and TSX Venture Exchange acceptance.

Prior to the adoption of the Equity Incentive Plan by the Board, the sole security-based compensation plan of the Company was its existing stock option plan, pursuant to which the Board was able to grant stock options to directors, officers, employees of and consultants to the Company. With the growth of the Company's business subsequent to adoption of the existing option plan, the Board determined it was in the best interests of the Company to adopt a new security-based compensation plan which would provide the Board with the ability and flexibility to make broader and different forms of equity rewards as part of its need to retain a competitive compensation structure for its directors, officers, employees and consultants. Consequently, the Board adopted the Equity Incentive Plan.

A summary of the Equity Incentive Plan is set out below and a full copy of the plan is attached hereto as Schedule A.

The adoption of the Equity Incentive Plan by the Board is subject to approval of the Equity Incentive Plan by the Shareholders. In accordance with TSX Venture Exchange ("**TSXV**") policies, the approval of the Equity Incentive Plan will require disinterested Shareholder approval, being the approval of a majority of the votes cast by Shareholders at the Meeting excluding Insiders and their Associates. An "Insider" includes all directors and senior officers of the Company and its subsidiaries and any person who beneficially owns or controls, directly or indirectly,

more than 10% of the issued and outstanding Common Shares; and “Associates” includes an individual’s spouse, children and any relative who lives in the same residence as such person.

## Summary of Equity Incentive Plan

The Equity Incentive Plan provides flexibility to the Company to grant equity-based incentive awards in the form of restricted share units and deferred share units (as described in further detail below, and collectively referred to as “**Awards**”) to attract, retain and motivate qualified directors, officers, employees and consultants (collectively referred to as “**Participants**”) of the Company.

The purpose of the Equity Incentive Plan is to, among other things: (i) provide the Company with a mechanism to attract, retain and motivate qualified directors, officers, employees and consultants of the Company; (ii) reward directors, officers, employees and consultants that have been granted Awards under the Equity Incentive Plan for their contributions toward the long-term goals and success of the Company; and (iii) enable and encourage such directors, officers, employees and consultants to acquire Common Shares of the Company as long-term investments and proprietary interests in the Company.

The aggregate number of awards that may be issued to Participants under the Equity Incentive Plan may not exceed 2,101,686. The Equity Incentive Plan provides that the maximum number of Common Shares which may be reserved for issuance under the Equity Incentive Plan, together with any of the Company’s other security based compensation arrangements (“**Security Based Compensation Arrangements**”), which currently includes stock options under the Plan, may not exceed 10% of the issued Common Shares.

Unless disinterested Shareholder approval is obtained (or unless permitted otherwise by the policies of the TSXV): (i) the maximum number of Awards that may be granted to any one Participant under the Equity Incentive Plan, together with any other Security Based Compensation Arrangements, within a 12-month period, may not exceed 5% of the issued Common Shares calculated on the date of grant; and (ii) the maximum number of Awards that may be granted to any one consultant under the Equity Incentive Plan, together with any other Security Based Compensation Arrangements, within a 12-month period, may not exceed 2% of the issued Common Shares calculated on the date of grant. The number of Awards that may be issued to any one individual under the Equity Incentive Plan, together with all other Security Based Compensation Arrangements, shall not exceed 1% of the Company’s issued Common Shares in any 12 month period. The number of Awards that may be issued to any one Insider (as defined in TSXV Policy 1.1) shall not exceed 2% of the Company’s issued Common Shares in any 12 month period, unless disinterested Shareholder approval is obtained. The total value of securities issuable to any one non-employee director under all of the Company’s Security Based Compensation Arrangements shall not exceed \$150,000 per annum; provided that the foregoing limitation does not apply to: (i) grants of DSUs made in lieu of director fees and such DSUs shall not be included in determining the foregoing limit where the aggregate accounting fair value on the date of grant of such DSUs is equal to the amount of the cash retainer or meeting fees in respect of which such DSUs were granted, or (ii) a one-time initial grant to a non-employee director upon such non-employee director joining the Board.

The plan administrator of the Equity Incentive Plan (the “**Equity Incentive Plan Administrator**”) will initially be the Board or a committee of the Board, if delegated. The Equity Incentive Plan Administrator will: determine which directors, officers, employees or consultants are eligible to receive Awards under the Equity Incentive Plan; determine any additional vesting provisions or other restrictions on Awards; determine conditions under which Awards may be granted, vested or settled, including establishing performance goals; establish the form of Award agreement (“**Award Agreement**”); cancel, amend or adjust Awards in compliance with the Equity Incentive Plan; and make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Equity Incentive Plan. In addition, the Equity Incentive Plan Administrator will interpret the Equity Incentive Plan and may adopt administrative rules, regulations, procedures and guidelines governing the Equity Incentive Plan or any Awards granted under the Equity Incentive Plan as it deems to be appropriate. The Equity Incentive Plan Administrator may also from time to time, without notice and without approval of the holders of the Common Shares, amend, modify, change, suspend or terminate the Equity Incentive Plan or any Awards granted pursuant thereto as it, in its discretion, determines appropriate, provided that: (i) no such amendment, modification, change, suspension or termination of the Equity Incentive Plan or any Award granted pursuant thereto may, subject to termination for cause, materially impair any rights of a Participant or materially increase any obligations of a Participant under the Equity Incentive Plan without the consent of such Participant, unless the Equity Incentive Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements. Further, the Equity Incentive Plan Administrator may



also from time to time, without notice and without approval of the holders of the Common Shares, make any such amendments to the Equity Incentive Plan as are required for compliance with the policies of the applicable exchange on which the Common Shares are listed and posted for trading. Notwithstanding the above, and subject to the rules of the TSXV, the approval of shareholders is required to effect any of the following amendments to the Equity Incentive Plan: (a) increasing the number of Common Shares reserved for issuance under the Equity Incentive Plan, except pursuant to the provisions in the Equity Incentive Plan which permit the Equity Incentive Plan Administrator to make equitable adjustments in the event of transactions affecting the Company or its capital; (b) extending the term of Awards beyond the original expiry, subject to application of blackout policies; or (c) permitting Awards to be transferred to a person.

Awards of restricted share units and deferred share units may be made under the Equity Incentive Plan. All of the Awards are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the Equity Incentive Plan Administrator, in its sole discretion, subject to such limitations provided in the Equity Incentive Plan, and will generally be evidenced by an Award Agreement. In addition, subject to the limitations provided in the Equity Incentive Plan and in accordance with applicable law, the Equity Incentive Plan Administrator may accelerate or defer the vesting or payment of Awards, cancel or modify outstanding Awards, and waive any condition imposed with respect to Awards or Common Shares issued pursuant to Awards.

A restricted share unit (“**RSU**”) is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive one Common Share for each RSU. RSUs shall, unless otherwise determined by the Equity Incentive Plan Administrator, and as specifically set out in the Award Agreement, vest as to 1/3 on each of the first, second and third anniversaries of the date of grant. Upon settlement, which shall be within 60 days of vesting, and in any event no later than December 15 of the third year following the year in respect of which the RSU is granted, holders of RSUs will receive any or a combination of the following (as determined solely at the discretion of the Equity Incentive Plan Administrator): (i) one fully paid and non-assessable Common Share issued from treasury in respect of each vested RSU; (ii) one fully paid and non-assessable Common Share purchased on the open market by an independent broker designated by the Equity Incentive Plan Administrator in respect of each vested RSU; or (iii) a cash payment. Any cash payment is determined by multiplying the number of RSUs redeemed for cash by the market value of a Common Share (calculated with reference to the five-day volume weighted average trading price) (the “**Market Price**”) on the date of settlement.

In addition to RSUs, the Equity Incentive Plan provides for the grant of restricted share units to Named Executive Officers (“**NEO RSU**”). A NEO RSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive one Common Share for each NEO RSU. NEO RSUs shall, unless otherwise determined by the Plan Administrator, and as specifically set out in the Award Agreement, vest as to 100% on the third anniversary of the date of grant. A Named Executive Officer who wishes to receive payment and settle vested NEO RSUs may do so by delivering a notice (a “**NEO RSU Election Notice**”) to the Company stating the amount of NEO RSUs that such Named Executive Officer wishes to settle, including the amount of Common Shares issued from treasury, the amount of any cash payment or any combination thereof that the NEO wishes to receive in payment and settlement for such vested NEO RSUs (solely as determined by the Named Executive Officer). Within 15 days of receipt of the NEO RSU Election Notice, the Company shall settle such vested NEO RSUs in accordance with the NEO RSU Election Notice. Any cash payment is determined by multiplying the number of NEO RSUs redeemed for cash by the Market Price of a Common Share on the date of settlement.

A deferred share unit (“**DSU**”) is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive one Common Share for each DSU on a future date, which is no earlier than the termination of services of the Participant with the Company, and no later than one year after the termination of services of the Participant with the Company, subject to the discretion of the Equity Incentive Plan Administrator. DSUs shall, unless otherwise determined by the Equity Incentive Plan Administrator, and as specifically set out in the Award Agreement, vest as to 1/3 on each of the first, second and third anniversaries of the date of grant. In addition to grants made by the Equity Incentive Plan Administrator to all participants, DSUs allow for directors of the Company to elect that any portion of a director’s fees may be payable in DSUs upon the election by such director. Upon settlement, holders of DSUs will receive any or a combination of the following (as determined solely at the discretion of the Equity Incentive Plan Administrator): (i) one fully paid and non-assessable Common Share issued from treasury in respect of each vested DSU; or (ii) a cash payment. Any cash payment is determined by multiplying the number of DSUs redeemed for cash by the Market Price of a Common Share on the date of settlement.

If a settlement date for an Award occurs during, or within nine business days after, a trading black-out period imposed by the Company to restrict trades in its securities, then, notwithstanding any other provision of the Equity Incentive Plan, unless the delayed expiration would result in tax penalties, the Award shall be settled no more than ten business days after the trading black-out period is lifted by the Company.

Although the Equity Incentive Plan does not stipulate a term for Awards granted thereunder, they must vest and settle in accordance with the provisions of the Equity Incentive Plan and any applicable Award Agreement, which Award Agreement may include an expiry date for a specific Award.

The following table describes the impact of certain events that may, unless otherwise determined by the Equity Incentive Plan Administrator or as set forth in an Award Agreement, lead to the early expiry of Awards granted under the Equity Incentive Plan:

Termination for Cause:	Forfeiture of all unvested Awards. At the discretion of the Equity Incentive Plan Administrator, and vested Awards may be forfeited.
Voluntary Resignation of a Participant:	Forfeiture of all unvested Awards.
Termination other than for cause:	Forfeiture of all unvested Awards. Settlement of all vested Awards in accordance with the Equity Incentive Plan.
Death or Disability of a Participant:	Acceleration of vesting of all unvested Awards.

As of the Effective Date, 130,000 restricted share units and nil deferred share units have been granted under the Equity Incentive Plan.

### **Ordinary Resolution Approving Equity Incentive Plan**

At the Meeting, shareholders will be asked to approve an ordinary resolution approving the Equity Incentive Plan (the "**Equity Incentive Plan Resolution**"). In order to pass, the Equity Incentive Plan Resolution must be approved by a majority of the votes cast at the Meeting by disinterested Shareholders. To the knowledge of the Company, as of the Record Date, an aggregate of 7,472,382 Common Shares, representing approximately 34.76% of the then issued and outstanding Common Shares, were held by Shareholders who are considered to be Insiders of the Company and to whom awards under the Equity Incentive Plan may be granted, and the Associates thereof, and will be excluded from voting on the Equity Incentive Plan Resolution. If the Equity Incentive Plan Resolution is not approved, the Equity Incentive Plan will not be implemented.

The full text of the Equity Incentive Plan Resolution is as follows:

#### **BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. the Equity Incentive Plan of Simply Better Brands Corp. (the "**Company**") dated January 19, 2021, substantially in the form attached as Schedule A to the management information circular of the Company dated June 1, 2021, which provides for the issuance of a maximum of 2,101,686 common shares of the Company, with such other conforming changes as the board of directors of the Company considers necessary or appropriate, be and is hereby ratified, confirmed and approved;
2. the form of the Equity Incentive Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities, including the TSX Venture Exchange, without requiring further approval of the shareholders of the Company;
3. the shareholders of the Company hereby expressly authorize the board of directors to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and
4. any one director or officer of the Company be and is hereby authorized, for and on behalf of the Company, to execute and deliver all such documents and instruments and to do all other things as in the opinion of such director or officer may be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of any such action.

**Management recommends that Shareholders vote “FOR” the Equity Incentive Plan Resolution. Unless otherwise directed, the persons named in the enclosed Instrument of Proxy intend to vote FOR the approval of the Equity Incentive Plan Resolution.**

## **ITEM 6. OTHER BUSINESS**

The officers and directors of the Company are not aware of any matters, other than those indicated above, which may be submitted to the Meeting for action. **However, if any other matters should properly be brought before the Meeting, the enclosed proxy confers discretionary authority to vote on such other matters according to the best judgment of the person holding the proxy at the Meeting.**

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

Other than as set forth herein, management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors or the appointment of auditors, of any person or company who has been: (a) a director or executive officer of the Company at any time since the beginning of the Company's last financial year; (b) any proposed nominee for election as a director of the Company; or (c) any associate or affiliate of any of the foregoing persons.

### **STATEMENT OF EXECUTIVE COMPENSATION**

#### **Compensation Discussion and Analysis**

The compensation program of the Company is designed to attract, motivate, reward and retain knowledgeable and skilled executives required to achieve the Company's corporate objectives and increase shareholder value. The main objective of the compensation program is to recognize the contribution of the executive officers to the overall success and strategic growth of the Company. The compensation program is designed to reward management performance by aligning a component of the compensation with the Company's business performance and share value. The philosophy of the Company is to pay the executives of the Company a total compensation amount that is competitive with other similar sized companies, although no specific benchmarks have been used, and is consistent with the experience and responsibility level of such executives. The purpose of executive compensation is to reward the executives for their contributions to the achievements of the Company on both an annual and long term basis.

The compensation program provides long term incentives to its executive officers and directors through grants of stock options under the Company's stock option plan. Increasing the value of the Company's Common Shares increases the value of the stock options. This incentive closely links the interests of the Named Executive Officers (“NEOs”) and directors to shareholders of the Company. The Board of Directors is satisfied that there were not any identified risks arising from the Company's compensation plans or policies that would have had any negative or material impact on the Company. The Company does not have any policy in place to permit an executive officer or director to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the executive officer or director.

#### *Oversight and Description of Director and NEO Compensation*

The Board has appointed a compensation committee to oversee the tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors. The compensation committee is comprised of Paul Norman (Chair), Cody Alt and Michael Galloro. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended by the Compensation Committee and ultimately approved by the Board with reference to peer group data. NEOs that are also directors of the Company are involved in discussions relating to compensation, but disclose their interest in, and abstain from voting on, decisions related to their own respective compensation.

The overall objective of the Company's compensation strategy is to offer short, medium and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest caliber and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the CEO, if any, in this regard. The Company currently has a short term compensation component in place, which includes the payment of salary and annual bonuses to certain NEOs, and a long-term compensation component in place, which includes the grant of stock options and restricted share awards under the Plan. The Company intends to further develop these compensation components. The Board may in the future consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is expected to be discretionary, depending on, among other factors, the financial performance of the Company and the performance of the executive officer. The Board considers that the payment of such discretionary annual cash bonuses may satisfy the medium term compensation component.

The objectives of the Company's compensation policies and procedures are to align the interests of the Company's employees with the interests of the shareholders of the Company. Therefore, a significant portion of total compensation granted by the Company may be based upon overall corporate performance. The Company relies on Board discussion, using objectives, criteria and analysis, when determining executive compensation. The Board in consultation with management sets performance goals in connection with the annual incentive plans. The Board takes into consideration previous equity grants when considering new grants.

#### *Insider Trading and Reporting Policy*

All of the Company's executives, other employees and directors are subject to the Company's Insider Trading and Reporting Policy, which prohibits trading in the Company's securities while in possession of material undisclosed information about the Company. Under this policy, such individuals are also prohibited from entering into hedging transactions involving securities of the Company, such as short sales, puts and calls. Furthermore, the Company permits executives, including the NEOs, to trade in the Company's securities only during prescribed trading windows. Notwithstanding these prohibitions, the Company's directors, officers and employees are able to sell a security which such person does not own if such person owns another security convertible into the security sold or an option or right to acquire the security sold and, within 10 days after the sale, such person: (i) exercises the conversion privilege, option or right and delivers the security so associated to the purchaser; or (ii) transfers the convertible security, option or right, if transferable, to the purchaser.

#### *Named Executive Officers (NEOs)*

The following discussion describes the significant elements of the compensation of the Company's Chief Executive Officer ("**CEO**"), Chief Financial Officer ("**CFO**") and three most highly compensated executive officers (collectively, the "**NEOs**"). As at December 31, 2020, the NEOs of the Company were Kathy Casey (Chief Executive Officer), Brian Meadows (Chief Financial Officer), Michael Galloro (former Chief Executive Officer and Chief Financial Officer), Sam Conley (Vice President of Sales of Purekana LLC), Jeff Yauck (Chief Operating Officer of Purekana LLC) and Cody Alt (CEO of Purekana LLC). Mr. Galloro was the Chief Executive Officer and Chief Financial Officer of the Company prior to completion of the Company's qualifying transaction that closed on December 7, 2020. Mr. Galloro did not receive any compensation while acting as Chief Executive Officer and Chief Financial Officer of the Company.

#### **Summary Compensation Table of NEOs**

The following table sets forth all annual and long-term compensation for the financial years ended December 31, 2020, 2019 and 2018 for services in all capacities to the Company and its subsidiaries, if any, in respect of individuals who were considered NEOs during the financial year ended December 31, 2020.

## Summary Compensation Table

Name and Principal Position	Year Ended December 31	Salary (US\$)	Share-Based Awards <sup>(1)</sup> (US\$)	Option-Based Awards <sup>(2)</sup> (US\$)	Non-Equity Incentive Plan Compensation (US\$)		Pension Value (US\$)	All Other Compensation (US\$)	Total Compensation (US\$)
					Annual Compensation Plans	Long-Term Incentive Plans <sup>(3)</sup>			
<b>Kathy Casey<sup>(4)</sup></b> CEO	2020	29,133	-	-	-	-	-	3,887	33,054
<b>Brian Meadows<sup>(4)</sup></b> CFO	2020	20,416	-	-	-	-	-	-	20,416
<b>Sam Conley<sup>(4)</sup></b> Vice President of Sales	2020	12,500	-	-	-	-	-	1,784	14,284
<b>Jeff Yauck<sup>(4)</sup></b> COO Purekana	2020	11,318	-	-	-	-	-	-	11,318
<b>Cody Alt<sup>(4)</sup></b> CEO Purekana	2020	11,566	-	-	-	-	-	-	11,566

### Notes:

- (1) **"Share-Based Award"** means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.
- (2) **"Option-Based Award"** means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features. This does not represent cash paid to the NEO. This figure is based on the grant date fair value of such options. The grant date fair value was determined in accordance with International Financial Reporting Standards. This methodology was chosen in order to be consistent with the accounting fair value used by the Company in its financial statements, and the Black-Scholes option pricing model is a commonly used methodology for valuing options which provides an objective and reasonable estimate of fair value. The key assumptions of this valuation include current market price of the stock, exercise price of the option, option term, risk-free interest rate, dividend yield of stock and volatility of stock return. Calculating the value of stock options using the Black-Scholes option pricing model is very different from a simple "in-the-money" value calculation. In fact, stock options that are well out-of-the-money can still have a significant "grant date fair value" based on a Black-Scholes option pricing model, especially where, as in the case of the Company, the price of the share underlying the option is highly volatile. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation.
- (3) The Company does not currently have any non-equity long-term incentive plans.
- (4) Became an officer of the Company on December 7, 2020 on close of the Company's qualifying transaction.

During the financial year ended December 31, 2020:

- Kathy Casey was paid an annual salary amount of US\$350,000. The amounts in the table above reflect the pro-rated amount for December 2020 only. Ms. Casey will be granted 450,000 stock options and \$200,000 worth of restricted share units, upon shareholder approval of the Equity Incentive Plan, which is being sought at the Meeting.
- Brian Meadows was paid an annual salary amount of US\$245,000. The amounts in the table above reflect the pro-rated amount for December 2020 only. Mr. Meadows will be granted 375,000 stock options and \$150,000 worth of restricted share units, upon shareholder approval of the Equity Incentive Plan, which is being sought at the Meeting.
- Sam Conley was paid an annual salary amount of US\$150,000. The amounts in the table above reflect the pro-rated amount for December 2020 only.



- Each of Jeff Yauck and Cody Alt received an annual salary of US\$121,363 during the year ended December 31, 2020. The amounts in the table above reflect the pro-rated amount for December 2020 only.

## Incentive Plan Awards

### Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth details of all share-based and option-based awards outstanding for each NEO of the Company as of the financial year ended December 31, 2020, including awards granted before the most recently completed financial year.

Name and Title	OPTION-BASED AWARDS				SHARE-BASED AWARDS <sup>(1)</sup>		
	Number of securities underlying unexercised options (#)	Option exercise price (US\$)	Option expiration date	Value of unexercised in-the-money options (US\$)	Number of share or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (US\$)	Market or payout value of vested share-based awards not paid out or distributed (US\$)
<b>Kathy Casey</b> CEO	-	-	-	-	-	-	-
<b>Brian Meadows</b> CFO	-	-	-	-	-	-	-
<b>Sam Conley</b> Vice President of Sales	-	-	-	-	-	-	-
<b>Jeff Yauck</b> COO Purekana	-	-	-	-	-	-	-
<b>Cody Alt</b> CEO Purekana	-	-	-	-	-	-	-

No awards have been transferred at other than fair market value.

### Incentive Plan Awards - Value Vested or Earned During the Year

For each NEO, the following table sets forth: (1) the value of option-based awards which vested or were earned during the financial year ended December 31, 2020, (2) the value of share-based awards which vested or were earned during the financial ended December 31, 2020; and (3) the value of non-equity incentive plan compensation earned during the year ended December 31, 2020.

Name and Title	Option-Based Awards - Value vested during the year <sup>(1)</sup> (US\$)	Share-based awards - Value vested during the year (US\$)	Non-equity incentive plan compensation - Value earned during the year (US\$)
<b>Kathy Casey</b> CEO	-	-	-
<b>Brian Meadows</b> CFO	-	-	-
<b>Sam Conley</b> Vice President of Sales	-	-	-
<b>Jeff Yauck</b> COO Purekana	-	-	-

Name and Title	Option-Based Awards - Value vested during the year <sup>(1)</sup> (US\$)	Share-based awards - Value vested during the year (US\$)	Non-equity incentive plan compensation - Value earned during the year (US\$)
Cody Alt CEO Purekana	-	-	-

**Notes:**

(1) Reflects the aggregate dollar value that would have been realized if the options had been exercised on the vesting date, calculated based on the difference between the market price of the underlying securities at exercise and the exercise price of the options on the vesting date.

**Pension Plan Benefits**

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

**Termination and Change of Control Benefits**

Other than as set forth below, the Company is not a party to any contract, agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company, its subsidiaries or affiliates or a change in a NEO's responsibilities.

Pursuant to the employment agreement between the Company and Kathy Casey, in the event that Ms. Casey is terminated without cause, or Ms. Casey resigns for good reason, she will be entitled to receive (i) the unpaid then current base salary and bonus earned through the termination date, (ii) accrued but unused time off through the termination date, (iii) accrued expenses through the termination date, (iv) any other payments as may be required under applicable law, and (v) severance pay in a lump sum amount equal to her base salary rate then in effect, through the term of the employment agreement, being August 1, 2022. In the event Ms. Casey was terminated without cause on December 31, 2020, she would have been entitled to receive US\$554,167.

Pursuant to the employment agreement between the Company and Brian Meadows, in the event that Mr. Meadows is terminated without cause, Mr. Meadows will be entitled to receive (i) the unpaid then current base salary and bonus earned through the termination date, (ii) accrued but unused time off through the termination date, (iii) accrued expenses through the termination date, and (iv) severance pay in a lump sum amount equal to the greater of the base salary ate then in effect, through the term of the employment agreement, being August 1, 2022 and the minimum amount of compensation entitled to under the *Employment Standards Act* (British Columbia). In the event Mr. Meadows was terminated without cause on December 31, 2020, he would have been entitled to receive US\$387,917.

**Liability Insurance of Directors and Officers**

The Company has directors' and officers' liability insurance coverage for losses to the Company if the Company is required to reimburse directors and officers, where permitted, and for direct indemnity of directors and officers where corporate reimbursement is not permitted by law. This insurance protects the Company against liability (including costs), subject to standard policy exclusions, which may be incurred by directors and/or officers acting in such capacity for the Company. All directors and officers are covered by the policy and the amount of insurance applies collectively to all. The annualized cost for this insurance in 2020 was US\$120,432.

In addition, indemnity agreements have been entered into with each director and certain executive officers pursuant to which the Company has agreed to indemnify such directors and officers from liability arising in connection with the performance of their duties. Such indemnity agreements conform to the provisions of the BCBCA.

**Other Compensation**

Other than as set forth herein, the Company did not pay any other compensation to NEOs (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to

all full time employees) during the financial year ended December 31, 2020, other than benefits and perquisites which did not amount to C\$10,000 or greater per individual.

## STATEMENT OF DIRECTOR COMPENSATION

As at December 31, 2020 and the date hereof, the Company had four directors, one of whom was independent within the meaning of within the meaning of National Instrument 52-110 - *Audit Committees* ("**NI 52-110**"): Paul Norman (Chair). Mr. Michael Galloro was and is not considered independent for the purposes of NI 52-110 and National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), by virtue of being the former CEO and CFO of the Company. Jeff Yauck and Cody Alt are not independent within the meaning of NI 58-101, as they have a material relationship with the Company as employees and founders of PureKana, LLC.

In connection with the Company's qualifying transaction, Mr. Steven Agnew and Mr. Mike Dai resigned as directors of the Company effective December 7, 2020. Mr. Steven Agnew and Mr. Mike Dai did not receive any compensation for acting as directors during the year ended December 31, 2020.

For compensation paid to Jeff Yauck and Cody Alt, see "Statement of Executive Compensation" above. Neither Jeff Yauck or Cody Alt received additional compensation for acting as directors of the Company during the year ended December 31, 2020.

Each member of the Company's Board is entitled to reimbursement for reasonable travel and other expenses incurred in connection with attending Board meetings and meetings for any committee on which he serves. During the year ended December 31, 2020, the directors did not receive any compensation for serving as directors of the Company. It is anticipated that in future years, the directors will receive compensation in the form of restricted share awards and/or stock option grants under the Company's Equity Incentive Plan (if approved by the shareholders at the Meeting).

### Directors' Summary Compensation Table

The following table sets forth all compensation provided to the Company's Directors for the financial year ended December 31, 2020.

Name	Fees Earned (US\$)	Share- Based Awards <sup>(1)</sup> (US\$)	Option- Based Awards <sup>(2)</sup> (US\$)	Non-Equity Incentive Plan Compensation <sup>(3)</sup> (US\$)	Pension Value <sup>(3)</sup> (US\$)	All Other Compensation <sup>(4)</sup> (US\$)	Total (US\$)
Michael Galloro	-	-	-	-	-	-	-
Paul Norman <sup>(5)</sup>	-	-	-	-	-	-	-
Steve Agnew <sup>(6)</sup>	-	-	-	-	-	-	-
Mike Dai <sup>(6)</sup>	-	-	-	-	-	-	-

**Notes:**

- (1) "**Share-Based Award**" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.
- (2) "**Option-Based Award**" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features. This does not represent cash paid to the NEO. This figure is based on the grant date fair value of such options. The grant date fair value was determined in accordance with International Financial Reporting Standards. This methodology was chosen in order to be consistent with the accounting fair value used by the Company in its financial statements and since the Black-Scholes option pricing model is a commonly used methodology for valuing options which provides an objective and reasonable estimate of fair value. The key assumptions of this valuation include current market price of the stock, exercise price of the option, option term, risk-free interest rate, dividend yield of stock and volatility of stock return. Calculating the value of stock options using the Black-Scholes option pricing model is very different from a simple "in-the-money" value calculation. In fact, stock options that are well out-of-the-money can still have a significant "grant date fair value" based on a Black-Scholes option pricing model, especially where, as in the case of the Company, the price of the share underlying the option is highly volatile. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation.
- (3) The Company does not currently have any pension plans, pension awards or other long-term non-equity compensation for which the directors are eligible.

- (4) Jeff Yauck and Cody Alt each received a salary of US\$121,363 during the year ended December 31, 2020 for providing services relating to their roles as founders of PureKana, LLC. The amounts in the table above reflect the pro-rated amount for December 2020 only.
- (5) Appointed to the Board on December 7, 2020.
- (6) Mr. Steven Agnew and Mr. Mike Dai resigned as directors on December 7, 2020 in connection with the Company's qualifying transaction.

### Incentive Plan Awards standard form bullet numbers

### Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth details of all share-based and option-based awards outstanding for each Director of the Company as of the financial year ended December 31, 2020.

Name and Title	OPTION-BASED AWARDS				SHARE-BASED AWARDS <sup>(1)</sup>		
	Number of securities underlying unexercised options (#) <sup>(1)</sup>	Option exercise price (US\$) <sup>(1)</sup>	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (US\$)	Number of share or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (US\$)
Michael Galloro	22,500	\$1.04	01/29/24	38,475	-	-	-
Paul Norman <sup>(2)</sup>	-	-	-	-	-	-	-
Steve Agnew <sup>(3)</sup>	3,750	\$1.04	01/24/24	6,391	-	-	-
Mike Dai <sup>(3)</sup>	11,250	\$1.04	01/24/24	19,174	-	-	-

#### Notes:

- (1) The value of the unexercised in-the-money options is calculated based on the difference between the market value of the Common Shares as at December 31, 2020 and the exercise price of the option. The Bank of Canada exchange rate on December 31, 2020 was US\$1.00 to CAD\$1.2732, and the closing price of the Company's Common Shares on the TSXV on December 31, 2020 was C\$3.50 (US\$2.75). On March 1, 2021, the Company completed a 3 for 1 forward stock split. The numbers in the table above are reflected on a post-stock split basis.
- (2) Appointed to the Board on December 7, 2020.
- (3) Mr. Steven Agnew and Mr. Mike Dai resigned as directors on December 7, 2020 in connection with the Company's qualifying transaction.

None of the awards disclosed in the table above have been transferred at other than fair market value.

### Incentive Plan Awards - Value Vested or Earned During the Year

For each Outside Director, the following table sets forth: (1) the value of option-based awards which vested or were earned during the financial year ended December 31, 2020, (2) the value of share-based awards which vested or were earned during the financial year ended December 31, 2020, and (3) the value of non-equity incentive plan compensation earned during the year ended December 31, 2020.

Name	Option-Based Awards - Value of in-the-money vested during the year <sup>(1)</sup> (US\$)	Share-Based Awards - Value vested during the year (US\$)	Non-Equity Incentive Stock Option Plan Compensation - Value Earned During the Year (US\$)
Michael Galloro	-	-	-
Paul Norman <sup>(2)</sup>	-	-	-
Steve Agnew <sup>(3)</sup>	-	-	-
Mike Dai <sup>(3)</sup>	-	-	-

**Notes:**

- (1) Reflects the aggregate dollar value that would have been realized if the options had been exercised on the vesting date, calculated based on the difference between the market price of the underlying securities at exercise and the exercise price of the options on the vesting date.
- (2) Appointed to the Board on December 7, 2020.
- (3) Mr. Steven Agnew and Mr. Mike Dai resigned as directors on December 7, 2020 in connection with the Company's qualifying transaction.

**Other Compensation**

Other than as set forth herein, the Company did not pay any other compensation to Outside Directors (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full time employees) during the financial year ended December 31, 2020, other than benefits and perquisites which did not amount to C\$10,000 or greater per individual.

**SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets forth securities of the Company that are authorized for issuance under equity compensation plans as at the end of the Company's financial year ended December 31, 2020. As at December 31, 2020 and the Effective Date, the Equity Incentive Plan is the only compensation plan under which any Common Shares may be issued.

<b>Plan Category</b>	<b>Number of Securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted average exercise price of outstanding options, warrants and rights(4)</b>	<b>Number of securities remaining available for issuance under equity compensation plans (excluding outstanding securities reflected in Column 1)</b>
Equity compensation plans approved by Shareholders	Nil	Nil	Nil
Equity compensation plans not approved by Shareholders <sup>(1)</sup>	130,000	Nil	1,971,686
<b>Total</b>	<b>130,000</b>	<b>Nil</b>	<b>1,971,686</b>

**Note:**

- (1) A total of 130,000 restricted share units were granted to a consultant of the Company on January 19, 2021 under the Company's Equity Incentive Plan. The Equity Incentive Plan is proposed to be approved by shareholders of the Company at the Meeting. The aggregate number of awards that may be issued to participants under the Equity Incentive Plan may not exceed 2,101,686.

**MANAGEMENT CONTRACTS**

During the financial year ended December 31, 2020, no management functions of the Company or its subsidiary were to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Company or subsidiary.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No individual who is, or at any time during the most recently completed financial year of the Company was, a director or executive officer of the Company, each proposed nominee for election as a director of the Company, nor each associate of any such director, executive officer or proposed nominee, is, or has been at any time since January 1, 2019, indebted to the Company or any of its subsidiaries in respect of any indebtedness that is still outstanding as at the Effective Date, nor is, or at any time since January 1, 2020 has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.



## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The Company is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer, proposed nominee for election as a director or any Shareholder holding more than 10% of the voting rights attached to the Shares, or any associate or affiliate of any of the foregoing, in any transaction in the preceding financial year or any proposed or ongoing transaction of the Company which has or will materially affect the Company.

## DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

NI 58-101 requires that if management of an issuer solicits proxies from its securityholders for the purpose of electing directors, that certain prescribed disclosure respecting corporate governance matters be included in its management information circular. The prescribed corporate governance disclosure for the Company is that contained in Form 58-101F2 which is attached to NI 58-101 (the "**Form 58-101F1 Disclosure**").

Set out below is a description of the Company's current corporate governance practices, relative to the Form 58-101F2 Disclosure.

### Board of Directors

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

As of the Effective Date, one of the four directors are independent (for the purposes of NI 58-101). The following directors of the Company are considered independent (for purposes of NI 58-101): Paul Norman. Michael Galloro, Jeff Yauck and Cody Alt are non-independent directors. Mr. Michael Galloro is not considered independent by virtue of being the former CEO and CFO of the Company. Jeff Yauck and Cody Alt are not independent as they have a material relationship with the Company as employees and founders of PureKana, LLC.

### Directorships

The following directors are presently directors of other issuers that are reporting issuers (or the equivalent):

Individual	Name of Reporting Issuer
Michael Galloro	Simply Inc. (OTCQX), Fountain Asset Corp. (TSXV), World-Class Extractions Inc. (CSE), AF2 Capital Corp. (TSXV)
Paul Norman	Jones Soda Co.

### Board Meetings

Although the independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance, the Board has adopted the practice of following each meeting with an independent directors' discussion. The Board ensures open and candid discussion among its independent directors by continuously monitoring situations where a conflict of interest or perceived conflict of interest with respect to a director may exist. In cases where such a conflict of interest or perceived conflict of interest is identified, it is addressed in accordance with the BCBCA and the Board Mandate. The Board may determine that it is appropriate to hold an in-camera session excluding a director with a conflict of interest or perceived conflict of interest, or such director may consider that it is appropriate to recuse him or herself from considering and voting with respect to the matter under consideration.

The Chair of the Board, Paul Norman, is an independent director. The Board Chair is responsible for encouraging open and candid discussion among the independent directors, as discussed above, as well as facilitating Board meetings.

The attendance record of each of the directors of the Company for Board meetings and committee meetings held during the year ended December 31, 2020 is as follows.

<b>Name</b>	<b>Board Meetings Attended / Held</b>	<b>Audit Committee Meetings Attended / Held</b>
Jeff Yauck <sup>(1)</sup>	1 of 1	0 of 0
Cody Alt <sup>(1)</sup>	1 of 1	Not a member
Michael Galloro	1 of 1	0 of 0
Paul Norman <sup>(1)</sup>	1 of 1	0 of 0

**Note:**

(1) Became a director of the Company effective December 7, 2020.

**Board Mandate**

The Board assumes overall responsibility for the strategic direction of the Company, including the annual consideration of a strategic plan and budget and management's design and implementation of risk mitigation programs as appropriate. The Board as currently constituted represents a cross-section of experience in matters relevant to the Company. The mandate of the Board is reviewed and revised by the Board periodically and is attached as Appendix A to this Circular.

**Position Descriptions**

The Board has developed a written position description for the Chairman of the Board and for the Chairman of the Audit Committee. The Board, with the input of the Chief Executive Officer of the Company, has developed a written position description for the Chief Executive Officer.

**Orientation and Continuing Education**

Each new director is given an outline of the nature of the Company's business, its corporate strategy and current issues with the Company. New directors are also expected to meet with management of the Company to discuss and better understand the Company's business and are advised by counsel to the Company of their legal obligations as directors of the Company. There is currently no Board Policy Manual; however, the Company may consider preparing one in the future.

The introduction and education process will be reviewed on an annual basis by the Board of Directors and will be revised as necessary.

**Ethical Business Conduct**

The Board of Directors may consider adopting a written code of business conduct and ethics but has decided not to adopt such a code at the present time.

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

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as the directors of the Company also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict of interest provisions of the BCBCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

## Nomination of Directors

The Board of Directors has not appointed a nominating committee as the Board of Directors selects new nominees for election by the shareholders to the Board of Directors. The nominees are selected pursuant to formal and informal discussions among the members of the Board of Directors and management taking into account criteria such as personal qualities, characteristics, accomplishments, reputations, contacts in the business community, ability to commit time, fit and diversity of view point.

## Compensation

For a discussion of the compensation of directors, see "*Statement of Executive Compensation*" in the case of directors who are or were also officers of Simply Better and "*Statement of Director Compensation*" in respect of directors who are not also officers of Simply Better. See also "*Compensation Discussion and Analysis*" for a discussion of the process by which the Board determines the compensation for the Company's directors and officers as well as a discussion regarding the compensation committee.

## Other Board Committees

Other than the Audit Committee and the Compensation Committee, the Company has no other committees.

## Assessments

The Board of Directors has not implemented a formal process for assessing its, or its members', effectiveness. As a result of the limited number of individuals on the Board of Directors, the Board of Directors consider a formal assessment process to be inappropriate at this time. The Board of Directors plans to continue evaluating its own effectiveness on an annual basis.

## GENERAL

**Unless otherwise directed, it is the intention of the Management Designees to vote proxies in favour of the resolutions set forth herein.** In order to pass, all ordinary resolutions require a simple majority of the votes cast at the Meeting by the holders of Shares.

## ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information of the Company's most recently completed financial year is provided in the Company's comparative financial statements and management's discussion and analysis available on SEDAR.

Also see "*Audit Committee*" in the Company's annual information form for the year ended December 31, 2020, which is available on SEDAR at [www.sedar.com](http://www.sedar.com), for information relating to the Audit Committee, including its charter and composition and fees paid to the Company's auditors.

A Shareholder may contact the Company at Suite 206, 595 Howe Street, Vancouver, British Columbia V6C 2T5, Attention: Chief Financial Officer, to obtain a copy of the Company's most recent financial statements and management's discussion and analysis.

## BOARD APPROVAL

The contents and the sending of this Circular have been approved by the Board.

**SCHEDULE A**  
**EQUITY INCENTIVE PLAN**  
**Attached.**



**SIMPLY BETTER BRANDS CORP.**

**EQUITY INCENTIVE PLAN**

**January 19, 2021**



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**SIMPLY BETTER BRANDS CORP.  
EQUITY INCENTIVE PLAN**

**ARTICLE 1  
PURPOSE**

**1.1 Purpose**

The purpose of this Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified Directors, Employees and Consultants of the Corporation and its subsidiaries, to reward such of those Directors, Employees and Consultants as may be granted Awards under this Plan by the Board from time to time for their contributions toward the long term goals and success of the Corporation and to enable and encourage such Directors, Employees and Consultants to acquire Shares as long term investments and proprietary interests in the Corporation. This Plan does not include stock options which are addressed under the Corporation's Stock Option Plan.

**ARTICLE 2  
INTERPRETATION**

**2.1 Definitions**

When used herein, unless the context otherwise requires, the following terms have the indicated meanings, respectively:

**"Affiliate"** means, with respect to any Person, any entity that is an "affiliate" for the purposes of NI 45-106, as amended from time to time;

**"Award"** means any Restricted Share Unit, Deferred Share Unit or NEO RSU granted under this Plan;

**"Award Agreement"** means a signed, written agreement between a Participant and the Corporation, in the form or any one of the forms approved by the Plan Administrator, evidencing the terms and conditions on which an Award has been granted under this Plan and which need not be identical to any other such agreements;

**"Board"** means the board of directors of the Corporation;

**"Business Day"** means a day, other than a Saturday or Sunday, on which the principal commercial banks in the City of Vancouver are open for commercial business during normal banking hours;

**"Cash Fees"** has the meaning set forth in Subsection 5.2(a);

**"Cause"** means:

- (a) unless the applicable Award Agreement states otherwise, with respect to any Employee or Consultant:
  - (i) if the Employee or Consultant is a party to an employment or service agreement with the Corporation or its Affiliates and such agreement provides for a definition of Cause, the definition contained therein; or
  - (ii) if no such agreement exists, or if such agreement does not define Cause, any act or omission that would entitle the Corporation to terminate the Employee's or Consultant's employment or service agreement without notice or compensation under the common law for just cause, including, without in any way limiting its meaning under the common law: (i) the failure of the Employee or Consultant to

carry out the Employee's or Consultant's duties properly or to comply with the Corporation's rules, policies and practices; (ii) material breach of any agreement with the Corporation or an Affiliate, or a material violation of the Corporation's or an Affiliate's code of conduct or other written policy; (iii) the indictment for or conviction of an indictable offence or any summary offence involving material dishonesty or moral turpitude; (iv) material fiduciary breach with respect to the Corporation or an Affiliate; (v) fraud, embezzlement or similar conduct that results in or is reasonably likely to result in harm to the reputation or business of the Corporation or any of its Affiliates; or (vi) gross negligence or willful misconduct with respect to the Corporation or an Affiliate; and

- (b) with respect to any Director, a determination by a majority of the disinterested Board members that the Director has engaged in any of the following:
  - (i) gross misconduct or neglect;
  - (ii) willful conversion of corporate funds;
  - (iii) false or fraudulent misrepresentation inducing the Director's appointment; or
  - (iv) repeated failure to participate in Board meetings on a regular basis despite having received proper notice of the meetings in advance; and
- (c) the Committee, in its sole and absolute discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause;

**"Change in Control"** means, unless otherwise defined in the Participant's employment or service agreement or in the applicable Award Agreement, the occurrence of any one or more of the following events:

- (a) any transaction at any time and by whatever means pursuant to which any Person or any group of two or more Persons acting jointly or in concert (other than the Corporation or a wholly-owned subsidiary of the Corporation) hereafter acquires the direct or indirect beneficial ownership of, or acquires the right to exercise control or direction over, securities of the Corporation representing more than 50% of the then issued and outstanding voting securities of the Corporation, including, without limitation, as a result of a take-over bid, an exchange of securities, an amalgamation of the Corporation with any other entity, an arrangement, a capital reorganization or any other business combination or reorganization;
- (b) the sale, assignment or other transfer of all or substantially all of the assets of the Corporation to a Person or any group of two or more Persons acting jointly or in concert (other than a wholly-owned subsidiary of the Corporation);
- (c) the dissolution or liquidation of the Corporation, other than in connection with the distribution of assets of the Corporation to one or more Persons which were wholly-owned subsidiaries of the Corporation prior to such event;
- (d) the occurrence of a transaction requiring approval of the Corporation's shareholders whereby the Corporation is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any other Person (other than a short form amalgamation or exchange of securities with a wholly-owned subsidiary of the Corporation); or
- (e) individuals who comprise the Board as of the last annual meeting of shareholders of the Corporation (the **"Incumbent Board"**) for any reason cease to constitute at least a majority

of the members of the Board, unless the appointment, or election or nomination for election by the Corporation's shareholders, of any new Director was approved by a vote of at least a majority of the Incumbent Board, and in that case such new Director shall be considered as a member of the Incumbent Board;

provided that, notwithstanding clause (a), (b), (c) and (d) above, a Change in Control shall be deemed not to have occurred if immediately following the transaction set forth in clause (a), (b), (c) or (d) above: (A) the holders of securities of the Corporation that immediately prior to the consummation of such transaction represented more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of Directors of the Corporation hold (x) securities of the entity resulting from such transaction (the "**Surviving Entity**") that represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees ("**voting power**") of the Surviving Entity, or (y) if applicable, securities of the entity that directly or indirectly has beneficial ownership of 100% of the securities eligible to elect directors or trustees of the Surviving Entity (the "**Parent Entity**") that represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees of the Parent Entity; and (B) no Person or group of two or more Persons, acting jointly or in concert, is the beneficial owner, directly or indirectly, of more than 50% of the voting power of the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) (any such transaction which satisfies all of the criteria specified in clauses (A) and (B) above being referred to as a "**Non-Qualifying Transaction**" and, following the Non-Qualifying Transaction, references in this definition of "Change in Control" to the "Corporation" shall mean and refer to the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) and, if such entity is a company or a trust, references to the "Board" shall mean and refer to the board of directors or trustees, as applicable, of such entity).

"**Committee**" has the meaning set forth in Section 3.2;

"**Consultant**" means an individual or corporation, other than a Director or Employee of the Corporation or an Affiliate of the Corporation, that is engaged to provide consulting, technical, management or other services to the Corporation or a Subsidiary under a written consulting agreement;

"**Control**" means the relationship whereby a Person is considered to be "controlled" by a Person if:

- (a) in the case of a Person,
  - (i) voting securities of the first-mentioned Person carrying more than 50% of the votes for the election of directors are held, directly or indirectly, otherwise than by way of security only, by or for the benefit of the other Person; and
  - (ii) the votes carried by the securities are entitled, if exercised, to elect a majority of the directors of the first-mentioned Person;
  - (iii) in the case of a partnership that does not have directors, other than a limited partnership, the second-mentioned Person holds more than 50% of the interests in the partnership; or
- (b) in the case of a limited partnership, the general partner is the second-mentioned Person.

"**Corporate Policies**" means any of the policies of the Corporation including the Corporation's Insider Trading and Reporting Policy;

"**Corporation**" means Simply Better Brands Corp., and the successors thereof;



**"Date of Grant"** means, for any Award, the date specified by the Plan Administrator at the time it grants the Award (which, for greater certainty, shall be no earlier than the date on which the Board meets or otherwise acts for the purpose of granting such Award) or if no such date is specified, the date upon which the Award was granted;

**"Deferred Share Unit"** or **"DSU"** means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with Article 5;

**"Director"** means a director of the Corporation;

**"Director Fees"** means any compensation (including annual retainer and meeting fees, if any) paid by the Corporation to a Director in a calendar year for service on the Board;

**"Disabled"** or **"Disability"** means the permanent and total incapacity of a Participant as determined in accordance with procedures established by the Plan Administrator for purposes of this Plan;

**"Effective Date"** means the effective date of this Plan, being January 19, 2021;

**"Elected Amount"** has the meaning set forth in Subsection 5.2(a);

**"Electing Person"** means a Participant who is, on the applicable Election Date, a Director;

**"Election Date"** means the date on which the Electing Person files an Election Notice in accordance with Subsection 5.2(b);

**"Election Notice"** has the meaning set forth in Subsection 5.2(b);

**"Employee"** means an individual who:

- (a) is considered an employee of the Corporation or an Affiliate of the Corporation for purposes of source deductions under applicable tax or social welfare legislation;
- (b) works full-time or part-time on a regular weekly basis for the Corporation or an Affiliate of the Corporation providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or an Affiliate of the Corporation over the details and methods of work as an employee of the Corporation; or
- (c) is an officer of the Corporation or an Affiliate of the Corporation.

**"Exchange"** means the TSXV and any other exchange on which the Shares are or may be listed from time to time;

**"Market Price"** at any date in respect of the Shares shall be the volume weighted average closing price of Shares on the TSXV, for the five (5) trading days immediately preceding such date (or, if such Shares are not then listed and posted for trading on the TSXV, on such stock exchange on which the Shares are listed and posted for trading as may be selected for such purpose by the Board). In the event that such Shares are not listed and posted for trading on any Exchange, the Market Price shall be the fair market value of such Shares as determined by the Board in its sole discretion;

**"NEO"** means "named executive officer" as such term is defined in Form 51-102F6 - *Statement of Executive Compensation*;

**"NEO RSU"** means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with Article 6;

**“NEO RSU Election Notice”** has the meaning set forth in Subsection 6.4;

**“NI 45-106”** means National Instrument 45-106 – *Prospectus Exemptions* of the Canadian Securities Administrators, as amended from time to time;

**“Non-Employee Director”** means a director of the Corporation that is not also an Employee or Consultant of the Corporation;

**“Participant”** means a Director, Employee or Consultant to whom an Award has been granted under this Plan;

**“Performance Goals”** means performance goals expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the particular criteria, and may be applied to one or more of the Corporation, Affiliate of the Corporation, a division of the Corporation or Affiliate of the Corporation, or an individual, or may be applied to the performance of the Corporation or an Affiliate of the Corporation relative to a market index, a group of other companies or a combination thereof, or on any other basis, all as determined by the Plan Administrator;

**“Person”** includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his or her capacity as trustee, executor, administrator or other legal representative;

**“Plan”** means this Equity Incentive Plan, as may be amended from time to time;

**“Plan Administrator”** means the Board, or if the administration of this Plan has been delegated by the Board to the Committee pursuant to Section 3.2, the Committee;

**“Restricted Share Unit”** or **“RSU”** means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with Article 4 but does not include NEO RSUs unless the context specifically requires;

**“Security Based Compensation Arrangement”** for the purposes of the Plan means any option, share option plan, share incentive plan, employee share purchase plan where the Corporation provides any financial assistance or matching mechanism, stock appreciation right or any other compensation or incentive mechanism involving the issuance or potential issuance of securities from the Corporation’s treasury, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan guarantee or otherwise, but for greater certainty does not involve compensation arrangements which do not involve the issuance or potential issuance of securities from the Corporation’s treasury;

**“Securities Laws”** means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that govern or are applicable to the Corporation or to which it is subject;

**“Share”** means one (1) common share in the capital of the Corporation as constituted on the Effective Date or after an adjustment contemplated by Article 9, such other shares or securities to which the holder of an Award may be entitled as a result of such adjustment;

**“Shareholder Approval”** means approval by the Corporation’s shareholders in accordance with the policies of the Exchange;

**“Termination Date”** means (i) the date designated by the Participant and the Corporation or an Affiliate of the Corporation in a written employment agreement, or other written agreement between the Participant and Corporation or an Affiliate of the Corporation, or (ii) if no written agreement exists, the date designated by the Corporation or an Affiliate of the Corporation, as the case may be, on which a Participant ceases to be an employee of the Corporation or an Affiliate of the Corporation or ceases to provide services to the

Corporation or an Affiliate of the Corporation, as the case may be, provided that, in the case of termination of employment or termination of services by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given, and "Termination Date" specifically does not mean the date of termination of any period of reasonable notice that the Corporation or an Affiliate of the Corporation (as the case may be) may be required by law to provide to the Participant; and

"TSXV" means the TSX Venture Exchange.

## **2.2 Interpretation**

- (a) Whenever the Plan Administrator exercises discretion in the administration of this Plan, the term "discretion" means the sole and absolute discretion of the Plan Administrator.
- (b) As used herein, the terms "Article", "Section", "Subsection" and "clause" mean and refer to the specified Article, Section, Subsection and clause of this Plan, respectively.
- (c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.
- (d) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.
- (e) Unless otherwise specified, all references to money amounts are to Canadian currency.
- (f) The headings used herein are for convenience only and are not to affect the interpretation of this Plan.

## **ARTICLE 3 ADMINISTRATION**

### **3.1 Administration**

This Plan will be administered by the Plan Administrator and the Plan Administrator has sole and complete authority, in its discretion, to:

- (a) determine the individuals to whom grants under the Plan may be made in accordance with Section 3.4;
- (b) make grants of Awards under the Plan relating to the issuance of Shares (including any combination of Restricted Share Units, Deferred Share Units or NEO RSUs) in such amounts, to such Persons and, subject to the provisions of this Plan, on such terms and conditions as it determines including without limitation:
  - (i) the time or times at which Awards may be granted, including the applicable Date of Grant;
  - (ii) the conditions under which:
    - A. Awards may be granted to Participants; or

- B. Awards may be forfeited to the Corporation,
  - including any conditions relating to the attainment of specified Performance Goals;
  - (iii) the number of Shares to be covered by any Award;
  - (iv) the price, if any, to be paid by a Participant in connection with the purchase of Shares covered by any Awards;
  - (v) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Award, and the nature of such restrictions or limitations, if any; and
  - (vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Award, based on such factors as the Plan Administrator may determine;
- (c) establish the form or forms of Award Agreements;
- (d) cancel, amend, adjust or otherwise change any Award under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of this Plan;
- (e) construe and interpret this Plan and all Award Agreements;
- (f) adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to this Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws;
- (g) authorize Persons to execute such documents and instruments as may be necessary to carry out the purposes of this Plan and grants of Awards from time to time hereunder; and
- (h) make all other determinations and take all other actions necessary or advisable for the implementation and administration of this Plan.

### **3.2 Delegation to Committee**

- (a) The initial Plan Administrator shall be the Board.
- (b) To the extent permitted by applicable law, the Board may, from time to time, delegate to the Corporate Governance and Compensation Committee of the Corporation (the "**Committee**") all or any of the powers conferred on the Plan Administrator pursuant to this Plan, including the power to sub-delegate to any specified Director(s) or officer(s) of the Corporation or its subsidiaries all or any of the powers delegated by the Board. In such event, the Committee or any sub-delegate will exercise the powers delegated to it in the manner and on the terms authorized by the delegating party. Any decision made or action taken by the Committee or any sub-delegate arising out of or in connection with the administration or interpretation of this Plan in this context is final and conclusive and binding on the Corporation and all Affiliates of the Corporation, all Participants and all other Persons.

### **3.3 Determinations Binding**

Any decision made or action taken by the Board, the Committee or any sub-delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration or

interpretation of this Plan is final, conclusive and binding on the Corporation, the affected Participant(s), their legal and personal representatives and all other Persons.

### **3.4 Eligibility**

All Directors, Employees and Consultants are eligible to participate in the Plan, subject to Subsection 8.1(e). Participation in the Plan is voluntary and eligibility to participate does not confer upon any Director, Employee or Consultant any right to receive any grant of an Award pursuant to the Plan. The extent to which any Director, Employee or Consultant is entitled to receive a grant of an Award pursuant to the Plan will be determined in the sole and absolute discretion of the Plan Administrator. In addition, in order to be eligible to receive Awards, in the case of Employees or Consultants, the Award Agreement to which they are party must contain a representation of the Corporation that such Employee or Consultant, as the case may be, is a bona fide Employee or Consultant of the Corporation or a Subsidiary.

### **3.5 Board Requirements**

Any Award granted under this Plan shall be subject to the requirement that, if at any time the Corporation shall determine that the listing, registration or qualification of the Shares issuable pursuant to such Award upon any securities exchange or under any Securities Laws of any jurisdiction, or the consent or approval of the Exchange and any securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation is necessary as a condition of, or in connection with, the grant or exercise of such Award or the issuance or purchase of Shares thereunder, such Award may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval. Participants shall, to the extent applicable, cooperate with the Corporation in complying with such legislation, rules, regulations and policies.

### **3.6 Total Shares Subject to Awards**

- (a) Subject to adjustment as provided for in Article 9 and any subsequent amendment to the Plan, the aggregate number of Awards that may be issued to Participants under the Plan may not exceed 2,101,686 Awards.
- (b) The maximum number of Shares which may be reserved for issuance under the Plan, together with any of the Corporation's other Security Based Compensation Arrangements, may not exceed 10% of the issued Shares.
- (c) To the extent any Awards (or portion(s) thereof) under the Plan terminate or are cancelled for any reason prior to exercise in full and the issuance of Shares, or are surrendered to the Corporation by the Participant prior to exercise in full and the issuance of Shares, except surrenders relating to the payment of the purchase price of any such Award or the satisfaction of the tax withholding obligations related to any such Award, such Awards (or portion(s) thereof) shall be added back to the amount of Awards reserved for issuance under this Plan and will again become available for issuance as Awards to be granted under this Plan. For greater certainty, when Shares have been issued pursuant to an Award, such "issued" Awards will not be added back to the amount of Awards issuable under the Plan.
- (d) Any Shares issued by the Corporation through the assumption or substitution of equity-based awards from an acquired company shall not reduce the number of Shares available for issuance pursuant to the exercise of Awards granted under this Plan.



### **3.7 Limits on Grants of Awards**

Notwithstanding anything in this Plan:

- (a) unless disinterested Shareholder Approval is obtained (or unless permitted otherwise by the policies of the Exchange):
  - (i) the maximum number of Awards that may be granted to any one Participant under the Plan, together with any other Security Based Compensation Arrangements, within a 12-month period, may not exceed 5% of the issued Shares calculated on the Date of Grant; and
  - (ii) the maximum number of Awards that may be granted to any one Consultant under the Plan, together with any other Security Based Compensation Arrangements, within a 12-month period, may not exceed 2% of the issued Shares calculated on the Date of Grant;
- (b) the number of Awards that may be issued to any one individual under this Plan, together with all other Security Based Compensation Arrangements, shall not exceed 1% of the Corporation's issued Shares in any 12 month period. The number of Awards that may be issued to any one Insider (as defined in TSXV Policy 1.1) shall not exceed 2% of the Corporation's issued Shares in any 12 month period, unless disinterested Shareholder Approval is obtained; and
- (c) the total value of securities issuable to any one Non-Employee Director under all of the Corporation's Security Based Compensation Arrangements shall not exceed \$150,000 per annum; provided that the foregoing limitation does not apply to: (i) grants of DSUs made in lieu of Director Fees and such DSUs shall not be included in determining the foregoing limit where the aggregate accounting fair value on the date of grant of such DSUs is equal to the amount of the cash retainer or meeting fees in respect of which such DSUs were granted, or (ii) a one-time initial grant to a Non-Employee Director upon such Non-Employee Director joining the Board.

### **3.8 Award Agreements**

Each Award under this Plan will be evidenced by an Award Agreement. Each Award Agreement will be subject to the applicable provisions of this Plan and will contain such provisions as are required by this Plan and any other provisions that the Plan Administrator may direct. Any one officer of the Corporation is authorized and empowered to execute and deliver, for and on behalf of the Corporation, an Award Agreement to each Participant granted an Award pursuant to this Plan.

### **3.9 Non-transferability of Awards**

Except as permitted by the Plan Administrator and to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or as required by law, no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect.

## ARTICLE 4 RESTRICTED SHARE UNITS

### 4.1 Granting of RSUs

The Plan Administrator may, from time to time, subject to Corporate Policies, the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant RSUs to any Participant.

### 4.2 RSU Account

All RSUs received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant. The terms and conditions of each RSU grant shall be evidenced by an Award Agreement.

### 4.3 Vesting of RSUs

RSUs shall, unless otherwise determined by the Plan Administrator, and as specifically set out in the Award Agreement, vest as to 1/3 on each of the first, second and third anniversaries of the Date of Grant.

### 4.4 Settlement of RSUs

- (a) Subject to Section 7.2 and Article 8, on or within 60 days following the vesting date of a RSU, and in any event no later than December 15 of the third year following the year in respect of which the RSU is granted (the "**RSU Settlement Date**"), unless otherwise determined by the Plan Administrator or specified in the applicable Award Agreement, the Corporation shall settle each vested RSU by any of the following methods or by a combination of such methods as determined by the Plan Administrator in its sole and absolute discretion (subject to any necessary Exchange approvals):
  - (i) issuing the Participant one (1) fully paid and non-assessable Share issued from treasury to the Participant (less any amounts in respect of applicable withholding taxes);
  - (ii) elect to purchase on the open market for the Participant, through a broker designated by the Plan Administrator who is independent from the Corporation and any Affiliate of the Corporation (the "**Designated Broker**"), the number of whole Shares that is equal to the number of whole vested RSUs recorded in the Participant's account on the RSU Settlement Date (less any amounts in respect of applicable withholding taxes). If the Corporation elects to arrange for the purchase of Shares by a Designated Broker on behalf of the Participant, the Corporation shall contribute to the Designated Broker an amount of cash sufficient, together with any reasonable brokerage fees or commission fees related thereto, to purchase the whole number of Shares to which the Participant is entitled and the Designated Broker shall, as soon as practicable thereafter, purchase those Shares, on behalf of such Participant, on the Exchange (or other stock exchange on which the Shares are listed or traded); or
  - (iii) subject to the approval of the Plan Administrator, making a cash payment to the Participant (less any amounts in respect of applicable withholding taxes).

For greater certainty, nothing in this Section 4.4(a) shall cause unvested RSUs to vest by the RSU Settlement Date if such RSUs would not have otherwise vested pursuant to the terms of the Award Agreement or the Plan Administrator's determinations; and such unvested RSUs shall terminate on such RSU Settlement Date without the Corporation

delivering Shares or making a cash payment to the Participant as set forth in this Section 4.4(a).

A holder of RSUs shall not have any right to demand, be paid in, or receive any specific allocation of Shares or a cash payment in respect of a vested RSU at any time. Notwithstanding any allocation by the Plan Administrator to settle vested RSUs, or portion thereof, in Shares or make a cash payment therefore, the Corporation reserves the right to change its allocation in respect thereof at any time up until payment is actually made, and the holder of such vested RSUs shall not have the right, at any time to enforce settlement as to the allocation of Shares or cash payment.

The RSUs in respect of which Shares are issued or a cash payment is made shall be cancelled and no further issuances or payments shall be made to the Participant under the Plan in relation to such RSUs.

- (b) Any cash payments made under this Section 4.4 by the Corporation to a Participant in respect of RSUs to be redeemed for cash shall be calculated by multiplying the number of RSUs to be redeemed for cash by the Market Price per Share as at the RSU Settlement Date, net of applicable withholding taxes.
- (c) Payment of cash to Participants on the redemption of vested RSUs may be made through the Corporation's payroll in the pay period that the RSU Settlement Date falls within.

## **ARTICLE 5 DEFERRED SHARE UNITS**

### **5.1 Granting of DSUs to Participants**

The Plan Administrator may, from time to time, subject to Corporate Policies, the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant DSUs to any Participant.

### **5.2 Granting of DSUs to Directors for Director Fees**

- (a) Subject to Corporate Policies, in addition to the forgoing, the Board may fix from time to time a portion of the Director Fees that is to be payable in the form of DSUs. In addition, each Electing Person is given, subject to the conditions stated herein, the right to elect in accordance with Section 5.2(b) to participate in the grant of additional DSUs pursuant to this Article 5. An Electing Person who elects to participate in the grant of additional DSUs pursuant to this Article 5 shall receive their Elected Amount (as that term is defined below) in the form of DSUs in lieu of cash. The "**Elected Amount**" shall be an amount, as elected by the Director, in accordance with applicable tax law, between 0% and 100% of any Director Fees that are otherwise intended to be paid in cash (the "**Cash Fees**").
- (b) Each Electing Person who elects to receive their Elected Amount in the form of DSUs in lieu of cash will be required to file a notice of election in the form as provided by the Corporation (the "**Election Notice**") with the Chief Financial Officer of the Corporation: (i) in the case of an existing Electing Person, by December 31<sup>st</sup> in the year prior to the year to which such election is to apply; and (ii) in the case of a newly appointed Electing Person, within 30 days of such appointment with respect to compensation paid for services to be performed after such date. If no election is made within the foregoing time frames, the Electing Person shall be deemed to have elected to be paid the entire amount of his or her Cash Fees in cash.

- (c) Subject to Subsection 5.2(d), the election of an Electing Person under Subsection 5.2(b) shall be deemed to apply to all Cash Fees paid subsequent to the filing of the Election Notice, and such Electing Person is not required to file another Election Notice for subsequent calendar years.
- (d) Each Electing Person who is entitled once per calendar year to terminate his or her election to receive DSUs in lieu of Cash Fees by filing with the Chief Financial Officer of the Corporation a notice in the form as provided by the Corporation. Such termination shall be effective immediately upon receipt of such notice, provided that the Corporation has not imposed a "black-out" on trading. Thereafter, any portion of such Electing Person's Cash Fees payable or paid in the same calendar year and, subject to complying with Subsection 5.2(b), all subsequent calendar years shall be paid in cash. For greater certainty, to the extent an Electing Person terminates his or her participation in the grant of DSUs pursuant to this Article 5, he or she shall not be entitled to elect to receive the Elected Amount, or any other amount of his or her Cash Fees in DSUs in lieu of cash again until the calendar year following the year in which the termination notice is delivered.
- (e) Any DSUs granted to an Electing Person pursuant to this Article 5 prior to the delivery of a termination notice pursuant to Subsection 5.2(d) shall remain in the Plan following such termination and will be redeemable only in accordance with the terms of the Plan.
- (f) The number of DSUs (including fractional DSUs) granted to an Electing Person at any particular time pursuant to this Article 5 will be calculated by dividing (a) the amount of any Director Fees that are to be paid in DSUs (including any Elected Amount), by (b) the Market Price of a Share on the Date of Grant.

### 5.3 DSU Account

All DSUs received by a Participant (which, for greater certainty includes Electing Persons) shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant. The terms and conditions of each DSU grant shall be evidenced by an Award Agreement.

### 5.4 Vesting of DSUs

DSUs granted hereunder shall, unless otherwise determined by the Plan Administrator, and as specifically set out in the Award Agreement, vest as to 1/3 on each of the first, second and third anniversaries of the Date of Grant.

### 5.5 Settlement of DSUs

- (a) Subject to Section 7.2 and Article 8, each vested DSUs shall be settled on the date established in the Award Agreement; provided, however that in no event shall a DSU Award be settled:
  - (i) prior to the date of the applicable Participant's separation from service; or
  - (ii) subject to the discretion of the Plan Administrator, later than one (1) year following the date of the applicable Participant's separation from service.

If the Award Agreement does not establish a date for the settlement of the DSUs, then the settlement date shall be the date of separation from service (collectively, the "**DSU Settlement Date**").

- (b) On the DSU Settlement Date for any DSU, the Corporation shall settle each vested DSU by any of the following methods or by a combination of such methods as determined by

the Plan Administrator in its sole and absolute discretion (subject to any necessary Exchange approvals):

- (i) issuing to the Participant one (1) fully paid and non-assessable Share issued from treasury to the Participant (less any amounts in respect of applicable withholding taxes); or
- (ii) subject to the approval of the Plan Administrator, making a cash payment to the Participant (less any amounts in respect of applicable withholding taxes).

A holder of DSUs shall not have any right to demand, be paid in, or receive any specific allocation of Shares or a cash payment in respect of a vested DSU at any time. Notwithstanding any allocation by the Plan Administrator to settle vested DSUs, or portion thereof, in Shares or make a cash payment therefore, the Corporation reserves the right to change its allocation in respect thereof at any time up until payment is actually made, and the holder of such vested DSUs shall not have the right, at any time to enforce settlement as to the allocation of Shares or cash payment.

The DSUs in respect of which Shares are issued or a cash payment is made shall be cancelled and no further issuances or payments shall be made to the Participant under the Plan in relation to such DSUs.

- (c) Any cash payments made under this Section 5.4 by the Corporation to a Participant in respect of DSUs to be redeemed for cash shall be calculated by multiplying the number of DSUs to be redeemed for cash by the Market Price per Share as at the DSU Settlement date, net of any applicable withholding taxes.
- (d) Payment of cash to Participants on the redemption of vested DSUs may be made through the Corporation's payroll in the pay period that the DSU Settlement Date falls within.

## **ARTICLE 6 NEO RSUS**

### **6.1 Granting of NEO RSUs**

The Plan Administrator may, from time to time, subject to Corporate Policies, the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant NEO RSUs to any NEO.

### **6.2 NEO RSU Account**

All NEO RSUs received by a NEO shall be credited to an account maintained for the NEO on the books of the Corporation, as of the Date of Grant. The terms and conditions of each NEO RSU grant shall be evidenced by an Award Agreement.

### **6.3 Vesting of NEO RSUs**

NEO RSUs granted hereunder shall, unless otherwise determined by the Plan Administrator, and as specifically set out in the Grant Agreement, vest as to 100% on the third anniversary of the Date of Grant.

### **6.4 Settlement of NEO RSUs**

- (a) Subject to Section 7.2 and Article 8, a NEO who wishes to receive payment and settle Awards for any vested NEO RSUs may do so by delivering a notice (a "**NEO RSU Election Notice**") to the Corporation stating the amount of NEO RSUs that such NEO wishes to



settle, including the amount of Shares, cash payment or any combination thereof that the NEO wishes to receive in payment and settlement for such vested NEO RSUs. Unless otherwise determined by the Plan Administrator or specified in the applicable Award Agreement, on or within 15 days following receipt of such a NEO RSU Election Notice from a NEO (the "**NEO RSU Settlement Date**"), the Corporation shall pay and settle each vested NEO RSU by any of the following methods or by a combination of such methods in accordance with the NEO RSU Election Notice (subject to any necessary Exchange approvals):

- (i) issuing the NEO one (1) fully paid and non-assessable Share issued from treasury to the NEO (less any amounts in respect of applicable withholding taxes); or
- (ii) subject to the approval of the Plan Administrator, making a cash payment to the NEO (less any amounts in respect of applicable withholding taxes).

For greater certainty, nothing in this Section 6.4(a) shall cause unvested NEO RSUs to vest by the NEO RSU Settlement Date if such NEO RSUs would not have otherwise vested pursuant to the terms of the Award Agreement or the Plan Administrator's determinations.

The Corporation shall not have any right to demand a NEO settle Awards, or settle or pay Awards in, any specific allocation of Shares or cash payment in respect of a vested NEO RSU at any time unless such settling or payment in respect of such vested NEO RSUs is in accordance with the NEO RSU Election Notice.

The NEO RSUs in respect of which Shares are issued or a cash payment is made shall be cancelled and no further issuances or payments shall be made to the NEO under the Plan in relation to such NEO RSUs.

- (b) Any cash payments made under this Section 6.4 by the Corporation to a NEO in respect of NEO RSUs to be redeemed for cash shall be calculated by multiplying the number of NEO RSUs to be redeemed for cash by the Market Price per Share as at the NEO RSU Settlement Date, net of applicable withholding taxes.
- (c) Payment of cash to NEOs on the redemption of vested NEO RSUs may be made through the Corporation's payroll in the pay period that the NEO RSU Settlement Date falls within.

## **ARTICLE 7 ADDITIONAL AWARD TERMS**

### **7.1 Dividend Equivalents**

- (a) Unless otherwise determined by the Plan Administrator and set forth in the particular Award Agreement, RSUs, DSUs and NEO RSUs shall be credited with dividend equivalents in the form of additional RSUs, DSUs and NEO RSUs, respectively, as of each dividend payment date in respect of which normal cash dividends are paid on Shares. Such dividend equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of RSUs, DSUs and NEO RSUs, as applicable, held by the Participant on the record date for the payment of such dividend, by (b) the Market Price at the close of the first business day immediately following the dividend record date, with fractions computed to three decimal places. Dividend equivalents credited to a Participant's accounts shall vest in proportion to the RSUs, DSUs NEO RSUs to which they relate, and shall be settled in accordance with Subsections 4.4, 5.5 and 6.4, respectively.

- (b) The foregoing does not obligate the Corporation to declare or pay dividends on Shares and nothing in this Plan shall be interpreted as creating such an obligation.

## **7.2 Black-out Period**

If a settlement date for an Award occurs during, or within nine business days after, a routine or special trading black-out period imposed by the Corporation to restrict trades in the Corporation's securities, then, notwithstanding any other provision of this Plan, unless the delayed expiration would result in tax penalties, the Award shall be settled no more than ten (10) business days after the trading black-out period is lifted by the Corporation.

## **7.3 Withholding Taxes**

The granting, vesting or settlement of each Award under this Plan is subject to the condition that if at any time the Plan Administrator determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, vesting or settlement, such action is not effective unless such withholding has been effected to the satisfaction of the Plan Administrator. In such circumstances, the Plan Administrator may require that a Participant pay to the Corporation the minimum amount as the Corporation or an Affiliate of the Corporation is obliged to remit to the relevant taxing authority in respect of the granting, vesting or settlement of the Award. Any such additional payment is due no later than the date on which such amount with respect to the Award is required to be remitted to the relevant tax authority by the Corporation or an Affiliate of the Corporation, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Corporation may (a) withhold such amount from any remuneration or other amount payable by the Corporation or an Affiliate of the Corporation to the Participant, (b) require the sale of a number of Shares issued upon exercise, vesting, or settlement of such Award and the remittance to the Corporation of the net proceeds from such sale sufficient to satisfy such amount or (c) enter into any other suitable arrangements for the receipt of such amount.

Participants (or their beneficiaries) shall be responsible for all taxes with respect to any Awards granted under the Plan, whether arising as a result of the grant or payment in respect of the Award or otherwise. The Corporation, the Plan Administrator and the Board make no guarantees to any person regarding the tax treatment of an Award or issuances of Shares or cash payments made under the Plan and none of the Corporation, the Board, the Plan Administrator or any of the Corporation's or its Affiliate's directors, officers, employees, consultants, agents, advisors or representatives shall have any liability to a Participant with respect thereto.

## **7.4 Recoupment**

Notwithstanding any other terms of this Plan, Awards may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any clawback, recoupment or similar policy adopted by the Corporation or an Affiliate of the Corporation and in effect at the Date of Grant of the Award, or as otherwise required by law or the rules of the Exchange. The Plan Administrator may at any time waive the application of this Section 7.4 to any Participant or category of Participants.

# **ARTICLE 8 TERMINATION OF EMPLOYMENT OR SERVICES**

## **8.1 Termination of Employee, Director or Consultant**

Subject to Section 8.2, unless otherwise determined by the Plan Administrator or as set forth in an Award Agreement:

- (a) where a Participant's employment or services are terminated by the Corporation or an Affiliate of the Corporation for Cause, then each Award held by the Participant that has not

vested as of the Termination Date is immediately forfeited and cancelled as of the Termination Date. In addition, where a Participant's employment or services are terminated by the Corporation or an Affiliate of the Corporation for Cause, the Plan Administrator may, in its sole discretion, determine that all Awards held by the Participant that have vested as of the Termination Date shall immediately become forfeited, cancelled, null and void, failing which, all Awards held by the Participant that have vested as of the Termination Date shall be settled in accordance with Sections 4.4, 5.5 and 6.4 hereof, as applicable;

- (b) where the Participant ceases to hold office or his or her position, as applicable, by reason of the voluntary resignation by the Participant, then each Award held by the Participant that has not vested as of the Termination Date is immediately forfeited and cancelled as of the Termination Date. All Awards held by the Participant that have vested as of the Termination Date shall be settled in accordance with Sections 4.4, 5.5 and 6.4 hereof, as applicable;
- (c) where a Participant's employment or services are terminated by the Corporation or an Affiliate of the Corporation without Cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice); then:
  - (i) a portion of any Awards not yet vested shall immediately vest and be settled in accordance with Section 4.4, 5.5 and 6.4 hereof, as applicable, such portion to be equal to the number of unvested Awards multiplied by a fraction the numerator of which is the number of days between the Date of Grant and the Termination Date and the denominator of which is the number of days between the Date of Grant and the date the unvested Awards were originally scheduled to vest. For clarity and by way of example, if a participant's employment is terminated 400 days following the Date of Grant and unvested Awards were originally scheduled to vest 600 days from the Date of Grant, two-thirds of the unvested Awards will immediately vest; and
  - (ii) subject to Subsection 8.1(c)(i), any Awards held by the Participant that are not yet vested at the Termination Date after the application of Subsection 8.1(c)(i) shall be immediately forfeited to the Corporation;
- (d) where a Participant's employment or services are terminated by reason of the death of the Participant or the Participant becomes Disabled, then each Award held by the Participant that has not vested as of the date of the death or Disability, as applicable, of such Participant shall vest on such date, and be settled in accordance with Sections 4.4, 5.5 and 6.4 hereof, as applicable;
- (e) a Participant's eligibility to receive further grants of Awards under this Plan ceases as of:
  - (i) the date that the Corporation or an Affiliate of the Corporation, as the case may be, provides the Participant with written notification that the Participant's employment or services are terminated in the circumstances contemplated by this Section 8.1, notwithstanding that such date may be prior to the Termination Date; or
  - (ii) the date of the death or Disability of the Participant; and
- (f) notwithstanding Subsection 8.1(c), unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, Awards are not affected by a change of employment agreement or arrangement, or directorship within or among the Corporation or an Affiliate of the Corporation for so long as the Participant continues to be

a Director, Employee or Consultant, as applicable, of the Corporation or an Affiliate of the Corporation.

## **8.2 Discretion to Permit Acceleration**

Notwithstanding the provisions of Section 8.1, the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in such Section, or in an employment agreement or other written agreement between the Corporation or an Affiliate of the Corporation and the Participant, permit the acceleration of vesting of any or all Awards, all in the manner and on the terms as may be authorized by the Plan Administrator, and if such discretion is taken and the vesting of any or all Awards occurs, then such awards will be settled in accordance with Sections 4.4, 5.5 and 6.4 hereof, as applicable.

## **8.3 Participants' Entitlement**

Except as otherwise provided in this Plan, Awards previously granted under this Plan are not affected by any change in the relationship between, or ownership of, the Corporation and an Affiliate of the Corporation. For greater certainty, all grants of Awards remain outstanding and are not affected by reason only that, at any time, an Affiliate of the Corporation ceases to be an Affiliate of the Corporation.

# **ARTICLE 9 EVENTS AFFECTING THE CORPORATION**

## **9.1 General**

The existence of any Awards does not affect in any way the right or power of the Corporation or its shareholders to, among other actions, make, authorize or determine any adjustment, recapitalization, reorganization or any other change in the Corporation's capital structure or its business, or any amalgamation, combination, arrangement, merger or consolidation involving the Corporation, to create or issue any bonds, debentures, Shares or other securities of the Corporation or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this Article 9 would have an adverse effect on this Plan or on any Award granted hereunder.

## **9.2 Change in Control**

Except as may be set forth in an employment agreement, or other written agreement between the Corporation or an Affiliate of the Corporation and the Participant:

- (a) Notwithstanding anything else in this Plan or any Award Agreement, the Plan Administrator may, without the consent of any Participant, take such steps as it deems necessary or desirable, including to cause: (i) the conversion or exchange of any outstanding Awards into or for, rights or other securities of substantially equivalent value (or greater value), as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Awards to vest and become realizable, or payable; (iii) restrictions applicable to an Award to lapse, in whole or in part prior to or upon consummation of such merger or Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such merger or Change in Control; (iv) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the settlement of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the settlement of such Award or realization of the Participant's rights, then such Award may be terminated by the Corporation without

payment); (v) the replacement of such Award with other rights or property selected by the Board in its sole discretion; or (vi) any combination of the foregoing. In taking any of the actions permitted under this subparagraph (a), the Plan Administrator will not be required to treat all Awards similarly in the transaction.

- (b) Notwithstanding Section 8.1, and except as otherwise provided in an employment agreement, or other written agreement between the Corporation or an Affiliate of the Corporation and a Participant, if within 12 months following the completion of a transaction resulting in a Change in Control, a Participant's employment or directorship is terminated by the Corporation or an Affiliate of the Corporation without Cause, without any action by the Plan Administrator, the vesting of all Awards held by such Participant shall immediately accelerate.

### **9.3 Reorganization of Corporation's Capital**

Should the Corporation effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or should any other change be made in the capitalization of the Corporation that does not constitute a Change in Control and that would warrant the amendment or replacement of any existing Awards in order to adjust the number of Shares that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator may, subject to the prior approval of the Exchange, authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

### **9.4 Other Events Affecting the Corporation**

In the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Corporation and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control and that warrants the amendment or replacement of any existing Awards in order to adjust the number of Shares that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator may, subject to the prior approval of the Exchange, authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

### **9.5 Immediate Acceleration of Awards**

Where the Plan Administrator determines that the steps provided in Sections 9.3 and 9.4 would not preserve proportionately the rights, value and obligations of the Participants holding such Awards in the circumstances or otherwise determines that it is appropriate, the Plan Administrator may, but is not required to, permit the immediate vesting of any unvested Awards.

### **9.6 Issue by Corporation of Additional Shares**

Except as expressly provided in this Article 9, neither the issue by the Corporation of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to the number of Shares that may be acquired as a result of a grant of Awards.

### **9.7 Fractions**

No fractional Shares will be issued pursuant to an Award. Accordingly, if, as a result of any adjustment under this Article 9 or a dividend equivalent, a Participant would become entitled to a fractional Share, the Participant has the right to acquire only the adjusted number of full Shares and no payment or other adjustment will be made with respect to the fractional Shares, which shall be disregarded.

**ARTICLE 10  
AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN**

**10.1 Amendment, Suspension, or Termination of the Plan**

The Plan Administrator may from time to time, without notice and without approval of the holders of voting shares of the Corporation, amend, modify, change, suspend or terminate the Plan or any Awards granted pursuant to the Plan as it, in its discretion determines appropriate, provided, however, that, subject to Section 8.1(a), no such amendment, modification, change, suspension or termination of the Plan or any Awards granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable Securities Laws or Exchange requirements.

**10.2 Shareholder Approval**

Notwithstanding Section 10.1 and subject to any rules of the Exchange, approval of the holders of Shares shall be required for any amendment, modification or change that:

- (a) increases the number of Shares reserved for issuance under the Plan, except pursuant to the provisions under Article 9 which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (b) increases or removes the limits on Shares issuable or issued to Participants as set forth in Subsections 3.6(a) or 3.6(b);
- (c) increases or removes the limits on Shares issuable or issued to Participants or Consultants as set forth in Subsection 3.7(a);
- (d) increases or removes the limits on Shares issuable or issued to Non-Executive Directors as set forth in Subsection 3.7(b);
- (e) permit a holder to transfer or assign Awards to a new beneficial holder other than in the case of the death of the holder; or
- (f) an amendment to amend this Section 10.2.

**10.3 Permitted Amendments**

Without limiting the generality of Section 10.1, but subject to Section 10.2, the Plan Administrator may, without Shareholder Approval, at any time or from time to time, amend the Plan for the purposes of, among other things:

- (a) making any amendments to the general vesting provisions of each Award;
- (b) making any amendments to the provisions set out in Article 8;
- (c) making any amendments to add covenants of the Corporation for the protection of Participants, as the case may be, provided that the Plan Administrator shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants, as the case may be;
- (d) making any amendments not inconsistent with the Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Plan Administrator, it may be expedient to make, including amendments that are desirable as a



result of changes in law in any jurisdiction where a Participant resides, provided that the Plan Administrator shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants;

- (e) making such changes or corrections which, on the advice of counsel to the Corporation, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Plan Administrator shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants; or
- (f) make any such amendments as are required for compliance with the policies of the applicable Exchange on which the Corporation's shares are listed and posted for trading.

## **ARTICLE 11 MISCELLANEOUS**

### **11.1 Legal Requirement**

The Corporation is not obligated to grant any Awards, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its sole discretion, such action would constitute a violation by a Participant or the Corporation of any provision of any applicable statutory or regulatory enactment of any government or government agency or the requirements of any Exchange upon which the Shares may then be listed.

### **11.2 No Other Benefit**

No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of a Share, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

### **11.3 Rights of Participant**

No Participant has any claim or right to be granted an Award and the granting of any Award is not to be construed as giving a Participant a right to remain as an employee, consultant or director of the Corporation or an Affiliate of the Corporation. No Participant has any rights as a shareholder of the Corporation in respect of Shares issuable pursuant to any Award until the allotment and issuance to such Participant, or as such Participant may direct, of certificates representing such Shares.

### **11.4 Corporate Action**

Nothing contained in this Plan or in an Award shall be construed so as to prevent the Corporation from taking corporate action which is deemed by the Corporation to be appropriate or in its best interest, whether or not such action would have an adverse effect on this Plan or any Award.

### **11.5 Conflict**

In the event of any conflict between the provisions of this Plan and an Award Agreement, the provisions of this Plan shall govern. In the event of any conflict between or among the provisions of this Plan, an Award Agreement and (i) an employment agreement or other written agreement between the Corporation or an Affiliate of the Corporation and a Participant, the provisions of the employment agreement or other written agreement shall govern.

### **11.6 Anti-Hedging Policy**

By accepting the Award each Participant acknowledges that he or she is restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of Awards.

### **11.7 Participant Information**

Each Participant shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer the Plan. Each Participant acknowledges that information required by the Corporation in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties, and may be disclosed to such persons (including persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Corporation to make such disclosure on the Participant's behalf.

### **11.8 Participation in the Plan**

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or engagement nor a commitment on the part of the Corporation to ensure the continued employment or engagement of such Participant. The Plan does not provide any guarantee against any loss which may result from fluctuations in the market value of the Shares. The Corporation does not assume responsibility for the income or other tax consequences for the Participants and they are advised to consult with their own tax advisors.

### **11.9 Successors and Assigns**

The Plan shall be binding on all successors and assigns of the Corporation and its Affiliates.

### **11.10 General Restrictions and Assignment**

Except as required by law, the rights of a Participant under the Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant unless otherwise approved by the Plan Administrator.

### **11.11 Severability**

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

### **11.12 Notices**

All written notices to be given by the Participant to the Corporation shall be delivered personally, e-mail or mail, postage prepaid, addressed as follows:

Simply Better Brands Corp.  
Suite 206, 595 Howe Street  
Vancouver, British Columbia  
Attention: Chief Financial Officer

All notices to the Participant will be addressed to the principal address of the Participant on file with the Corporation. Either the Corporation or the Participant may designate a different address by written notice

to the other. Such notices are deemed to be received, if delivered personally or by e-mail, on the date of delivery, and if sent by mail, on the fifth business day following the date of mailing. Any notice given by either the Participant or the Corporation is not binding on the recipient thereof until received.

#### **11.13 Effective Date**

This Plan becomes effective on a date the Plan is approved by the Board, being the Effective Date, subject to the approval of the shareholders of the Corporation.

#### **11.14 Governing Law**

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

#### **11.15 Submission to Jurisdiction**

The Corporation and each Participant irrevocably submits to the exclusive jurisdiction of the courts of competent jurisdiction in the Province of British Columbia in respect of any action or proceeding relating in any way to the Plan, including with respect to the grant of Awards and any issuance of Shares made in accordance with the Plan.

**APPENDIX A**  
**BOARD MANDATE**  
**BOARD OF DIRECTORS' MANDATE**



# BOARD OF DIRECTORS' MANDATE

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DECEMBER 21, 2020

**SIMPLY BETTER BRANDS CORP.**

The Board of Directors (the “**Board**”) of Simply Better Brands Corp. (the “**Company**”) is responsible under law to supervise the management of the business and affairs of the Company. The Board has the statutory authority and obligation to protect and enhance the assets of the Company.

The principal mandate of the Board is to oversee the management of the business and affairs of the Company, and monitor the performance of management.

In keeping with generally accepted corporate governance practices and the recommendations contained in National Policy 58-201 adopted by the Canadian Securities Administrators, and the requirements of any stock exchange on which the Company's securities are listed, the Board assumes responsibility for the stewardship of the Company and, as part of the overall stewardship responsibility, explicitly assumes responsibility for the following:

**1. Independence**

The Board retains the responsibility for managing its own affairs, including planning its composition, selecting its Chairman and/or Lead Director, appointing Board committees and determining directors' compensation. While it is appropriate to confer with the management on the selection of candidates to be nominated as members of the Board, the ultimate selection shall be determined by the existing independent members of the Board. The Chairman of the Board should be an independent director, and where this is not appropriate, an independent director should be appointed to act as Lead Director.

In that the Board must develop and voice objective judgment on corporate affairs, independently of the management, practices promoting Board independence will be pursued. This includes constituting the Board with a majority of independent and unrelated directors. Certain tasks suited to independent judgments will be delegated to specialized committees of the Board that are comprised exclusively of outside directors and at least a majority of unrelated directors.

The Board will evaluate its own performance in a continuing effort to improve. For this purpose, the Board will establish criteria for Board and Board member performance, and pursue a self-evaluation process for evaluating both overall Board performance and contributions of individual directors.

**2. Leadership in Corporate Strategy**

The Board ultimately has the responsibility to oversee the development and approval of the mission of the Company, its goals and objectives, and the strategy by which these objectives will be reached. In guiding the strategic choices of the Company, the Board must understand the inherent prospects and risks of such strategic choices.

While the leadership for the strategic planning process comes from the management of the Company, the Board shall bring objectivity and a breadth of judgment to the strategic planning process and will ultimately approve the strategy developed by management as it evolves.

The Board is responsible for monitoring management's success in implementing the strategy and monitoring the Company's progress to achieving its goals; revising and altering direction in light of changing circumstances.

The Board has the responsibility to ensure congruence between the strategic plan and management's performance.



### **3. Management of Risk**

The Board shall understand the principal risks of all aspects of the business in which the Company is engaged, recognizing that business decisions require the incurrence of risk. The Board is responsible for providing a balance between risks incurred and the potential returns to shareholders of the Company. This requires that the Board ensure that systems are in place to effectively monitor and manage risks with a view to the long-term viability of the Company and its assets, and conduct an annual review of the associated risks.

### **4. Approach to Corporate Governance**

The Company is committed to effective practices in corporate governance. The Company consistently assesses and adopts corporate governance measures. The Corporate Governance and Nominating Committee shall be responsible for disclosing the Company's approach to corporate governance in public disclosure documents.

### **5. Oversight of Management**

As the Board functions, the Board must ensure the execution of plans and operations are of the highest caliber. The key to the effective discharge of this responsibility is the approval of the appointment of the senior officers of the Company and the assessment of each senior officer's contribution to the achievement of the Company's strategy. In this respect, performance against objectives established by the Board is important, as is a formal process for determining the senior officers' compensation, in part, by using established criteria and objectives for measuring performance. To the extent feasible, the Board should also satisfy itself as to the integrity of the chief executive officer and other executive officers, and that such officers create a culture of integrity throughout the Company. "**Executive officer**" has the meaning set out in National Instrument 51-102 - *Continuous Disclosure Obligations*.

### **6. Succession Planning**

On a regular basis, the Board shall review a succession plan, developed by management, addressing the policies and principles for selecting a successor to the Chief Executive Officer ("**CEO**") and other key senior management positions, both in an emergency situation and in the ordinary course of business. The succession plan should include an assessment of the experience, performance, skills, training and planned career paths for possible successors to the CEO currently in the Company's senior management.

### **7. Expectations and Responsibilities of Board Members**

#### *(a) Commitment and Attendance*

All members of the Board should make every effort to attend all meetings of the Board and meetings of committees of which they are members, if any. Although attendance in person is encouraged, members may attend by telephone to mitigate schedule conflicts.

#### *(b) Participation in Meetings*

Each member of the Board should be sufficiently familiar with the business of the Company, including its financial statements and capital structure, and the risks and competition it faces, to facilitate active and effective participation in the deliberations of the Board and of each committee on which he or she serves.

(c) *Financial Knowledge*

One of the most important roles of the Board is to monitor financial performance. Each member of the Board should know how to read financial statements, and should understand the use of financial ratios and other indices for evaluating financial performance.

(d) *Other Directorships*

The Company values the experiences Board members bring from other boards on which they serve, but recognizes that those boards may also present demands on a member's time and availability, and may also present conflicts of interest or other legal issues. Members of the Board should advise the Chair of the Corporate Governance and Nominating Committee before accepting any new membership on other boards of directors or any other significant commitment involving an affiliation with other related businesses or governmental units.

(e) *Contact with Management*

All members of the Board are invited to contact the CEO at any time to discuss any aspect of the Company's business. While respecting organizational relationships and lines of communication, members of the Board have complete access to other members of management. There shall be afforded frequent opportunities for members of the Board to meet with the CEO, CFO and other members of management in Board and committee meetings and in other formal or informal settings.

(f) *Confidentiality*

The proceedings and deliberations of the Board and its committees are confidential. Each member of the Board shall maintain the confidentiality of information received in connection with his or her services.

(g) *Preparation for Meetings*

All members of the Board should make every effort to review all meeting materials prior to meetings of the Board and meetings of committees of which they are members.

## **8. Shareholder Communications and Disclosure**

The Board is responsible to ensure that the Company has policies in place to ensure effective and timely communication and disclosure to the shareholders of the Company, other stakeholders and the public in general. This communication and disclosure policy must effectively and fairly present the operations of the Company to shareholders and should accommodate feedback from shareholders, which should be considered into future business decisions.

The Board has the responsibility for ensuring that the financial performance of the Company is reported to shareholders on a timely and regular basis and for ensuring that such financing results are reported fairly, in accordance with generally accepted accounting principles.

The Board has the responsibility for ensuring that procedures are in place to effect the timely reporting of any developments that have a significant and material impact on the value of shareholder assets.

The Board has the responsibility for reporting annually to shareholders on its stewardship for the preceding year.

**9. Integrity of Corporate Control and Management Information Systems**

To effectively discharge its duties, the Board shall ensure that the Company has in place effective control and information systems so that it can track those criteria needed to monitor the implementation of the Company's strategy.

Similarly, in reviewing and approving financial information, the Board shall ensure that the Company has an audit system, which can inform the Board of the integrity of the data and compliance of the financial information with generally accepted accounting principles.

The Board's management of the important areas of corporate conduct, such as the commitment of the Company's assets to different businesses or material acquisitions, shall also be supported by effective control and information systems.

**10. Legal Requirements**

The Board is responsible for ensuring that routine legal requirements, documents, and records have been properly prepared, approved and maintained by the Company.

**11. Board Delegation to Committees**

The Board may delegate specific responsibilities to committees of the Board in order to effectively manage the affairs of the Company.

**12. Limitation**

The foregoing is (i) subject to and without limitation of the requirement that in exercising their powers and discharging their duties, the members of the Board act honestly and in good faith with a view to the best interests of the Company; and (ii) subject to, and not in expansion of the requirement, that in exercising their powers and discharging their duties the members of the Board exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

**13. Assessments**

The members of the Board will collectively assess the performance of the Board as a whole, the committees of the Board and all directors with reference to their respective mandates, charters or terms of reference. Individual directors will be assessed with reference to any applicable position descriptions, as well as the competencies and skills that each director is expected to bring to the Board.

Unless otherwise determined by the Board, such assessment will occur informally and on an annual basis, with an emphasis on the overall effectiveness and contributions made by the Board as a whole, the committees of the Board and all directors individually.



