



HARVEST ONE

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING
OF SHAREHOLDERS**

AND

MANAGEMENT INFORMATION CIRCULAR

TO BE HELD ON DECEMBER 3, 2019



HARVEST ONE CANNABIS INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON TUESDAY, DECEMBER 3, 2019

TO THE SHAREHOLDERS OF HARVEST ONE CANNABIS INC.

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting of the Shareholders ("Shareholders") of **HARVEST ONE CANNABIS INC.** (the "**Company**") will be held at the offices of the Company, located at Suite 504, 999 Canada Place, Vancouver, BC Canada, V6C 3E1, on Tuesday, December 3, 2019, at 10:00 a.m. (Vancouver time) (the "**Meeting**"), for the following purposes:

1. to receive the audited consolidated financial statements of the Company for the years ended June 30, 2019 and 2018, respectively, together with the auditors' report thereon;
2. to fix the number of directors at four (4) and to elect directors of the Company for the ensuing year. For more information, see "*Business of the Meeting – Election of Directors*" in the Company's management information circular dated October 21, 2019 (the "**Information Circular**");
3. to appoint the auditors of the Company for the ensuing year and to authorize the directors of the Company to fix the remuneration of the auditors. For more information, see "*Business of the Meeting – Appointment of Auditors*" in the Information Circular;
4. to approve, by ordinary resolution of disinterested shareholders, the Company's Omnibus Incentive Plan, approved by the board of directors of the Company on September 4, 2019; For more information, see "*Business of the Meeting – Approval of the Omnibus Incentive Plan*" in the Information Circular; and
5. to transact such other business as may properly be brought before the Meeting or any adjournment thereof.

Shareholders should refer to the Information Circular for more detailed information with respect to the matters to be considered at the Meeting.

Registered Shareholders may attend the Meeting in person or may be represented by proxy. If you are a registered Shareholder and are unable to attend the Meeting in person, please exercise your right to vote by dating, signing and returning the accompanying form of proxy to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"). To be valid, completed proxy forms must be dated, completed, signed and deposited with Computershare: (i) by mail using the enclosed return envelope or one addressed to Computershare Investor Services Inc., Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1; (ii) by hand delivery to Computershare Investor Services Inc., 8th

Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1; (iii) by facsimile to 1-866-249-7775; or (iv) by telephone at 1-866-732-8683. You may also vote through the internet and if you do vote through the internet, you may also appoint another person to be your proxyholder. Please go to www.investorvote.com and follow the instructions. You will require your 15-digit control number found on your proxy form. Your proxy or voting instructions must be received in each case no later than 10:00 a.m. (Vancouver time) on Friday, November 29, 2019, or two business days preceding the date of any adjournment or postponement thereof. If you are unable to attend the Meeting, we encourage you to complete the enclosed form of proxy as soon as possible. If a Shareholder received more than one form of proxy because such Shareholder owns Common Shares registered in different names or addresses, each form of proxy should be completed and returned. The Chairman of the Meeting shall have the discretion to waive or extend the proxy deadline without notice.

If you are not a registered Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided to you by your broker or by the other intermediary.

The board of directors of the Company has fixed October 18, 2019 as the record date. Shareholders of record at the close of business on October 18, 2019 are entitled to notice of the Meeting and to vote thereat or at any adjournment(s) or postponement(s) thereof on the basis of one vote for each Common Share held, except to the extent that: (i) a registered Shareholder has transferred the ownership of any Common Shares subsequent to October 18, 2019; and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he, she or they own the Common Shares and demands, not later than 10 days before the Meeting, that his, her or their name be included on the list of persons entitled to vote at the Meeting, in which case, the transferee shall be entitled to vote such Common Shares at the Meeting. The transfer books will not be closed.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) "*Grant Froese*"

Grant Froese
Chief Executive Officer and Director
October 21, 2019.



HARVEST ONE

MANAGEMENT INFORMATION CIRCULAR

FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON TUESDAY, DECEMBER 3, 2019

PURPOSE OF SOLICITATION

This Management Information Circular ("Information Circular") is furnished in connection with the solicitation of proxies by the management of Harvest One Cannabis Inc. (the "Company") for use at the annual general and special meeting (the "Meeting") of the shareholders ("Shareholders") of common shares ("Common Shares") in the capital of the Company.

The Meeting will be held at the offices of the Company, located at Suite 504, 999 Canada Place, Vancouver, BC Canada, V6C 3E1 on Tuesday, December 3, 2019 at 10:00 a.m. (Vancouver time) or any adjournment thereof, for the purposes set forth in the Notice of Annual General and Special Meeting of Shareholders (the "**Notice of Meeting**") accompanying this Information Circular. Information contained herein is provided as of October 21, 2019, unless otherwise specifically stated.

Solicitation of proxies will be primarily by mail, but may also be by telephone, facsimile, email or in person by directors, officers and employees of the Company who will not be additionally compensated therefor. Brokers, nominees or other persons holding Common Shares in their names for others shall be reimbursed for their reasonable charges and expenses in forwarding proxies and proxy material to the beneficial owners of such Common Shares. The costs of soliciting proxies will be borne by the Company.

APPOINTMENT AND REVOCATION OF PROXIES

Enclosed herewith is a form of proxy for use at the Meeting. The persons named in the form of proxy are directors and/or officers of the Company. **A Shareholder submitting a proxy has the right to appoint a nominee (who need not be a Shareholder) to represent such Shareholder at the Meeting, other than the persons designated in the enclosed form of proxy, by inserting the name of the chosen nominee in the space provided for that purpose on the form of proxy and by striking out the printed names.**

A form of proxy will not be valid for the Meeting or any adjournment or postponement thereof unless it is signed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, it must be executed by a duly authorized officer or attorney thereof. The proxy, to be acted upon, must be dated, completed, signed and deposited with the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"): (i) by mail using the enclosed return envelope or one addressed to Computershare Investor Services Inc., Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1; (ii) by hand

delivery to Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1; (iii) by facsimile to 1-866-249-7775; or (iv) by telephone at 1-866-732-8683, by no later than 10:00 a.m. (Vancouver time) on Friday, November 29, 2019, or two business days preceding the date of any adjournment.

A Shareholder who has given a proxy may revoke it prior to its use, in any manner permitted by law, including by an instrument in writing executed by the Shareholder or by his attorney authorized in writing or, if the Shareholder is a corporation, executed by a duly authorized officer or attorney thereof and deposited at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used or with the chairman of the Meeting on the day of the Meeting or any adjournment thereof.

ADVICE TO BENEFICIAL SHAREHOLDERS OF COMMON SHARES

The information set forth in this section is of significant importance to Shareholders, particularly those who do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered Shareholders can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Common Shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.**

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Shareholders; however, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Services, Inc. ("**Broadridge**"). Broadridge typically mails a scannable voting instruction form in lieu of the form of proxy. The Beneficial Shareholder is requested to complete and return the voting instruction form to them by mail or facsimile. Alternatively, the Beneficial Shareholder can call a toll-free telephone number or visit: www.proxyvote.com, to vote the Common Shares held by the Beneficial Shareholder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a voting instruction form cannot use that voting instruction form to vote Common Shares directly at the Meeting as the voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his, her or their broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for a registered Shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Common Shares as proxyholder for a registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

VOTING OF PROXIES

All Common Shares represented at the Meeting by properly executed proxies will be voted on any matter that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the accompanying form of proxy, the Common Shares represented by the proxy will be voted in accordance with such instructions. **In the absence of any such instruction, the persons whose names appear on the printed form of proxy will vote in favour of all the matters set out thereon.**

The enclosed form of proxy confers discretionary authority upon the persons named therein. If any other business or amendments or variations to matters identified in the Notice of Meeting properly comes before the Meeting, then discretionary authority is conferred upon the person appointed in the proxy to vote in the manner they see fit, in accordance with their best judgment.

At the time of the printing of this Information Circular, management of the Company knew of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

Except as disclosed in this Information Circular, management of the Company is not aware of any material interest of any director or executive officer or any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The board of directors of the Company (the "**Board**") has fixed Friday, October 18, 2019, as the record date. Shareholders of record at the close of business on Friday, October 18, 2019, are entitled to receive notice of the Meeting and to vote thereat or at any adjournments or postponements thereof on the basis of one vote for each Common Share held, except to the extent that: (i) a registered Shareholder has transferred the ownership of any Common Shares subsequent to Friday, October 18, 2019; and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he, she or they own the Common Shares and demands, not later than 10 days before the Meeting, that his, her or their name be included on the list of persons entitled to vote at the Meeting, in which case, the transferee shall be entitled to vote such Common Shares at the Meeting. The transfer books will not be closed.

The authorized capital of the Company consists of an unlimited number of Common Shares and an unlimited number of preferred shares. As of Friday, October 18, 2019, there were 214,673,675 Common Shares issued and outstanding, and no preferred shares issued and outstanding. The Shareholders are entitled to one vote per Common Share at all meetings of the Shareholders either in person or by proxy. The Shareholders are also entitled to dividends, if and when declared

by the directors of the Company, based on information publicly available, and the distribution of the residual assets of the Company in the event of a liquidation, dissolution or winding up of the Company.

The following table sets out the information regarding ownership of the Common Shares owned by each person who, to the knowledge of the Company, beneficially owns, controls, or directs, indirectly or directly, more than ten percent (10%) of the issued and outstanding Common Shares as of the date of this Information Circular.

Name	Number of Common Shares	Percentage of Issued and Outstanding Common Shares
MMJ Group Holdings Limited ⁽¹⁾	55,557,994	25.9%

(1) Includes 49,734,823 Common Shares held by PhytoTech Medical (UK) Pty Ltd., a wholly-owned subsidiary of MMJ Group Holdings Limited ("MMJ").

MEETING MATTERS

Financial Statements

The audited consolidated financial statements of the Company for the years ended June 30, 2019 and 2018, respectively, and the auditors' report thereon, will be received at the Meeting. The audited consolidated financial statements of the Company and the auditors' report will be provided to each Shareholder entitled to receive a copy of the Notice of Meeting and this Information Circular and who requests a copy of the audited consolidated financial statements and the auditors' report thereon. The consolidated financial statements will also be made available on SEDAR at www.sedar.com.

Election of Directors

The term of office for each director is from the date of the Meeting at which he or she is elected until the annual meeting next following or until his or her successor is elected or appointed. The Board currently consists of five directors. Dr. Joseph Gabriele will not be standing for re-election at the Meeting. At the Meeting, the Shareholders will be asked to consider and, if thought fit, approve an ordinary resolution fixing the number of directors to be elected at the Meeting at four (4) for the ensuing year.

At the Meeting, a board of four (4) directors will be proposed for election. Management has been informed that each of the proposed nominees listed below is willing to serve as a director if elected.

The following table sets forth certain information regarding the nominees, their respective positions with the Company, principal occupations or employment during the last five years, the dates on which they became directors of the Company and the approximate number of Common Shares beneficially owned by them, directly or indirectly, or over which control or direction is exercised by them as of Friday, October 18, 2019.

Name and Residence	Position held with the Company	Director Since	Principal Occupation for the Previous Five Years	Common Shares Beneficially Owned Directly or Indirectly
Frank Holler <i>North Vancouver, British Columbia</i>	Chairman and Director ⁽¹⁾ ⁽³⁾	September 18, 2018	President and CEO of Ponderosa Capital Inc. since May 2003.	Nil
Grant Froese <i>Toronto, Ontario</i>	CEO and Director	July 3, 2018	Chief Executive Officer of the Company; Chief Executive Officer of Marquee Health Group from May 2017 to June 2018; Chief Operating Officer of Loblaw Companies Limited from July 2014 to April 2017.	263,000 Common Shares
Peter Wall ⁽⁴⁾ <i>Perth, Australia</i>	Director ⁽¹⁾	April 26, 2017	Corporate lawyer at Steinepreis Paganin.	Nil
Jason Bednar ⁽⁵⁾ <i>Calgary, Alberta</i>	Director ⁽¹⁾ ⁽²⁾	April 26, 2017	Chief Financial Officer of Canacol Energy Ltd. from 2015 to Present; Chief Financial Officer of MENA Hydrocarbons Inc. from 2011 to 2014.	Nil

(1) Member of the Audit Committee.

(2) Chair of the Audit Committee.

(3) Mr. Holler was appointed Chairman of the Board on December 13, 2018.

(4) Mr. Wall owns 8,600,000 common shares of MMJ, the largest shareholder of the Company.

(5) Mr. Bednar owns 2,526,522 common shares of MMJ, the largest shareholder of the Company.

Director Biographies

Frank A. Holler (Chairman)

Mr. Holler is currently the President & CEO of Ponderosa Capital Inc., which provides capital advisory services to emerging technology companies. He has expertise in biotechnology, investment banking and venture capital and previously served as Chairman & CEO of BC Advantage Funds (VCC) Ltd., a venture fund investing in emerging technology companies; as President & CEO of Xenon Pharmaceuticals Inc., a NASDAQ listed drug development company; as President and CEO of ID Biomedical Corporation, a TSX/NASDAQ vaccine development company sold to GlaxoSmithKline plc; and as a founding director of Angiotech Pharmaceuticals, a TSX/NASDAQ listed medical device company. Before working in biotechnology and healthcare, Mr. Holler was an Investment Banker with Merrill Lynch Canada and Wood Gundy Inc. (now CIBC World Markets).

In addition to serving on the Company's Board, Mr. Holler presently serves on the board of directors of Sernova Corp. (Chair), the Prevention of Organ Failure Centre at St. Paul's Hospital (Chair), and Xenon Pharmaceuticals Inc. He was previously a director of the British Columbia Biotechnology Association from 1992 to 1998, and in 2003 received the BC Biotech Award for Vision and Leadership. Mr. Holler holds an MBA and BA (Economics) from the University of British Columbia.

Grant Froese

Mr. Froese is a retail industry veteran with 38 years of experience at Loblaw Companies Limited, Canada's largest food retailer, with his most recent position being Chief Operating Officer prior to his short-lived retirement in April 2017. Mr. Froese served as the Chief Executive Officer of Marquee Health Group, a late stage applicant under the Access to Cannabis for Medical Purposes Regulation where he gained valuable industry experience and insight. Mr. Froese has extensive experience in supply chain management, digital/ecommerce businesses, marketing, brand management and operations management.

Peter Wall

Mr. Wall is a corporate lawyer based in Perth, Western Australia and is a Partner at Steinepreis Paganin, one of Australia's leading corporate and commercial law firms. He graduated from the University of Western Australia in 1998 with a Bachelor of Laws and Bachelor of Commerce (Finance) and subsequently completed a Masters of Applied Finance and Investment with the FINSIA (formerly the Securities Institute of Australia). Mr. Wall has a wide range of experience in all forms of corporate and commercial law, with a particular focus on mergers and acquisitions, initial public offerings, back door listings and capital market transactions.

Mr. Wall was a founding Director and shareholder of MMJ, the first medical cannabis company to list on the Australian Securities Exchange ("**ASX**"). He is currently the Non-Executive Chairman of MMJ. He is also the Non-Executive Chairman of the following ASX-listed companies: Minbos Resources Ltd; MyFiziq Limited; Transcendence Technologies Limited; Pursuit Minerals Ltd and Argent Minerals Ltd.

Jason Bednar

Mr. Bednar is a Chartered Accountant with more than 20 years of direct professional experience in the financial and regulatory management of companies listed on the Toronto Stock Exchange, TSX Venture Exchange ("**TSX-V**"), American Stock Exchange and the ASX. He is currently the CFO of Canacol Energy Ltd., a Colombian focused oil and gas exploration and production company with an enterprise value in excess of \$1 billion. Mr. Bednar has been the past CFO of several international oil and gas exploration and production companies. Most notably, he was the founding CFO of Pan Orient Energy Corp., a south-east Asian exploration company, which during his tenure grew organically to operate 15,000 barrels of oil per day and had a market capitalization of \$700 million. He previously sat on the board of directors of several internationally-focused exploration and production companies, including being the past Chairman of Gallic Energy Ltd. Mr. Bednar holds a Bachelor of Commerce degree from the University of Saskatchewan.

Corporate Cease Trade Orders or Bankruptcies

Except as described below, no director or executive officer of the Company is, or has been, within the past 10 years before the date hereof, a director or executive officer of any issuer that, while that person was acting in that capacity: (i) was the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation for a period of more than 30 consecutive days; or (ii) was subject to an event that resulted, after the person ceased to be a director or executive officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation for a period of more than 30 consecutive days.

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

Jason Bednar was formerly a director of Solimar Energy Limited ("**Solimar**") from November 12, 2011 to December 12, 2014, upon which date all of the directors and officers resigned. On December 3, 2015, December 8, 2015 and December 21, 2015, the common shares of Solimar were cease traded by the Alberta Securities Commission, the British Columbia Securities Commission and the Ontario Securities Commission, respectively, as the result of the failure by Solimar to file various continuous disclosure documents, including interim financial statements and related management's discussion and analysis for the three-month period ended September 30, 2014, together with the related certification filings thereto.

Frank A. Holler was previously the Chairman & CEO of BC Advantage Funds ("**Advantage**"), a venture capital fund investing in emerging technology companies. On July 5, 2013 one of Advantage's publicly traded portfolio companies, Allon Therapeutics Inc. ("**Allon**"), made a proposal to its creditors under the *Bankruptcy and Insolvency Act*, and a reorganization of its share structure was approved by the Supreme Court of British Columbia. Following such approval, all of the issued and outstanding shares of Allon were acquired by Paladin Labs Inc. The common shares of Allon were delisted from the Toronto Stock Exchange on June 28, 2013. Mr. Holler was a director of Allon and ceased to be a director effective July 16, 2013.

On December 23, 2014, a privately held Advantage portfolio company, Contech Enterprises Inc. ("**Contech**"), made a proposal to its creditors under the *Bankruptcy and Insolvency Act*, and a reorganization of its capital structure was approved by the Supreme Court of British Columbia on January 26, 2015. This proposal was intended to facilitate a financing by a new lender and a debt restructuring that together would enable Contech to carry on its business profitably for the foreseeable future; however, on March 6, 2015, the British Columbia Court of Appeal overturned the approval of the proposal by the Supreme Court of British Columbia and placed Contech into bankruptcy. Mr. Holler was a director of Contech and ceased to be a director effective March 6, 2015.

Personal Bankruptcies

To the Company's knowledge, no director of the Company has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold such person's assets.

Penalties or Sanctions

To the Company's knowledge, no director of the Company has: (i) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, other than penalties for late filing of insider reports; or (ii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Shareholder in deciding whether to vote for a proposed director.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies FOR the election of each of the nominees specified above as directors of the Company. If, prior to the Meeting, any vacancies occur in the proposed nominees herein submitted, the persons named in the enclosed form of proxy intend to vote FOR the election of any substitute nominee or nominees recommended by management of the Company and FOR each of the remaining proposed nominees.

Appointment of Auditors

Deloitte LLP ("**Deloitte**") will be nominated at the Meeting for reappointment as auditor of the Company to serve until the next annual general meeting of Shareholders or until a successor is appointed, at a remuneration to be fixed by the Board.

Unless authority to do so is withheld, the persons designated as proxyholders in the accompanying Proxy intend to vote the Common Shares represented by each properly executed Proxy **FOR** the appointment of Deloitte LLP as auditor of the Company to serve until the close of the next annual general meeting of Shareholders and the authorization of the Board to fix the remuneration of the auditor.

Approval of the Omnibus Incentive Plan

Further to a review of the Company's current stock option plan (the "**Option Plan**") and a desire to increase flexibility of granting long-term incentives to directors, officers, employees and consultants of the Company, the Board approved, as of September 4, 2019, and subject to required Shareholder and regulatory approval, the adoption of an omnibus incentive plan (the "**Omnibus Incentive Plan**"), the form which is attached hereto as Schedule "A", to replace the existing Option Plan. If the Omnibus Incentive Plan is implemented, the terms of the existing Option Plan will be amended such that it is replaced in its entirety with the terms of the Omnibus Incentive Plan, and all existing stock options (the "**Options**") will be governed by the terms and conditions of the Omnibus Incentive Plan and will no longer be subject to the terms of the Option Plan. The Omnibus Incentive Plan will not be implemented unless and until Shareholder approval is obtained, and until the Omnibus Incentive Plan is implemented, the terms of the Option Plan will remain in force.

Below is a summary of the material terms and conditions of the Omnibus Incentive Plan. The summary is qualified in its entirety by the full text of the Omnibus Incentive Plan, which is attached as Schedule "A" hereto. Unless otherwise defined in this Information Circular, all defined terms contained in the below summary have the meaning ascribed to them in the Omnibus Incentive Plan.

The purposes of the Omnibus Incentive Plan are to: (i) provide the Company with a mechanism to attract, retain and motivate highly qualified directors, officers, employees and consultants of the Company and its Affiliates; (ii) align the interests of Participants with that of other Shareholders of the Company generally; and (iii) enable and encourage Participants to participate in the long-term growth of the Company through the acquisition of Common Shares as long-term investments.

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

Such Awards will include Options, restricted share units ("**RSUs**"), deferred share units ("**DSUs**") and performance share units ("**PSUs**").

Subject to adjustment, the number of Common Shares reserved for issuance to Participants under the Omnibus Incentive Plan, together with Common Shares reserved for issuance under any other share compensation arrangements of the Company, shall not exceed 20% of the total number of Common Shares issued and outstanding, on a fixed basis, as of the date of this Information Circular. To the extent that an Award lapses or the rights of its Participant terminate, any Common Shares subject to such Award shall again be available for grant under an Award.

For so long as the Company is listed on the Exchange or on another exchange that requires the Company to fix the number of Common Shares to be issued in settlement of Share Units, the maximum number of Common Shares available for issuance pursuant to the settlement of Share Units shall be 8,500,000 Common Shares.

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

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

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

If there is a Change of Control, any Awards held by a Participant shall automatically vest following such Change of Control, on the Termination Date, if the Participant is an Employee, officer or a Director and their employment, or officer or Director position is terminated within 12 months following the Change of Control, provided that no acceleration of Awards shall occur in the case of a Participant that was retained to provide Investor Relations Activities unless the approval of the Exchange is either obtained or not required. Notwithstanding the foregoing, in the event of an actual or potential Change of Control of the Company, the Board may, in its sole discretion, without the necessity or requirement for the agreement of any Participant: (i) accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of any Awards; (ii) permit

the conditional redemption or exercise of any Awards, on such terms as it sees fit; (iii) otherwise amend or modify the terms of any Awards, including for greater certainty by (1) permitting Participants to exercise or redeem any Awards to assist the Participants to participate in the actual or potential Change of Control, or (2) providing that any Awards exercised or exercised shall be exercisable or redeemed for, in lieu of Shares, such property (including shares of another entity or cash) that shareholders of the Company will receive in the Change of Control; and (iv) terminate, following the successful completion of a Change of Control, on such terms as it sees fit, the Awards not exercised or redeemed prior to the successful completion of such Change of Control.

Options

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

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

Unless otherwise specified in an Award Agreement, and subject to any provisions of the Omnibus Incentive Plan or the applicable Award Agreement relating to acceleration of vesting of Options, Options shall vest subject to Exchange Policies, and the Board may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist. If the Board does not determine a vesting schedule at the time of grant of any particular Option, such Option shall be exercisable in whole at any time, or in part from time to time, during the term of the Option, subject to the applicable requirements of the Exchange.

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

otherwise determined by the Board, all unvested Options shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested Options will continue to be subject to the Omnibus Incentive Plan and be exercisable for a period of 90 days after the Termination Date, provided that any Options that have not been exercised within 90 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.

RSUs

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

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

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

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

DSUs

Subject to the terms and conditions of the Omnibus Incentive Plan and any policies of the Exchange, the Board may grant DSUs to Participants in such amounts and upon such terms (including the requirement that Participants pay a stipulated purchase price for each DSU, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of the Exchange, or holding or sale

restrictions placed on the Common Shares by the Company upon vesting of such DSUs) as the Board shall determine.

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

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

PSUs

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

Subject to the terms of the Omnibus Incentive Plan, the Board, in its sole discretion, may pay earned PSUs in the form of a number of Common Shares issued from treasury equal to the number of earned PSUs at the end of the applicable performance period. Any Common Shares may be granted subject to any restrictions deemed appropriate by the Board. Participants holding PSUs may, if the Board so determines, be credited with dividends paid with respect of the underlying Common Shares or dividend equivalents while they are so held in a manner determined by the Board in its sole discretion.

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

Shareholder Approval of the Omnibus Incentive Plan

At the Meeting, disinterested Shareholders of the Company will be asked to consider, and if deemed advisable, to approve and pass the following resolution (the "**Omnibus Incentive Plan Resolution**"):

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

1. subject to receipt of any applicable regulatory approvals, the amendment of the Company's stock option plan dated effective as of September 29, 2017 (the "**Stock Option Plan**") such that it is replaced in its entirety by the omnibus incentive plan (the "**Omnibus Incentive Plan**"), in the form as approved by the Board of Directors of the Company (the "**Board**") on September 4, 2019, and the full text of which is set out in Schedule "A" to the Company's management information circular dated October 21, 2019, (the "**Information Circular**") is hereby ratified, confirmed and approved, to become effective at a date in the future to be determined by the Board or, if such authority is delegated to it by the Board, the compensation committee of the Board;
2. a total maximum reserve of 42,934,735 common shares of the Company (the "**Common Shares**"), representing 20% of the total number of Common Shares issued and outstanding as of the date of the Information Circular, are reserved for the issuance of options, restricted share units, deferred share units and performance share units under the Omnibus Incentive Plan;
3. subject to the effectiveness of the Omnibus Incentive Plan, all existing stock options of the Company issued under the Stock Option Plan shall be amended such that they are governed by the terms of the Omnibus Incentive Plan and no longer governed by the terms of the Stock Option Plan;
4. any one director or officer of the Company is hereby authorized to execute and deliver on behalf of the Company all such documents and instruments and to do all such other acts and things as in such director or officer's opinion may be necessary to give effect to the matters contemplated by these resolutions; and
5. notwithstanding that this resolution be passed by the disinterested shareholders of the Company, the adoption of the proposed Omnibus Incentive Plan is conditional upon receipt of any applicable regulatory approvals, and the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the disinterested shareholders of the Company, at any time if such revocation is considered necessary or desirable to the directors."

In order to be passed, the Omnibus Incentive Plan Resolution must be passed by a simple majority of the votes cast in person or by proxy, at the Meeting, of disinterested Shareholders (which for the purposes of this resolution, will exclude the votes attaching to Common Shares beneficially owned or controlled by any Persons whom Awards have been or may be granted to under the Omnibus Incentive Plan, and each of their Associates (as defined by the policies of the Exchange). The directors of the Company unanimously recommend that Shareholders vote in favour of the Omnibus Incentive Plan Resolution. **Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the Omnibus Incentive Plan Resolution. An affirmative vote of a majority of the votes cast by disinterested Shareholders is sufficient for approval of the Omnibus Incentive Plan Resolution.**

STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS

The purpose of this Statement of Executive Compensation is to provide information about the Company's philosophy, objectives and processes regarding executive compensation. This disclosure is intended to communicate the compensation provided to the most highly compensated executive officers of the Company (the "**Named Executive Officers**" or "**NEOs**"). For the purposes of this Circular, a NEO means each of the following individuals:

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

During the year ended June 30, 2019, the NEOs of the Company were:

- Grant Froese, CEO since July 3, 2018;
- Lisa Dea, former CFO from June 13, 2017 to March 29, 2019;
- Chris Podolsky, Interim CFO from March 30, 2019 to August 26, 2019; and
- Andrew Kain, Chief Operating Officer ("**COO**") & General Counsel since July 3, 2018.

Director and named executive officer compensation, excluding compensation securities

The following table sets forth the compensation paid to the Company's Named Executive Officers and directors for the Company's financial years ending June 30, 2019, and June 30, 2018:

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission	Bonus	Committee or meeting fees	Value of perquisites	Value of all other compensation	Total compensation
Grant Froese ⁽¹⁾ CEO and Director	2019	560,000	Nil	Nil	Nil	Nil	560,000
	2018	N/A	N/A	N/A	N/A	N/A	N/A
Chris Podolsky ⁽²⁾ Interim CFO	2019	83,706	Nil	Nil	Nil	Nil	83,706
	2018	N/A	N/A	N/A	N/A	N/A	N/A
Lisa Dea ⁽³⁾ Former CFO	2019	240,000	60,000	Nil	Nil	120,000	420,000
	2018	200,000	Nil	Nil	10,269	Nil	210,269

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission	Bonus	Committee or meeting fees	Value of perquisites	Value of all other compensation	Total compensation
Andrew Kain ⁽⁴⁾ COO & General Counsel	2019	240,000	Nil	Nil	Nil	Nil	240,000
	2018	N/A	N/A	N/A	N/A	N/A	N/A
Frank Holler ⁽⁵⁾ Chairman & Director	2019	26,380	Nil	Nil	Nil	Nil	26,380
	2018	N/A	N/A	N/A	N/A	N/A	N/A
Peter Wall Director	2019	52,826	Nil	Nil	Nil	Nil	52,826
	2018	60,000	Nil	Nil	Nil	Nil	60,000
Jason Bednar Director	2019	36,000	Nil	Nil	Nil	Nil	36,000
	2018	36,000	Nil	Nil	Nil	Nil	36,000

Notes:

- (1) Mr. Froese was appointed CEO and director of the Company on July 3, 2018. Mr. Froese does not receive any compensation for his position as a director of the Company.
- (2) Mr. Podolsky served as Interim CFO of the Company from March 30, 2019 to August 26, 2019.
- (3) Ms. Dea resigned as CFO of the Company effective March 29, 2019. Pursuant to a separation agreement dated March 27, 2019 between the Company and Ms. Dea (the "**Separation Agreement**"), Ms. Dea received a cash payment of \$120,000. The Company also entered into a consulting agreement with Ms. Dea for a fixed term effective April 1, 2019 through September 30, 2019.
- (4) Mr. Kain was appointed COO & General Counsel of the Company on July 3, 2018.
- (5) Mr. Holler was appointed director of the Company on September 18, 2018 and was appointed Chairman of the Board on December 13, 2018.

Stock options and other compensation securities

The following table discloses all compensation securities granted or issued to each director and named executive officer by the Company in the year ended June 30, 2019, for services provided to the Company:

Compensation Securities							
Name and position ⁽¹⁾	Type of Compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of Issue or grant	Issue, Conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Grant Froese ⁽²⁾⁽³⁾ CEO and Director	Options	5,710,000	03-Jul-2018	\$0.77	\$0.77	\$0.72	03-Jul-2023
	PARs	1,790,000	03-Jul-2018	\$0.77	\$0.77	\$0.72	03-Jul-2023
Chris Podolsky Interim CFO	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Lisa Dea ⁽⁴⁾ Former CFO	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Andrew Kain ⁽²⁾⁽⁵⁾ COO & General Counsel	Options	2,290,000	03-Jul-2018	\$0.77	\$0.77	\$0.72	03-Jul-2023
	PARs	710,000	03-Jul-2018	\$0.77	\$0.77	\$0.72	03-Jul-2023
Frank Holler ⁽⁶⁾ Chairman & Director	Options	300,000	18-Sep-2018	\$0.91	\$0.93	\$0.72	18-Sep-2023
	Options	400,000	22-Apr-2019	\$0.85	\$0.87	\$0.72	22-Apr-2024

Compensation Securities							
Name and position (1)	Type of Compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of Issue or grant	Issue, Conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Peter Wall ⁽⁷⁾ Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Jason Bednar ⁽⁸⁾ Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Please refer to the notes to the table provided above under the heading "Director and named executive officer compensation, excluding compensation securities" for dates of appointment and/or resignation of each NEO and director. None of the NEOs or directors listed in the table above have exercised any Options granted to them in the most recent financial year.
- (2) On July 3, 2018, the Board granted performance appreciation rights ("PARs") in connection with the appointment of Grant Froese as CEO and Andrew Kain as COO and General Counsel.
- (3) Mr. Froese holds 5,710,000 stock options granted on July 3, 2018 at an exercise price of \$0.77 which will expire on July 3, 2023. 856,500 options vested on July 3, 2018; 1,617,833 options vested on July 3, 2019; 1,617,833 options will vest on July 3, 2020; and 1,617,834 options will vest on July 3, 2021. Mr. Froese holds 1,790,000 PARs granted on July 3, 2018 which will expire on July 3, 2023. 268,500 PARs vested on July 3, 2018; 507,166 PARs vested on July 3, 2019; 507,166 PARs will vest on July 3, 2020; and 507,168 PARs will vest on July 3, 2021.
- (4) Ms. Dea holds 400,000 stock options granted on April 27, 2017, at an exercise price of \$0.75. Pursuant to a separation agreement dated March 27, 2019 between the Company and Ms. Dea (the "Separation Agreement"), all 400,000 options are exercisable and will expire on December 31, 2019.
- (5) Mr. Kain holds 2,290,000 stock options granted on July 3, 2018 at an exercise price of \$0.77 which will expire on July 3, 2023. 343,500 options vested on July 3, 2018; 648,833 options vested on July 3, 2019; 648,833 options will vest on July 3, 2020; and 648,834 options will vest on July 3, 2021. Mr. Kain holds 710,000 PARs granted on July 3, 2018 which will expire on July 3, 2023. 106,500 PARs vested on July 3, 2018; 201,166 PARs vested on July 3, 2019; 201,166 PARs will vest on July 3, 2020; and 201,168 PARs will vest on July 3, 2021.
- (6) Mr. Holler holds 300,000 options granted on September 18, 2018 at an exercise price of \$0.91, which expire on September 18, 2023. 100,000 options vested on September 18, 2019; 100,000 options will vest on September 18, 2020; and 100,000 options will vest on September 18, 2021. Mr. Holler holds 400,000 options granted on April 22, 2019 at an exercise price of \$0.85, which expire on April 22, 2024. 133,334 options will vest on April 22, 2020; 133,333 options will vest on April 22, 2021; and 133,333 options will vest on April 22, 2022.
- (7) Mr. Wall holds 700,000 stock options granted on April 27, 2017, at an exercise price of \$0.75, which expire on April 27, 2022. 233,334 of the Options granted to Mr. Wall vested on April 27, 2017; 233,333 vested on April 27, 2018; and 233,333 vested on April 27, 2019.
- (8) Mr. Bednar holds 500,000 stock options granted on April 27, 2017, at an exercise price of \$0.75, which expire on April 27, 2022. 166,667 of the Options granted to Mr. Bednar vested on April 27, 2017; 166,667 vested on April 27, 2018; and 166,666 vested on April 27, 2019.

Stock Option Plan

The Company's current Option Plan was approved by Shareholders of the Company at the annual general meeting of Shareholders held on September 29, 2017. The objective of the Option Plan is to permit the directors, executive officers, employees, consultants and persons providing investor relation services to participate in the growth and development of the Company through the grant of Options. It also allows the Company to reduce the proportion of executive compensation otherwise paid in cash and reallocate those funds to other corporate initiatives. The Option Plan is currently administered by the directors of the Company. Pursuant to the Option Plan, the directors may delegate the administration of the Option Plan to a committee of the directors of the Company authorized to carry out such administration.

The maximum number of Common Shares that may be reserved for issuance upon exercise of Options (including any number of Common Shares reserved for issuance under the current Option Plan) will be limited to ten percent (10%) of the issued and outstanding Common Shares of the Company. Pursuant to the policies of the Exchange, the Company is required to obtain Shareholder approval of the Option Plan at the time of implementation, and each subsequent year, because the Option Plan is a rolling-maximum option plan whereby the maximum number of Common Shares that may be reserved for issue and which can be purchased upon the exercise of all Options granted under the Option Plan is fixed at ten percent (10%) of the number of outstanding Common Shares from time-to-time.

The exercise price of any Option may not be less than the closing price of the Common Shares on the principal stock exchange on which the Common Shares are listed on the last trading day immediately preceding the date of grant of the Option less the maximum discount, if any, permitted by such stock exchange and, if the Common Shares are not then listed on any stock exchange, the exercise price may not be less than the fair market value of the Common Shares as may be determined by the directors of the Company on the day immediately preceding the day of the grant of such Option.

Each Option, unless sooner terminated pursuant to the provisions of the Option Plan, will expire on a date to be determined by the Board at the time the Option is granted, subject to amendment by an employment contract, which date cannot be later than ten (10) years after the date the Option is granted. However, if the expiry date falls within a "blackout period" or within ten (10) business days after the expiry of a "blackout period", then the expiry date of the Option will be the date which is ten (10) business days after the expiry of the blackout period.

Except as otherwise provided in the Option Plan or in any employment contract, each Option may be exercised during the term of the Option only in accordance with the vesting schedule, if any, determined by the Board at the time of the grant of the Option, which vesting schedule may include performance vesting or acceleration of vesting in certain circumstances and which may be amended or changed by the Committee from time to time with respect to a particular Option, subject to applicable regulatory requirements. If the Board does not determine a vesting schedule at the time of the grant of any particular Option, such Option will be exercisable in whole at any time, or in part from time-to-time, during the term of the Option.

The maximum number of Common Shares reserved for issue pursuant to Options granted to participants who are insiders of the Company in any 12-month period may not exceed, in the aggregate, ten percent (10%) of the number of Common Shares then outstanding, unless disinterested shareholder approval is received therefor in accordance with the policies of the Exchange. The maximum number of Common Shares reserved for issue to any one participant upon the exercise of Options in any 12-month period shall not exceed five percent (5%) of the number of Common Shares then outstanding, unless disinterested shareholder approval is received therefor in accordance with the policies of the Exchange. The maximum number of Common Shares reserved for issue to any one participant (other than a participant who is an eligible director or eligible employee) upon the exercise of Options in any 12-month period shall not exceed two percent (2%) of the number of Common Shares then outstanding.

Performance Appreciation Rights

On July 3, 2018, the Board granted performance appreciation rights (“**PARs**”) in connection with the appointment of Grant Froese as CEO and Andrew Kain as COO and General Counsel. Each PAR entitles the holder to purchase one common share at an exercise price of \$0.77 for a period of five years following the grant date. The Company may, in its sole discretion, replace all or part of the outstanding PARs granted with stock options on a one for one exchange basis. Please refer to the notes on the table provided above under the heading “*Stock options and other compensation securities - Compensation Securities*” for details on the PARs granted.

Employment, consulting and management agreements

Grant Froese, CEO

On July 3, 2018, the Company entered into an employment contract with Grant Froese (the “**Froese Agreement**”). Under the terms of the Froese Agreement, Mr. Froese is engaged as CEO of the Company. The Froese Agreement may be terminated on four (4) weeks' written notice by Mr. Froese. The Company may terminate the Froese Agreement for cause, without notice or any payment in lieu thereof. The Company may also terminate the Froese Agreement without cause, and without further obligation, by providing Mr. Froese with: (a) payment for all accrued and outstanding annual salary and any discretionary bonus accrued throughout the termination date; and (b) payment equal to two times his annual salary and annual retention bonus paid in the previous calendar year.

In the event of a “Change of Control” of the Company, Mr. Froese is entitled to receive from the Company a payment equal to two (2) times Mr. Froese’s: (i) annual salary; (ii) annual retention bonus; and (iii) the average of the discretionary bonus awarded in the previous two (2) full-calendar years. The total estimated incremental payments, payables and benefits to Mr. Froese in the event of termination of his employment without cause, as if such event occurred on the last business day of the Company's most recently completed financial year, is \$1,502,704.

Chris Podolsky, Interim CFO

On March 18, 2019, the Company entered into a services agreement with Chris Podolsky (the “**Podolsky Agreement**”) which remained effective until June 30, 2019. The term of the Podolsky Agreement may be extended with the written consent of the parties. Under the terms of the Podolsky Agreement, Mr. Podolsky was engaged as Interim Chief Financial Officer of the Company, providing services as an independent contractor. The Podolsky Agreement may be terminated at any time by the Company or by Mr. Podolsky, by providing 30 days written notice to the parties. Under the terms of the Podolsky Agreement the Company will pay a rate of \$1,950 per day for all services provided during the term of the agreement.

Andrew Kain, COO & General Counsel

On July 3, 2018, the Company entered into an employment contract with Andrew Kain (the “**Kain Agreement**”). Under the terms of the Kain Agreement, Mr. Kain is engaged as COO & General Counsel of the Company. The Kain Agreement may be terminated on four (4) weeks' written notice by Mr. Kain. The Company may terminate the Kain Agreement for cause, without notice or any payment in lieu thereof. The Company may also terminate the Kain Agreement without cause, and without further obligation, by providing Mr. Kain with: (a) payment for all accrued and outstanding annual salary and any discretionary bonus accrued throughout the termination date;

and (b) payment equal to two times his annual salary and annual retention bonus paid in the previous calendar year.

In the event of a "Change of Control" of the Company, Mr. Kain is entitled to receive from the Company a payment equal to two (2) times Mr. Kain's: (i) annual salary; (ii) annual retention bonus; and (iii) the average of the discretionary bonus awarded in the previous two (2) full-calendar years. The total estimated incremental payments, payables and benefits to Mr. Kain in the event of termination of his employment without cause, as if such event occurred on the last business day of the Company's most recently completed financial year, is \$709,200.

Lisa Dea, Former CFO

On May 12, 2017, the Company entered into an employment agreement with Lisa Dea (the "**Dea Agreement**"). The Dea Agreement may be terminated on thirty (30) days' written notice by Ms. Dea, and by the Company upon three (3) months' written notice or compensation in lieu of such notice, with such notice period increasing by one (1) month for each year of service with the Company to a maximum of six (6) months. The Dea Agreement may also be terminated without notice by the Company in certain circumstances.

Separation Agreement

Ms. Dea resigned as CFO of the Company effective March 29, 2019. On March 27, 2019, the Company entered into a separation agreement with Ms. Dea (the "**Separation Agreement**"). Under the terms of the Separation Agreement, Ms. Dea was paid severance of \$120,000, equal to six months' base salary. All stock options granted to Ms. Dea vested effective April 1, 2019 and will expire on December 31, 2019.

Consulting Agreement

On April 1, 2019, the Company entered into a fixed term consulting agreement with Ms. Dea (the "**Consulting Agreement**") which remained effective until September 30, 2019. Under the terms of the Consulting Agreement, Ms. Dea provided financial management and oversight services to the Company, acting as member of the Advisory Board of the Company. The Company paid a fee of \$20,000 per month for the services provided during the term of the agreement.

Oversight and description of director and named executive officer compensation

The Company's Compensation, Nominating and Governance Committee (the "**Compensation Committee**") is responsible for determining the compensation for the directors and the executive officers.

The Committee's primary responsibilities include, among other things, assisting the Board with the selection, retention, adequacy and form of the compensation of senior management and the Board. See "*Nomination of Board*" and "*Compensation*" under the "*Statement of Corporate Governance Practices*" for further information regarding the role of the Compensation Committee.

The Compensation Committee has been tasked with establishing an executive compensation program, which includes equity compensation under the Option Plan, discussed above under the heading "*Business of the Meeting – Approval of the Omnibus Incentive Plan*" and the other elements of compensation described under the heading "*Director and named executive officer compensation*", above.

Compensation Objectives and Principles

The primary goal of the Company's executive compensation program is to attract and retain the key executives necessary for the Company's long-term success, to encourage executives to further the development of the Company and its operations, and to motivate top quality and experienced executives. The key elements of the executive compensation program are: (i) base salary; (ii) potential annual incentive award; and (iii) incentive stock options.

The Compensation Committee reviews the adequacy of remuneration for the executive officers by evaluating their performance in light of the Company's goals and objectives, the bonus opportunities contained in their employment agreements, and by comparing the performance of the Company with other reporting issuers of similar size in the same industry.

The directors are of the view that all elements of the total program should be considered, rather than any single element, and as such does not use fixed criteria in determining the mix of compensation and instead determines compensation based on a contextual analysis of the Company. While the Company does not have a formally established peer group in determining compensation, the Compensation Committee will make reference from time to time to other comparable publicly traded Canadian companies to align its compensation practices with market practice.

The terms of any proposed compensation for the directors of the Company who are not also officers of the Company (including any Options to be granted) will be determined by the Compensation Committee.

The compensation program is designed to provide income certainty, to attract and retain executives and to provide incentives for the achievement of both short-term and long-term objectives of the Company.

Compensation Process

The Company relies on its Compensation Committee, through discussion without any formal objectives, criteria or analysis, to determine the compensation of the Company's executive officers. The Compensation Committee has not established formal criteria or goals that are tied to total compensation or any significant element of total compensation. The Board is responsible for determining all forms of compensation, including long-term incentives in the form of Options, to be granted to the Company's Named Executive Officers and directors, and for reviewing the recommendations respecting compensation of other officers of the Company from time to time, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining compensation, the Compensation Committee considers: (i) recruiting and retaining executives critical to the Company's success and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Company's shareholders; and (iv) rewarding performance, both on an individual basis and with respect to the Company's operations in general.

Option Based Awards

Long-term incentives in the form of Options are intended to align the interests of the Company's directors and its executive officers with those of its shareholders, to provide a long-term incentive that rewards these individuals for their contribution to the creation of shareholder value, and to reduce the cash compensation the Company would otherwise have to pay. The Option Plan is administered by the Company's Board. While the Company does not have a formally established peer group in determining compensation, in considering the number of the Options to be granted

to the Named Executive Officers, reference is made to the number of Options granted to officers of other comparable publicly traded Canadian companies. The Compensation Committee also considers previous grants of Options and the overall number of Options that are outstanding relative to the number of outstanding Common Shares in determining whether to make any new grants of Options and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the executive officer in determining the level of Option compensation.

Recent Developments

Subsequent to the year ended June 30, 2019, the Board approved the Omnibus Incentive Plan. See "*Business of the Meeting – Approval of the Omnibus Incentive Plan – Summary of the Plan*" above for further details regarding the Omnibus Incentive Plan.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the number of Common Shares to be issued upon exercise of outstanding Options, the weighted-average exercise price of such outstanding Options and the number of Common Shares remaining available for future issuance under equity compensation plans as at June 30, 2019.

Plan Category	Number of Common Shares to be issued upon exercise of outstanding Options	Weighted-average exercise price of outstanding Options	Number of Common Shares remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)
Equity compensation plans approved by Shareholders	17,785,000	\$0.79	796,985
Equity compensation plans not approved by Shareholders	Nil	N/A	Nil
Total	17,785,000	\$0.79	796,985

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, proposed director, executive officer, nor any of their respective associates or affiliates, is or has been indebted to the Company or its subsidiaries since the beginning of the Company's most recently completed financial year.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Set out below is a description of the Company's current corporate governance practices and other information relating to the Board, per National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and related disclosure requirements.

The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Company. Set out below is a brief discussion of the Company's approach to corporate governance.

Board of Directors

The Board facilitates its exercise of independent supervision over management through the participation of directors. Currently, the Board has five directors of whom three are independent within the meaning of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). The Board members are Frank Holler, Grant Froese, Peter Wall, Jason Bednar and Joseph Gabriele. Frank Holler is the Chairman of the Board.

Frank Holler, Jason Bednar and Peter Wall are independent directors in that they do not have a direct or indirect material relationship with the Company which could, in the view of the Board, reasonably interfere with the exercise of the director's independent judgment. Grant Froese is not considered independent as he is the CEO of the Company. Joseph Gabriele is not considered independent as he is the CEO of Delivra Corp., a subsidiary of the Company.

Directorships

The following directors are presently directors of other reporting issuers:

Director	Name of Other Reporting Issuer	Stock Exchange
Peter Wall	MMJ Group Holdings Ltd. (Australia)	ASX
	Minbos Resources Ltd. (Australia)	ASX
	MyFiziq Limited (Australia)	ASX
	Argent Minerals Limited (Australia)	ASX
	Transcendence Technologies Limited (Australia)	ASX
	Pursuit Minerals Ltd. (Australia)	ASX
Frank Holler	Sernova Corp.	TSX-V
	Xenon Pharmaceuticals Inc.	NASDAQ

Orientation and Continuing Education

New directors will be provided orientations which include meetings with management on business directions, operational issues and financial aspects of the Company.

The Compensation Committee ensures that new directors receive orientation materials describing the Company's business and its corporate governance policies and procedures. New directors will have meetings with the Chairman of the Board, the CEO and the CFO and are expected to visit the Company's principal offices. The Compensation Committee is responsible for confirming that procedures are in place and resources are made available to provide directors with appropriate continuing education opportunities.

Management updates the Board on a regular basis regarding the business and activities of the Company to ensure that the directors have the necessary knowledge to meet their obligations as directors. Directors are encouraged to communicate with management, the auditors and the Company's legal counsel to keep themselves current with the Company's business. Directors are also provided with full access to the Company's records.

Ethical Business Conduct

The Company expects all Board members and employees to conduct themselves in an ethical and law-abiding manner, in all areas, including but not limited to conflicts of interest and the protection and proper use of corporate assets, information and opportunities.

The Board has adopted a Code of Conduct and Business Ethics (the "**Code**") which provides guidelines surrounding, among other items, compliance with applicable laws, conflicts of interest, certain opportunities, confidentiality and disclosure, employment practices, and use of company property and resources. All Board members and employees are committed to maintaining the highest standards of integrity and ethical business conduct in the management of the Company and their interaction with all key securityholders. These standards can only be achieved by the Company by adhering to the values and principles of conduct established in the Code.

Conflicts of Interest

When faced with a conflict, it is required that business judgment of responsible persons, uninfluenced by considerations other than the best interests of the Company, will be exercised in compliance with the guidelines set out in the Code. Pursuant to the Business Corporations Act (*British Columbia*), any officer or director of the Company with a conflict of interest must disclose the nature and extent of such conflict to the Board and recuse themselves from a matter that materially conflicts with that individual's duty as a director or senior officer of the Company.

Protection and Proper Use of Corporate Assets, Information and Opportunities

Confidential information is not to be used for any purposes other than those of the Company. This requirement of confidentiality extends beyond the duty not to discuss private information, whether about the Company and/or its management and also applies to any asset of the Company, including trade secrets, customer lists, business plans, computer software, company records and other proprietary information. The Code adopted by the Board provides for certain specific guidelines around the duty of confidentiality of employees, officers and directors of the Company.

In the situation of contracts with third parties such as suppliers and service providers, management is to share only that information which is needed to satisfy the conditions of the contract and only to those individuals who need to know.

The duty of confidentiality applies to all Board members and employees even after leaving the Company regardless of the reason for departing.

Compliance with Laws, Rules and Regulations

It is required that the Company is in compliance with all legislation applicable to the Company's business operations, including but not restricted to the laws of the Province of British Columbia, all Canadian provincial laws and legislation, and any other similar legislation in jurisdictions where the Company operates.

All Board members and employees have a duty to know, understand and comply with any specific legislation pertaining to the business of the Company and any legislation applicable to their duties and responsibilities.

Nomination of Directors

The Compensation Committee is responsible for recommending to the Board a list of candidates for nomination for election to the Board at each annual general meeting of Shareholders. In addition, as the need arises, it will identify and recommend to the Board new candidates for Board membership. In making its recommendations to the Board, the Compensation Committee will provide its assessment of whether each candidate is or would be (i) "independent" and (ii) "financially literate" within the meaning of applicable law.

Compensation

The Compensation Committee is responsible for determining the compensation for the directors and the executive officers. The Compensation Committee reviews the adequacy of remuneration for the executive officers by evaluating their performance in light of the Company's goals and objectives, and by comparing with other reporting issuers of similar size in the same industry.

The Compensation Committee also periodically reviews the adequacy and form of directors' compensation and recommends to the Board a compensation model that appropriately compensates directors for the responsibilities and risks involved in being a director and a member of one or more committees, as applicable. The Compensation Committee is also responsible for reviewing the executive compensation disclosure before the Company discloses this information publicly.

The Compensation Committee is also responsible for: (i) ensuring that the mission and strategic direction of the Company is reviewed annually; (ii) ensuring that the Board and each of its committees carry out its functions in accordance with due process; (iii) assessing the effectiveness of the Board as a whole, each committee of the Board, and the contribution of each individual director; (iv) addressing governance issues; (v) identifying, recruiting, endorsing, appointing, and orienting new directors; (vi) reviewing and making compensation related recommendations and determinations regarding senior executives and directors; and (vii) the Company's human resources and compensation policies and processes.

See also the discussion under the heading "

Oversight and description of director and named executive officer compensation".

Assessments

The Compensation, Nominating and Governance Committee evaluates the effectiveness of the Board and its committees and conducts an annual formal assessment of the Board, its committees, and the individual directors by way of an annual Board effectiveness survey.

AUDIT COMMITTEE INFORMATION

The Audit Committee is governed by an Audit Committee Charter, a copy of which is attached hereto as Schedule "B".

Composition of the Audit Committee

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

Name	Independence	Financial Literacy
Jason Bednar ⁽¹⁾	Yes	Yes
Peter Wall	Yes	Yes
Frank Holler	Yes	Yes

(1) Chairman of Audit Committee.

Relevant Education and Experience

The Board believes that the composition of the Audit Committee reflects financial literacy and expertise. Currently, all three members of the Audit Committee have been determined by the Board to be "independent" and "financially literate" as such terms are defined under NI 52-110. The Board has made these determinations based on the education as well as breadth and depth of experience of each member of the Audit Committee.

All the members of the Audit Committee have the education and/or practical experience required to understand and evaluate financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's consolidated financial statements. See disclosure under the heading "*Election of Directors - Director Biographies*" pertaining to relevant education and experience of each member of the Audit Committee that is relevant to the performance of his or her responsibilities as an Audit Committee member.

Pre-Approval Policies and Procedures

The Audit Committee may pre-approve certain non-audit services to be provided to the Company or its subsidiaries by external auditors. The Audit Committee may delegate to one or more of its members the authority to pre-approve non-audit services, but such pre-approval must be presented to the Audit Committee at its first scheduled meeting following such pre-approval.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the most recently completed financial year of the Company has the Company relied on the exemption in section 2.4 of NI 52-110 (De Minimis Non-Audit Services), or an exemption from the application of NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (Exemptions).

The Company is relying upon the exemption in section 6.1 of NI 52-110.

Auditors' Fees

Deloitte LLP is the auditor of the Company and was appointed on April 24, 2018. Fees paid to the Company's auditors for the years ended June 30, 2019, and June 30, 2018, respectively, are detailed below:

Fee	For the year ended June 30, 2019	For the year ended June 30, 2018
Audit Fees ⁽¹⁾	\$387,000	\$321,000
Audit-Related Fees ⁽²⁾	\$70,000	\$10,900
Tax Fees ⁽³⁾	-	-
All Other Fees ⁽⁴⁾	\$3,134	\$47,000
Total	\$460,134	\$378,900

- (1) "Audit Fees" include the aggregate professional fees paid to the external auditors for the audit of the annual consolidated financial statements and other annual regulatory audits and filings.
- (2) "Audit Related Fees" includes the aggregate fees paid to the external auditors for services related to the audit services, including reviewing quarterly consolidated financial statements and management's discussion thereon and conferring with the Board and Audit and Finance Committees regarding financial reporting and accounting standards.
- (3) "Tax Fees" include the aggregate fees paid to external auditors for tax compliance, tax advice, tax planning and advisory services, including timely preparation of tax returns.
- (4) "Other Fees" include fees other than "Audit fees", "Audit related fees" and "Tax fees" above, which include CPAB and due diligence fees.

All permissible categories of non-audit services require pre-approval by the Audit Committee, subject to certain statutory exemptions.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed in this Information Circular, neither the Company nor any director or officer of the Company, nor any proposed nominee for election as a director of the Company, nor any other insider of the Company, nor any associate or affiliate of any one of them has or has had, at any time since the beginning of the year ended June 30, 2019, any material interest, direct or indirect, in any transaction or proposed transaction that has materially affected or would materially affect the Company.

OTHER BUSINESS

Management of the Company is not aware of any other business to come before the Meeting other than as set forth in the Notice of Meeting. If any other business properly comes before the Meeting, it is the intention of the persons named in the form of proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Financial information is contained in the Company's consolidated financial statements and management's discussion and analysis for the year ended June 30, 2019. In addition, a Shareholder may obtain copies of the Company's consolidated financial statements and management's discussion and analysis, by contacting the Company by mail at Suite 504 - 999 Canada Place, Vancouver, BC, V6C 3E1, or by telephone at 1-877-915-7934.

DATED this 21st day of October, 2019.

ON BEHALF OF THE BOARD OF DIRECTORS

"Grant Froese"

Grant Froese
Chief Executive Officer and Director

SCHEDULE "A"

HARVEST ONE CANNABIS INC.

2019 OMNIBUS EQUITY INCENTIVE COMPENSATION PLAN

ARTICLE 1 ESTABLISHMENT, PURPOSE AND DURATION

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

The Plan permits the grant of Options, Restricted Share Units, Deferred Share Units and Performance Share Units (as such terms are defined below). The Plan was approved by the Board (as defined below) on September 4, 2019 and is being put forth before the shareholders of the Company for approval on December 3, 2019, and will be effective upon receipt of shareholder and Exchange (as defined below) approvals (the "**Effective Date**") until the date it is terminated by the Board in accordance with the Plan.

- 1.2 Purposes of the Plan. The purposes of the Plan are to: (i) provide the Company with a mechanism to attract, retain and motivate highly qualified directors, officers, employees and consultants of the Company and its Affiliates; (ii) align the interests of Participants with that of other shareholders of the Company generally; and (iii) enable and encourage Participants to participate in the long-term growth of the Company through the acquisition of Shares (as defined below) as long-term investments.
- 1.3 Successor Plan. The Plan shall in respect of Options (as defined below) serve as the successor to the Company's share option plan dated effective September 29, 2017, and most recently reapproved by the holders of the Company's Shares on December 13, 2018 (the "**Predecessor Plan**"), and no further awards shall be made under the Predecessor Plan from and after the Effective Date of the Plan.

ARTICLE 2 DEFINITIONS

- 2.1 Whenever used in the Plan, the following terms shall have the respective meanings set forth below, unless the context clearly requires otherwise, and when such meaning is intended, such term shall be capitalized.
- (a) "**Affiliate**" means any corporation, partnership or other entity (i) in which the Company, directly or indirectly, has majority ownership interest or (ii) which the Company controls. For the purposes of this definition, the Company is deemed to "control" such corporation, partnership or other entity if the Company possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation, partnership or other entity, whether through the ownership of voting securities, by contract or otherwise, and includes a corporation which is considered to be a subsidiary for purposes of consolidation under International Financial Reporting Standards.

- (b) **“Award”** means, individually or collectively, a grant under the Plan of Options, Deferred Share Units, Restricted Share Units or Performance Share Units, in each case subject to the terms of the Plan.
- (c) **“Award Agreement”** means either (i) a written agreement entered into by the Company or an Affiliate of the Company and a Participant setting forth the terms and provisions applicable to Awards granted under the Plan; or (ii) a written statement issued by the Company or an Affiliate of the Company to a Participant describing the terms and provisions of such Award. All Award Agreements shall be deemed to incorporate the provisions of the Plan, subject to such modifications or additions as the Committee may, in its sole discretion, determine appropriate. An Award Agreement need not be identical to other Award Agreements either in form or substance.
- (d) **“Blackout Period”** means a period of time during which the Participant cannot sell Shares, due to applicable law or policies of the Company in respect of insider trading.
- (e) **“Board”** or **“Board of Directors”** means the Board of Directors of the Company as may be constituted from time to time.
- (f) **“Cause”** means (i) if the Participant has a written agreement pursuant to which he or she offers his or her services to the Company and the term “cause” is defined in such agreement, “cause” as defined in such agreement; or otherwise (ii) (a) the inability of the Participant to perform his or her duties due to a legal impediment such as an injunction, restraining order or other type of judicial judgment, decree or order entered against the Participant; (b) the failure of the Participant to follow the Company’s reasonable instructions with respect to the performance of his or her duties; (c) any material breach by the Participant of his or her obligations under any code of ethics, any other code of business conduct or any lawful policies or procedures of the Company; (d) excessive absenteeism, flagrant neglect of duties, serious misconduct, or conviction of crime or fraud; and (e) any other act or omission of the Participant which would in law permit an employer to, without notice or payment in lieu of notice, terminate the employment of an employee.
- (g) **“Change of Control”** means the occurrence of any one or more of the following events:
 - (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Company as a result of which the holders of Shares prior to the completion of the transaction hold or beneficially own, directly or indirectly, less than 50% of the outstanding Voting Securities of the successor corporation after completion of the transaction;
 - (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the assets of the Company and/or any of its subsidiaries to any other person or entity, other than a disposition to a wholly-owned subsidiary in the course of a reorganization of the assets of the Company and its subsidiaries;

- (iii) a resolution is adopted to wind-up, dissolve or liquidate the Company;
 - (iv) an acquisition by any person, entity or group of persons or entities acting jointly or in concert of beneficial ownership of more than 50% of the Voting Securities, or securities convertible into, exercisable for or carrying the right to purchase more than 50% of the Voting Securities on a post-conversion basis, assuming only the conversion or exercise of securities beneficially owned by the acquiror; or
 - (v) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.
- (h) “**Committee**” means the Board of Directors or if so delegated in whole or in part by the Board, any duly authorized committee of the Board appointed by the Board to administer the Plan.
- (i) “**Company**” means Harvest One Cannabis Inc., a corporation existing under the *Business Corporations Act* (British Columbia), and any successor thereof.
- (j) “**Consultant**” has the meaning set out in Policy 4.4 of the Exchange or such replacement definition for so long as the Shares are listed on the Exchange, and if the Shares are not so listed, shall have the meaning, if any, that applies to a listing of the Shares on such other exchange as the Shares are then listed on.
- (k) “**Corporate Reorganization**” shall have the meaning ascribed to such term under Section 4.6 herein.
- (l) “**Deferred Share Unit**” means an Award denominated in units that provides the holder thereof with a right to receive Shares upon settlement of the Award, granted under and subject to the terms of the Plan.
- (m) “**Director**” means any individual who is a member of the Board of Directors of the Company.
- (n) “**Disability**” means the disability of the Participant which would entitle the Participant to receive disability benefits pursuant to the long-term disability plan of the Company (if one exists) then covering the Participant, provided that the Board may, in its sole discretion, determine that, notwithstanding the provisions of any such long-term disability plan, the Participant is permanently disabled for the purposes of the Plan.
- (o) “**Dividend Equivalent**” means a right with respect to an Award to receive cash, Shares or other property equal in value and form to dividends declared by the Board and paid with respect to outstanding Shares. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement, and if specifically provided for in the Award Agreement shall be subject to such terms and conditions set forth in the Award Agreement as the Committee shall determine.
- (p) “**Employee**” means any employee or officer of the Company or an Affiliate of the Company. Directors who are not otherwise employed by the Company or an Affiliate of the Company shall not be considered Employees under the Plan.

- (q) **“Exchange”** means the TSX Venture Exchange, or if the Shares are not listed on the TSX Venture Exchange, such other principal market on which the Shares of the Company are then traded as designated by the Committee from time to time.
- (r) **“Exchange Hold Period”** means a four month resale restriction imposed by the Exchange, as set forth in the Exchange Policies.
- (s) **“Exchange Policies”** mean the policies of the Exchange, including those set forth in the Corporate Finance Manual of the Exchange.
- (t) **“FMV”** means, unless otherwise required by any applicable provision of any regulations thereunder or by any applicable accounting standard for the Company’s desired accounting for Awards or by the rules of the Exchange, a price that is determined by the Committee, provided that such price cannot be less than the last closing price of the Shares on the Exchange less any discount permitted by the rules or policies of the Exchange.
- (u) **“Insider”** shall have the meaning ascribed thereto in Exchange Policies.
- (v) **“Investor Relations Activities”** shall have the meaning ascribed thereto in Exchange Policies.
- (w) **“ITA”** means the *Income Tax Act* (Canada).
- (x) **“Market Price”** has the meaning set forth in the Exchange Policies.
- (y) **“Non-Employee Director”** means a Director who is not an Employee.
- (z) **“Notice Period”** means any period of contractual notice or reasonable notice that the Company or an Affiliate of the Company may be required at law, by contract or otherwise agrees to provide to a Participant upon termination of employment, whether or not the Company or Affiliate elects to pay severance in lieu of providing notice to the Participant, provided that where a Participant’s employment contract provides for an increased severance or termination payment in the event of termination following a Change of Control, the Notice Period for the purposes of the Plan shall be the Notice Period under such contract applicable to a termination which does not follow a Change of Control.
- (aa) **“Option”** means the conditional right to purchase Shares at a stated Option Price for a specified period of time subject to the terms of the Plan.
- (bb) **“Option Price”** means the price at which a Share may be purchased by a Participant pursuant to an Option, as determined by the Committee.
- (cc) **“Participant”** means an Employee, Non-Employee Director or Consultant who has been selected to receive an Award, or who has an outstanding Award granted under the Plan or the Predecessor Plan.
- (dd) **“Performance Period”** means the period of time during which the assigned performance criteria must be met in order to determine the degree of payout and/or vesting with respect to an Award.

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

ARTICLE 3 ADMINISTRATION

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

ARTICLE 4 SHARES SUBJECT TO THE PLAN AND MAXIMUM AWARDS

- 4.1 Maximum Number of Shares Available for Awards. Subject to adjustment as provided in Section 4.5 herein, the number of Shares reserved for issuance to Participants under the Plan, together with Shares reserved for issuance under any other share compensation arrangements of the Company, shall not exceed 42,934,735, which represents 20% of the total number of Shares issued and outstanding, on a fixed basis, at the time the Plan is sent out to be approved by the Company's shareholders (the "**Total Share Authorization**"). To the extent that an Award lapses or the rights of its Participant

terminate, any Shares subject to such Award shall again be available for grant under an Award.

- 4.2 Maximum Number of Shares Available for the Settlement of Share Units. For so long as the Company is listed on the TSX Venture Exchange or on another exchange that requires the Company to fix the number of Shares to be issued in settlement of Share Units, the maximum number of Shares available for issuance pursuant to the settlement of Share Units shall be 8,500,000 Shares.
- 4.3 Award Grants to Individuals. The aggregate number of Shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the outstanding Shares, calculated on the date an Award is granted to the Participant, unless the Company obtains disinterested shareholder approval as required by the policies of the Exchange. The aggregate number of Shares for which Awards may be issued to any one Consultant within any 12-month period shall not exceed 2% of the outstanding Shares, calculated on the date an Award is granted to the Consultant.
- 4.4 Award Grants to Persons Providing Investor Relations Activities. The aggregate number of Shares for which Options may be issued to any Persons retained to provide Investor Relations Activities within any 12-month period shall not exceed 2% of the outstanding Shares, calculated on the date an Option is granted to such Persons. Awards other than Options may not be granted to Persons retained to provide Investor Relations Activities, except if such Person is also an employee of the Company.
- 4.5 Award Grants to Insiders. Unless disinterested shareholder approval as required by the policies of the Exchange is obtained: (i) the maximum number of Shares for which Awards may be issued to Insiders (as a group) at any point in time shall not exceed 10% of the outstanding Shares; and (ii) the aggregate number of Awards granted to Insiders (as a group), within any 12-month period, shall not exceed 10% of the outstanding Shares, calculated at the date an Award is granted to any Insider.
- 4.6 Adjustments in Authorized Shares. In the event of any corporate event or transaction (collectively, a “**Corporate Reorganization**”) (including, but not limited to, a change in the Shares of the Company or the capitalization of the Company) such as a merger, arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Company, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to shareholders of the Company, or any similar corporate event or transaction, the Committee shall make or provide for such adjustments or substitutions, as applicable, in the number and kind of Shares that may be issued under the Plan, the number and kind of Shares subject to outstanding Awards, the Option Price, grant price or exercise price applicable to outstanding Awards, the limit on issuing Awards other than Options granted with an Option Price equal to at least the FMV of a Share on the date of grant and any other value determinations applicable to outstanding Awards or to the Plan, as are equitably necessary to prevent dilution or enlargement of Participants’ rights under the Plan that otherwise would result from such corporate event or transaction. In connection with a Corporate Reorganization, the Committee shall have the discretion to permit a holder of Options to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan and the applicable Award Agreement) and the holder will then accept on the exercise of such Option, in lieu of the Shares that such holder would otherwise have been entitled to purchase, the kind and amount of shares or

other securities or property that such holder would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, that holder had owned all Shares that were subject to the Option. Such adjustments shall be made automatically, without the necessity of Committee action, on the customary arithmetical basis in the case of any stock split, including a stock split effected by means of a stock dividend, and in the case of any other dividend paid in Shares.

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

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

ARTICLE 5 ELIGIBILITY AND PARTICIPATION

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

ARTICLE 6 STOCK OPTIONS

- 6.1 Grant of Options. Subject to the terms and provisions of the Plan, Options may be granted to Participants in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee in its discretion.
- 6.2 Award Agreement. Each Option grant shall be evidenced by an Award Agreement that shall specify the Option Price, the duration of the Option, the number of Shares to which the Option pertains, the conditions, if any, upon which an Option shall become vested and exercisable, and any such other provisions as the Committee shall determine. The Award Agreement for the grant of Options shall be in such form or forms as the Committee may from time to time approve.
- 6.3 Option Price. The Option Price for each grant of an Option under the Plan shall be determined by the Committee and shall be specified in the Award Agreement. The Option Price for an Option shall be not less than the FMV of the Shares on the date of grant.

- 6.4 Vesting of Options. Unless otherwise specified in an Award Agreement, and subject to any provisions of the Plan or the applicable Award Agreement relating to acceleration of vesting of Options, Options shall vest subject to Exchange Policies, and the Committee may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist. If the Committee does not determine a vesting schedule at the time of grant of any particular Option, such Option shall be exercisable in whole at any time, or in part from time to time, during the term of the Option, subject to the applicable requirements of the Exchange. Options issued to any Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months, with no more than $\frac{1}{4}$ of the Options vesting in any three month period.
- 6.5 Duration of Options. Each Option granted to a Participant shall expire at such time as the Committee shall determine at the time of grant; provided, however, that, subject to section 6.6, no Option shall be exercisable later than the tenth (10) anniversary date of its grant.
- 6.6 Blackout Periods. If the date on which an Option is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such Option shall be extended to the last day of such 10 business day period.
- 6.7 Exercise of Options. Options granted under this Article 6 shall be exercisable at such times and on the occurrence of such events, and be subject to such restrictions and conditions, as the Committee shall in each instance approve, which need not be the same for each grant or for each Participant.
- 6.8 Payment. Options granted under this Article 6 shall be exercised by the delivery of a notice of exercise to the Company or an agent designated by the Company in a form specified or accepted by the Committee, or by complying with any alternative procedures which may be authorized by the Committee, setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment of the Option Price.

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

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

Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such Shares pursuant thereto shall comply with all relevant provisions of applicable Canadian and U.S. securities law, including, without limitation, the 1933 Act, the United States Securities and Exchange Act of 1934, as amended, applicable U.S. state laws, the rules and regulations promulgated

thereunder, and the requirements of any stock exchange or consolidated stock price reporting system on which prices for the Shares are quoted at any given time. As a condition to the exercise of an Option, the Company may require the person exercising such Option to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required by law.

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

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

- (ii) all vested Options shall continue to be subject to the Plan and exercisable for a period of 90 days after the Termination Date, provided that any Options that have not been exercised within 90 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.

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

ARTICLE 7 RESTRICTED SHARE UNITS

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

Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Restricted Share Units.

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

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

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

ARTICLE 8 DEFERRED SHARES UNITS

- 8.1 Grant of Deferred Share Units. Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Deferred Share Units to Participants in such amounts and upon such terms as the Committee shall determine.
- 8.2 Deferred Share Unit Agreement. Each Deferred Share Unit grant shall be evidenced by an Award Agreement that shall specify the number of Deferred Share Units granted, the settlement date for Deferred Share Units, and any other provisions as the Committee shall determine, including, but not limited to a requirement that Participants pay a stipulated purchase price for each Deferred Share Unit, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of the Exchange, or holding requirements or sale restrictions placed on the Shares by the Company upon vesting of such Deferred Share Units.
- 8.3 Non-transferability of Deferred Share Units. The Deferred Share Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated. All rights with respect to the Deferred Share Units granted to a Participant under the Plan shall be available during such Participant's lifetime only to such Participant.
- 8.4 Black Out Periods. If the date on which a Deferred Share Unit is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such Award shall be extended to the last day of such 10 business day period.
- 8.5 Dividends and Other Distributions. Participants holding Deferred Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate.

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

- 8.6 Termination of Employment, Consultancy or Directorship. Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Deferred Share Units following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Deferred Share Units issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination, provided that provisions shall comply with applicable rules of the Exchange.

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

ARTICLE 9 PERFORMANCE SHARE UNITS

- 9.1 Grant of Performance Share Units. Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Performance Share Units to Participants in such amounts and upon such terms as the Committee shall determine.
- 9.2 Value of Performance Share Units. Each Performance Share Unit shall have an initial value equal to the FMV of a Share on the date of grant. The Committee shall set performance criteria for a Performance Period in its discretion, which, depending on the extent to which they are met, will determine, in the manner determined by the Committee and set forth in the Award Agreement, the number of each Performance Share Unit that will be paid to the Participant.
- 9.3 Earning of Performance Share Units. Subject to the terms of the Plan and the applicable Award Agreement, after the applicable Performance Period has ended, the holder of Performance Share Units shall be entitled to receive payout on the value and number of Performance Share Units, determined as a function of the extent to which the corresponding performance criteria have been achieved. Notwithstanding the foregoing, the Company shall have the ability to require the Participant to hold any Shares received pursuant to such Award for a specified period of time.
- 9.4 Form and Timing of Payment of Performance Share Units. Payment of earned Performance Share Units shall be as determined by the Committee and as set forth in the Award Agreement. Subject to the terms of the Plan, the Committee, in its sole discretion, may pay earned Performance Share Units in the form of a number of Shares issued from treasury equal to the number of earned Performance Share Units at the end of the applicable Performance Period. Any Shares may be granted subject to any restrictions deemed appropriate by the Committee. The determination of the Committee with respect to the form of payout of such Awards shall be set forth in the Award Agreement for the grant of the Award or reserved for later determination. In no event will delivery of such Shares be made later than the earlier of: (i) 3 months after the close of the year in which such conditions or restrictions were satisfied or lapsed and (ii) December 31 of the third year following the year of the grant date.
- 9.5 Dividends and Other Distributions. Participants holding Performance Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Performance Share Units.

- 9.6 Termination of Employment, Consultancy or Directorship. Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Performance Share Units following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Performance Share Units issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with applicable rules of the Exchange.
- 9.7 Non-transferability of Performance Share Units. Performance Share Units may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, a Participant's rights under the Plan shall inure during such Participant's lifetime only to such Participant.

ARTICLE 10 BENEFICIARY DESIGNATION

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

ARTICLE 11 RIGHTS OF PERSONS ELIGIBLE TO PARTICIPATE

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

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

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

transfer of employment to an entity that is spun off from the Company or an Affiliate of the Company shall not be deemed a termination of employment for purposes of an Award.

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

ARTICLE 12 CHANGE OF CONTROL

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

**ARTICLE 13
AMENDMENT AND TERMINATION**

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

**ARTICLE 14
WITHHOLDING**

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

**ARTICLE 15
SUCCESSORS**

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

**ARTICLE 16
GENERAL PROVISIONS**

- 16.1 Delivery of Title. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under the Plan prior to:

- (a) Obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
- (b) Completion of any registration or other qualification of the Shares under any applicable law or ruling of any governmental body that the Company determines to be necessary or advisable.

If for any reason Shares cannot be issued to a Participant, the obligation of the Company to issue such Shares shall terminate.

- 16.2 Conflict. To the extent there is any inconsistency or ambiguity between this Plan and any employment contract, the terms of such employment contract shall govern to the extent of such inconsistency or ambiguity, subject only to compliance with applicable law and Exchange Policies.
- 16.3 Investment Representations. The Committee may require each Participant receiving Shares pursuant to an Award under the Plan to represent and warrant in writing that the Participant is acquiring the Shares for investment and without any present intention to sell or distribute such Shares.
- 16.4 Legends and Resale Restrictions. The certificates for Shares may include any legend that the Committee deems appropriate to reflect any restrictions on transfer of such Shares. In addition to any resale restrictions under applicable securities laws and any other circumstance in which the Exchange Hold Period may apply, where the Option Price of an Option is at a discount to the Market Price, all Options and any Shares issuable under such Options prior to the expiry of the Exchange Hold Period, must be legended in accordance with the policies of the Exchange.
- 16.5 Uncertificated Shares. To the extent that the Plan provides for issuance of certificates to reflect the transfer of Shares, the transfer of such Shares may be effected on a non-certificated basis to the extent not prohibited by applicable law or the rules of the Exchange.
- 16.6 No Fractional Shares. No fractional Shares shall be issued or delivered pursuant to the Plan or any Award Agreement. In such an instance, unless the Committee determines otherwise, fractional Shares and any rights thereto shall be forfeited or otherwise eliminated.
- 16.7 Other Compensation and Benefit Plans. Nothing in the Plan shall be construed to limit the right of the Company or an Affiliate of the Company to establish other compensation or benefit plans, programs, policies or arrangements. Except as may be otherwise specifically stated in any other benefit plan, policy, program or arrangement, no Award shall be treated as compensation for purposes of calculating a Participant's rights under any such other plan, policy, program or arrangement.
- 16.8 No Constraint on Corporate Action. Nothing in the Plan shall be construed (i) to limit, impair or otherwise affect the Company's or its Affiliates' right or power to make adjustments, reclassifications, reorganizations or changes in its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell or transfer all or any part of its business or assets, or (ii) to limit the right or power of the Company or its Affiliates to take any action which such entity deems to be necessary or appropriate.

- 16.9 Compliance with Canadian Securities Laws. All Awards and the issuance of Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to an exemption from the prospectus requirements of Canadian securities laws where applicable.
- 16.10 Compliance with U.S. Securities Laws. All Awards and the issuance of Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to the registration requirements of the U.S. Securities Act of 1933, as amended or an exemption from such registration requirements. If the Awards or Shares are not so registered and no such registration exemption is available, the Company shall not be required to issue any Shares otherwise issuable hereunder.

ARTICLE 17 LEGAL CONSTRUCTION

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

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

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

SCHEDULE “B”



HARVEST ONE

AUDIT COMMITTEE CHARTER

Effective as of and from June 8, 2017

HARVEST ONE CANNABIS INC.

CHARTER OF THE AUDIT COMMITTEE

This charter (the "**Charter**") sets forth the purpose, composition, responsibilities, duties, powers and authority of the Audit Committee (the "**Committee**") of the directors (the "**Board**") of Harvest One Cannabis Inc. ("**Harvest**").

1.0 PURPOSE

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:

- (a) financial reporting and disclosure requirements;
- (b) ensuring that an effective risk management and financial control framework has been implemented by the management of Harvest; and
- (c) external and internal audit processes.

2.0 COMPOSITION AND MEMBERSHIP

- (a) The members (collectively "**Members**" and, individually, a "**Member**") of the Committee shall be appointed by the Board to serve one-year terms and shall be permitted to serve an unlimited number of consecutive terms. The Board may remove a Member at any time and may fill any vacancy occurring on the Committee. A Member may resign at any time and a Member will cease to be a Member upon ceasing to be a director of Harvest.
- (b) The Committee will consist of at least three Members. Every Member must be a director of Harvest who is independent and financially literate to the extent required by (and subject to the exemptions and other provisions set out in) applicable laws, rules, regulations and stock exchange requirements (collectively "**Applicable Laws**"), it being understood that for such time as Harvest remains a "venture issuer" under Applicable Laws, a majority (rather than all) of the Members of the Committee is required to be "independent". In this Charter, the terms "independent" and "financially literate" have the meanings ascribed to such terms in Applicable Laws and include the meanings given to similar terms in Applicable Laws to the extent such similar terms are used in this Charter and are applicable under Applicable Laws.
- (c) The chairman of the Committee (the "**Chairman**") will be appointed by the Board and confirmed by the Committee or appointed by the Committee from time to time and must have such accounting or related financial management expertise as the Board or Committee may determine in their business judgment is necessary. The Corporate Secretary of Harvest (the "**Corporate Secretary**") will be the secretary of all meetings and will

maintain minutes of all meetings, deliberations and proceedings of the Committee. In the absence of the Secretary at any meeting, the Committee will appoint another person who may, but need not, be a Member to be the secretary of that meeting.

3.0 MEETINGS

- (a) Meetings of the Committee will be held at such times and places as the Chairman may determine, but in any event not less than four (4) times per year. Any Member or the auditors of Harvest may call a meeting of the Committee at any time upon not less than forty-eight (48) hours advance notice being given to each Member orally, by telephone, by facsimile or by email, unless all Members are present and waive notice, or if those absent waive notice before or after a meeting. Members may attend all meetings either in person or by conference call.
- (b) At the request of the external auditors of Harvest, the Chief Executive Officer or the Chief Financial Officer of Harvest or any Member will convene a meeting of the Committee. Any such request will set out in reasonable detail the business proposed to be conducted at the meeting so requested.
- (c) The Chairman, if present, will act as the Chairman of meetings of the Committee. If the Chairman is not present at a meeting of the Committee, then the Members present may select one of their number to act as chairman of the meeting.
- (d) A majority of Members will constitute a quorum for a meeting of the Committee. Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority of Members present at the meeting at which the vote is taken. The Chairman will not have a deciding or casting vote in the case of an equality of votes. Powers of the Committee may also be exercised by written resolution signed by all Members.
- (e) The Committee may invite from time to time such persons as the Committee considers appropriate to attend its meetings and to take part in the discussion and consideration of the affairs of the Committee, except to the extent the exclusion of certain persons is required pursuant to this Charter or by Applicable Laws. The Committee will meet in camera without management at each meeting of the Committee.
- (f) In advance of every regular meeting of the Committee, the Chairman, with the assistance of the Secretary, will prepare and distribute to the Members and others as deemed appropriate by the Chairman, an agenda of matters to be addressed at the meeting together with appropriate briefing materials. The Committee may require officers and employees of Harvest to produce

such information and reports as the Committee may deem appropriate in order to fulfill its duties.

4.0 DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Committee as they relate to the following matters, to the extent considered appropriate or desirable or required by Applicable Laws, are to:

4.1 Financial Reporting and Disclosure

- (a) review and recommend to the Board for approval, the audited annual financial statements of Harvest, including the auditors' report thereon, the management's discussion and analysis of Harvest prepared in connection with the annual financial statements, financial reports of Harvest, guidance with respect to earnings per share, and any initial public release of financial information of Harvest through press release or otherwise, with such documents to indicate whether such information has been reviewed by the Board or the Committee;
- (b) review and approval of the quarterly financial statements of Harvest including the management's discussion and analysis prepared in connection with the quarterly financial statements, with such documents to indicate whether such information has been reviewed by the Board or the Committee;
- (c) review and recommend to the Board for approval, where appropriate, financial information contained in any prospectuses, annual information forms, annual reports to shareholders, management proxy circulars, material change disclosures of a financial nature and similar disclosure documents;
- (d) review with management of Harvest and with the external auditors of Harvest significant accounting principles and disclosure issues and alternative treatments under Canadian generally accepted accounting principles ("**GAAP**") all with a view to gaining reasonable assurance that financial statements are accurate, complete and present fairly Harvest's financial position and the results of its operations in accordance with Canadian GAAP;
- (e) annually review Harvest's Corporate Disclosure Policy and recommend any proposed changes to the Board for consideration; and
- (f) review the minutes from each meeting of the disclosure committee of Harvest established pursuant to Harvest's Corporate Disclosure Policy, since the last meeting of the Committee.

4.2 Internal Controls and Audit

- (a) review and assess the adequacy and effectiveness of Harvest's system of internal control and management information systems through discussions with management and the external auditor of Harvest to ensure that Harvest maintains: (a) the necessary books, records and accounts in sufficient detail to accurately and fairly reflect Harvest's transactions; (b) effective internal control systems; and (c) adequate processes for assessing the risk of material misstatement of the financial statements of Harvest and for detecting control weaknesses or fraud. From time to time the Committee will assess whether a formal internal audit department is necessary or desirable having regard to the size and stage of development of Harvest at any particular time;
- (b) satisfy itself that management has established adequate procedures for the review of Harvest's disclosure of financial information extracted or derived directly from Harvest's financial statements;
- (c) periodically assess the adequacy of such systems and procedures to ensure compliance with regulatory requirements and recommendations;
- (d) review and discuss the major financial risk exposures of Harvest and the steps taken to monitor and control such exposures, including the use of any financial derivatives and hedging activities;
- (e) review and assess, and in the Committee's discretion make recommendations to the Board regarding, the adequacy of Harvest's risk management policies and procedures with regard to identification of Harvest's principal risks and implementation of appropriate systems to manage such risks including an assessment of the adequacy of insurance coverage maintained by Harvest; and

4.3 External Audit

- (a) recommend to the Board a firm of external auditors to be engaged by Harvest;
- (b) ensure the external auditors report directly to the Committee on a regular basis;
- (c) review the independence of the external auditors, including a written report from the external auditors respecting their independence and consideration of applicable auditor independence standards;
- (d) review and approve the compensation of the external auditors, and the scope and timing of the audit and other related services rendered by the external auditors;

- (e) review the audit plan of the external auditors prior to the commencement of the audit;
- (f) establish and maintain a direct line of communication with Harvest's external and, if applicable, internal auditors;
- (g) meet in camera with only the auditors (if present), with only management (if present), and with only the Members at every Committee meeting;
- (h) review the performance of the external auditors who are accountable to the Committee and the Board as representatives of the shareholders, including the lead partner of the independent auditors' team;
- (i) oversee the work of the external auditors appointed by the shareholders of Harvest with respect to preparing and issuing an audit report or performing other audit, review or attest services for Harvest, including the resolution of issues between management of Harvest and the external auditors regarding financial disclosure;
- (j) review the results of the external audit and the report thereon including, without limitation, a discussion with the external auditors as to the quality of accounting principles used and any alternative treatments of financial information that have been discussed with management of Harvest and the ramifications of their use, as well as any other material changes. Review a report describing all material written communication between management and the auditors such as management letters and schedule of unadjusted differences;
- (k) discuss with the external auditors their perception of Harvest's financial and accounting personnel, records and systems, the cooperation which the external auditors received during their course of their review and availability of records, data and other requested information and any recommendations with respect thereto;
- (l) review the reasons for any proposed change in the external auditors which is not initiated by the Committee or Board and any other significant issues related to the change, including the response of the incumbent auditors, and enquire as to the qualifications of the proposed auditors before making its recommendations to the Board; and
- (m) review annually a report from the external auditors in respect of their internal quality-control procedures, any material issues raised by the most recent internal quality-control review, or peer review of the external auditors, or by any inquiry or investigation by governmental or professional authorities respecting one or more independent audits carried out by the external auditors, and any steps taken to deal with any such issues.

4.4 Associated Responsibilities

- (a) monitor and periodically review the Whistleblower Policy of Harvest and associated procedures for:
 - (i) the receipt, retention and treatment of complaints received by Harvest regarding accounting, internal accounting controls or auditing matters;
 - (ii) the confidential, anonymous submission by directors, officers and employees of Harvest of concerns regarding questionable accounting or auditing matters; and
 - (iii) any violations of any Applicable Laws that relate to corporate reporting and disclosure, or violations of the Code of Conduct & Ethics of Harvest; and
- (b) review and approve the hiring policies of Harvest regarding employees and partners, and former employees and partners, of the present and former external auditors of Harvest.

4.5 Non-Audit Services

Pre-approve all non-audit services to be provided to Harvest or any subsidiary entities by its external auditors or by the external auditors of such subsidiary entities. The Committee may delegate to one or more of its members the authority to pre-approve non-audit services but pre-approval by such Member or Members so delegated shall be presented to the Committee at its first scheduled meeting following such pre-approval.

4.6 Oversight Function

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that Harvest's financial statements are complete and accurate or are in accordance with Canadian GAAP and applicable rules and regulations. These are the responsibilities of the management and the external auditors of Harvest. The Committee, the Chairman and any Members identified as having accounting or related financial expertise are directors of Harvest, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of Harvest, and are specifically not accountable or responsible for the day-to-day operation or performance of such activities. Although the designation of a Member as having accounting or related financial expertise for disclosure purposes is based on that individual's education and experience, which that individual will bring to bear in carrying out his or her duties on the Committee, such designation does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a Member of the Committee and Board in the absence of such designation. Rather, the role of a Member who is identified as having accounting or related financial expertise, like

the role of all Members, is to oversee the process, not to certify or guarantee the internal or external audit of Harvest's financial information or public disclosure.

5.0 REPORTING

The Committee shall provide the Board with a summary of all actions taken at each Committee meeting or by written resolution. The Committee will annually review and approve the Committee's report for inclusion in the management proxy circular. The Secretary will circulate the minutes of each meeting of the Committee and each written resolution passed by the Committee to the Board. The Committee shall produce and provide the Board with all reports or other information required to be prepared under Applicable Laws.

6.0 ACCESS TO INFORMATION AND AUTHORITY

The Committee will be granted unrestricted access to all information regarding Harvest and all directors, officers and employees will be directed to cooperate as requested by Members. The Committee has the authority to retain, at Harvest's expense, outside legal, financial and other advisors, consultants and experts, to assist the Committee in fulfilling its duties and responsibilities. The Committee also has the authority to communicate directly with external and, if applicable, internal auditors of Harvest.

7.0 REVIEW OF CHARTER

The Committee will annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration.

8.0 CHAIR

The Chair of the Committee should:

- (a) provide leadership to the Committee with respect to its functions as described in this mandate and as otherwise may be appropriate, including overseeing the operation of the Committee;
- (b) chair meetings of the Committee, unless not present, including in camera sessions, and report to the Board following each meeting of the Committee on the activities and any recommendations of the Committee;
- (c) ensure that the Committee meets at least once per quarter and otherwise as considered appropriate;
- (d) in consultation with the Chairman of the Board and the Committee members, establish dates for holding meetings of the Committee;
- (e) set the agenda for each meeting of the Committee, with input from other Committee members, the Chairman of the Board, and any other appropriate persons;
- (f) ensure that Committee materials are available to any director upon request;

- (g) act as liaison and maintain communication with the Chairman of the Board and the Board to optimize and co-ordinate input from directors, and to optimize the effectiveness of the Committee. This includes reporting to the Board on all decisions of the Committee at the first meeting of the Board after each Committee meeting and at such other times and in such manner as the Committee considers advisable; and
- (h) report annually to the Board on the role of the Committee and the effectiveness of the Committee in contributing to the effectiveness of the Board.

Original Approval Date: June 8, 2017

Approved by: Audit Committee

Board of Directors