

PSYCHED WELLNESS LTD.

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING
TO BE HELD JULY 11, 2023**

AND

MANAGEMENT INFORMATION CIRCULAR

DATED: JUNE 6, 2023

PSYCHED WELLNESS LTD.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares (“**Common Shares**”) of Psyched Wellness Ltd. (the “**Corporation**”) will be held at the offices of Branson Corporate Services Ltd., 77 King Street West, Suite 2905, TD Centre North Tower, Toronto, Ontario M5K 1H1 on the 11th day of July 2023, at 10:00 a.m. (Toronto time), for the following purposes:

1. to receive and consider the consolidated audited financial statements of the Corporation for the financial years ended November 30, 2022, and 2021, together with the report of the auditors thereon.
2. to elect the directors of the Corporation for the ensuing year, as will be more particularly set forth in the accompanying instrument of proxy (the “**Instrument of Proxy**”) and management information circular dated June 6, 2023 (the “**Circular**”), each prepared for the purpose of the Meeting;
3. to re-appoint Clearhouse LLP as the auditor of the Corporation until the earlier of the close of the next annual meeting of Shareholders or their earlier resignation or replacement, and to authorize the directors of the Corporation to fix the auditors’ remuneration;
4. to consider, and if thought fit, to pass an ordinary resolution of disinterested Shareholders, the full text of which is included in the Circular, authorizing and approving Tranche 2 of the Offering and the issuance of the Tranche 2 Units, as required pursuant to the policies of the CSE (as such terms are defined in the Circular); and
5. to transact such other business as may properly come before the Meeting or any adjournment thereof.

This notice is accompanied by the Circular and Instrument of Proxy.

Shareholders who are unable to attend the Meeting are requested to complete, date, sign and return the enclosed Instrument of Proxy so that as large a representation as possible may be had at the Meeting. The board of directors of the Corporation (the “**Board**”) has by resolution fixed the close of business on June 1, 2023, as the record date, being the date for the determination of the registered Shareholders entitled to participate in the Meeting and any adjournment(s) thereof.

The Board has fixed 10:00 a.m. (Toronto time) on July 7, 2023, or not less than 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting as the time before which proxies to be used or acted upon at the Meeting or any adjournment thereof shall be deposited with the Corporation’s transfer agent, TSX Trust Company.

Instrument of Proxies must be deposited with TSX Trust Company (i) by mail using the enclosed return envelope addressed to TSX Trust Company, 301 - 100 Adelaide Street West Toronto, Ontario, M5H 4H1, (ii) through online voting at www.voteproxyonline.com or (iii) by facsimile at 416-595-9593, no later than at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, in the City of Toronto, before the Meeting or any adjournment thereof.

While as of the date of this notice, the Corporation intends to hold the Meeting in a physical face-to-face format, the Corporation is continuously monitoring the current COVID-19 outbreak. In light of the evolving news, guidelines and requirements related to COVID-19, the Corporation asks that, in considering whether to attend the Meeting in person, Shareholders and proxyholders follow, among other things, the instructions of the Public Health Agency of Canada and any applicable additional provincial and local instructions,

guidelines and requirements. All Shareholders are strongly encouraged to vote prior to the Meeting by any of the means described in the Circular, the Instrument of Proxy or voting instruction form as may be provided by an intermediary.

The Corporation reserves the right to take any additional precautionary measures it deems appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 outbreak, including, if the Corporation considers it necessary or advisable, providing a webcast version of the Meeting and/or hosting the Meeting solely by means of remote communication. Changes to the Meeting date and/or means of holding the Meeting may be announced by way of press release. Please monitor the Corporation's press releases for updated information. The Corporation advises you to check the Corporation's SEDAR profile for the latest press releases one week prior to the Meeting date for the most current information. The Corporation does not intend to prepare or mail an amended notice and/or Circular in the event of changes to the Meeting date or format.

DATED at Toronto, Ontario this 6th day of June 2023.

BY ORDER OF THE BOARD

"Michael Nederhoff"

Michael Nederhoff
Chairman

PSYCHED WELLNESS LTD.

MANAGEMENT INFORMATION CIRCULAR

Solicitation of Proxies

This management information circular (this “Circular”) is furnished in connection with the solicitation of proxies by the management of Psyched Wellness Ltd. (the “Corporation”) for use at the annual general and special meeting of holders (“Shareholders”) of common shares (“Common Shares”) of the Corporation (the “Meeting”) to be held at the time and place and for the purposes set forth in the accompanying notice of meeting (the “Notice”). References in this Circular to the Meeting includes any adjournment(s) hereof. It is expected that the solicitation will be primarily by mail, however, proxies may also be solicited personally by regular employees of the Corporation and the Corporation may use the services of an outside proxy solicitation agency to solicit proxies. The cost of solicitation by the Corporation will be borne by the Corporation.

While as of the date hereof, the Corporation intends to hold the Meeting in a physical face-to-face format, the Corporation is continuously monitoring the current COVID-19 outbreak. In light of the evolving news, guidelines and requirements related to COVID-19, the Corporation asks that, in considering whether to attend the Meeting in person, Shareholders and proxyholders follow, among other things, the instructions of the Public Health Agency of Canada and any applicable additional provincial and local instructions, guidelines and requirements. All Shareholders are strongly encouraged to vote prior to the Meeting by any of the means described in this Circular, the form of proxy or other materials provided by an intermediary.

The Corporation reserves the right to take any additional precautionary measures it deems appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 outbreak, including, if the Corporation considers it necessary or advisable, providing a webcast version of the Meeting and/or hosting the Meeting solely by means of remote communication. Changes to the Meeting date and/or means of holding the Meeting may be announced by way of press release. Please monitor the Corporation’s press releases for updated information. The Corporation advises you to check the Corporation’s SEDAR profile for the latest press releases one week prior to the Meeting date for the most current information. The Corporation does not intend to prepare or mail an amended Notice and/or Circular in the event of changes to the Meeting date or format.

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are officers and directors of the Corporation. **A Shareholder desiring to appoint some other person or company, who need not be a shareholder of the Corporation, to represent him or her at the Meeting, may do so by inserting the name of such person or company in the blank space provided in the enclosed form of proxy or by completing another proper form of proxy and, in either case, depositing the completed proxy at the office of the Corporation’s transfer agent indicated on the enclosed envelope no later than 10:00 a.m. (Toronto time) on July 7, 2023, or no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjourned Meeting.**

The board of directors of the Corporation (the “Board”) has fixed the close of business on June 1, 2023, as the record date, being the date for the determination of the registered holders of securities entitled to receive notice of, and participate in, the Meeting (the “Record Date”).

A Shareholder forwarding the enclosed proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the Shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The Common Shares represented by the proxy submitted by a Shareholder will be voted or withheld from voting in accordance with the directions, if any, given in the proxy.

Instrument of proxies must be deposited with TSX Trust Company (i) by mail using the enclosed return envelope addressed to TSX Trust Company, 301 - 100 Adelaide Street West Toronto, Ontario, M5H 4H1, (ii) through online voting at www.voteproxyonline.com or (iii) by facsimile at 416-595-9593, no later than at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, in the City of Toronto, before the Meeting or any adjournment thereof.

A proxy given pursuant to this solicitation may be revoked by instrument in writing, including another proxy bearing a later date, executed by the Shareholder or by his attorney authorized in writing, and deposited either at the registered office of the Corporation or its transfer agent, TSX Trust Company, at any time up to and including 48 hours preceding the date of the Meeting or with the Chairman of the Meeting on the day of the Meeting or in any other manner permitted by law.

Exercise of Discretion by Proxies

The persons named in the enclosed form of proxy will vote the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. **In the absence of such direction, such Common Shares will be voted in favour of the passing of all the resolutions described below. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters that may properly come before the Meeting.** At the time of printing of this Circular, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters that are not now known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.

The Corporation will send its proxy-related materials directly to non-objecting beneficial owners under National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"). The Corporation does not intend to pay for proximate intermediaries to forward the proxy-related materials and the voting instruction form to objecting beneficial owners under NI 54-101 and Form 54-101F7- *Request for Voting Instructions Made by Intermediary*. Objecting beneficial owners will not receive the materials unless the objecting beneficial owner's intermediary assumes the cost of delivery.

Non-Registered Shareholders

Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders are "non-registered" Shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. A person is not a registered Shareholder (a "**Non-Registered Shareholder**") in respect of Common Shares which are held either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited), of which the Intermediary is a participant.

Non-Registered Shareholders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Corporation are referred to as "**NOBOs**". Those Non-Registered Shareholders who have objected to their Intermediary disclosing ownership information about themselves to the Corporation are referred to as "**OBOs**". In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Corporation has elected to send the Notice, this Circular and the forms of proxy (the "**Meeting Materials**") directly to the NOBOs, and indirectly through Intermediaries to the OBOs.

The Intermediaries (or their service companies) are responsible for forwarding the meeting materials to each OBO, unless the OBO has waived the right to receive them. Intermediaries will frequently use service

companies to forward the Meeting Materials to the OBOs. Generally, an OBO who has not waived the right to receive Meeting Materials will either:

- (i) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the OBO and must be completed, but not signed, by the OBO and deposited with TSX Trust Company; or
- (ii) more typically, be given a voting instruction form (“**VIF**”) which is not signed by the Intermediary, and which, when properly completed and signed by the OBO and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow.

These Meeting Materials are being sent to both registered Shareholders and Non-Registered Shareholders. If you are a Non-Registered Shareholder, and the Corporation or its agent has sent these materials to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send these Meeting Materials to you directly, the Corporation (and not the Intermediary holding on your behalf) has assumed responsibility for: (i) delivering these materials to you; and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

The Meeting Materials sent to NOBOs who have not waived the right to receive Meeting Materials are accompanied by a VIF, instead of a form of proxy. By returning the VIF in accordance with the instructions noted therein, a NOBO is able to instruct the voting of the Common Shares owned by them. VIFs, whether provided by the Corporation or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF. The purpose of this procedure is to permit Non-Registered Shareholders to direct the voting of the Common Shares which they beneficially own. Should a Non-Registered Shareholder that receives a VIF wish to attend the Meeting or have someone else attend on behalf of the Non-Registered Shareholder, the Non-Registered Shareholder may simply clearly print the name of the person to attend the Meeting in the space provided for this purpose on the VIF and a legal form of proxy will be sent to the Non-Registered Shareholder which will grant the Non-Registered Shareholder’s appointee the right to attend the Meeting and vote in person.

If you receive a VIF, please return your voting instructions as specified in the VIF. Non-Registered Shareholders that receive a VIF should carefully follow the instructions set out in the VIF, including those regarding when and where the VIF is to be delivered.

All references to Shareholders in this Circular and the accompanying form of proxy and Notice are to Shareholders of record on the Record Date unless specifically stated otherwise.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

In connection with closing the Initial Tranche (as defined herein), it is anticipated that the current Board members and officers of the Corporation will enter into the Support Agreements (as defined herein) to vote their Common Shares in favor of approving the Transaction Resolution (as defined herein), authorizing and approving Tranche 2 (as defined herein) and the issuance of the Tranche 2 Units (as defined herein). See “*Approval of the Offering Transaction*” for more information.

Except as set out in this Circular, no (a) director or executive officer of the Corporation who has held such position at any time since the beginning of the Corporation’s last financial year; (b) proposed nominee for election as a director of the Corporation; or (c) associate or affiliate of a person in (a) or (b) has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

As at the date hereof, 135,789,695 Common Shares in the capital of the Corporation are issued and outstanding. Each Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting. The Record Date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting has been fixed at June 1, 2023. In accordance with the provisions of the *Business Corporations Act* (Ontario) (the “**OBCA**”), the Corporation will prepare a list of holders of Common Shares as of such Record Date. Each holder of Common Shares named in the list will be entitled to vote the Common Shares shown opposite his or her name on the list at the Meeting. All such holders of record of Common Shares are entitled either to attend and vote thereat in person the Common Shares held by them or, provided a completed and executed proxy shall have been delivered to the Corporation’s transfer agent within the time specified in the attached Notice, to attend and vote thereat by proxy the Common Shares held by them.

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

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Financial Statements

The audited annual consolidated financial statements of the Corporation for the fiscal years ended November 30, 2022 and 2021, together with the report of the auditor thereon, (the “**Annual Financial Statements**”) are available under the Corporation’s profile on SEDAR at www.sedar.com. At the Meeting, the Corporation will submit to the Shareholders the Annual Financial Statements. No formal action will be taken at the Meeting to approve the Annual Financial Statements.

2. Election of Directors

At the Meeting, Shareholders will be asked to consider, and if thought appropriate, pass an ordinary resolution to re-elect six of the current seven directors, namely Jeffrey Stevens, Terry Booth, Nicholas Kadysh, Michael Nederhoff, David Nutt and Janeen Stodulski, whose term of office will expire at the conclusion of the Meeting, and elect one additional director, Harrison Aaron, for the ensuing year (the “**Corporation Nominees**”). The directors of the Corporation are elected annually and hold office until the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed, or until his or her successor is elected or appointed pursuant to the articles of the Corporation, unless their offices are earlier vacated in accordance with the provisions of the OBCA or the Corporation’s constating documents.

Management of the Corporation does not contemplate that any of the Corporation Nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the persons named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any Corporation Nominee(s) unable to serve.

The Board unanimously recommends that the Shareholders vote their Common Shares IN FAVOUR the election of the Corporation Nominees.

Unless otherwise directed, it is the intention of the persons named in the enclosed form of proxy to vote proxies IN FAVOUR of the election of the Corporation Nominees as directors of the Corporation as set out above. If you do not specify how you want your Common Shares to be voted at the Meeting, the persons named as proxyholders in the enclosed form of proxy will cast the votes represented by your proxy at the Meeting IN FAVOUR the election of the Corporation Nominees.

The following table sets forth the names and jurisdictions of residence of the Corporation Nominees, any offices they currently hold within the Corporation, their principal occupation or employment, the length of time they have served as directors of the Corporation and the approximate number of Common Shares which each nominee director beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date hereof:

Name and Province/State and Country of Residence	Principal Occupation, Business or Employment	Date First Became a Director of the Corporation	Number of Common Shares Beneficially Owned or Over Which Control or Direction is Exercised, Directly or Indirectly
Jeffrey Stevens ⁽¹⁾ Ontario, Canada	Chief Executive Officer of the Corporation.	May 5, 2020	8,450,000 ⁽¹⁾
Michael Nederhoff ⁽²⁾ Saskatchewan, Canada	Chief Executive Officer of Shelter Cannabis and owner of Wilro Consulting.	May 5, 2020	1,975,000
Terry Booth ⁽²⁾⁽³⁾ Alberta, Canada	Chief Executive Officer of Audacious/Australis Capital Inc.	May 5, 2020	3,762,500 ⁽³⁾
Janeen Stodulski ⁽²⁾⁽⁴⁾ Ontario, Canada	Chief Financial Officer of Face Toronto and Business Consultant at EMTS Cloud Consulting.	March 15, 2021	Nil
Nicholas Kadysh Ontario, Canada	Chief Executive Officer of PharmAla Biotech Holdings Inc. (" PharmAla ").	May 5, 2020	1,500,000
David J. Nutt England, United Kingdom	Edmund J Safra Professor of Neuropsychopharmacology and Head Director of the Centre for Psychedelic Research in the Division of Brain Science, Imperial College London.	November 16, 2020	Nil
Harrison Aaron California, U.S.A.	Senior Analyst at JANA Partners LLC. (2013 – 2019), an investment firm; and Principal of Gotham Green Partners (February 2019 – present), an investment firm.	N/A	Nil

Notes:

- (1) 2,800,000 Common Shares are owned by S4 Management Group Inc. ("**S4 Management**"), a corporation wholly owned by Mr. Stevens and 5,650,000 Common Shares are owned by Mr. Stevens personally.
- (2) Member of the audit committee of the Corporation (the "**Audit Committee**").
- (3) 3,500,000 Common Shares are owned by Lola Ventures Inc., a corporation wholly owned by Mr. Booth and 262,500 Common Shares are owned by Mr. Booth personally.
- (4) Ms. Stodulski also acts as the Chair of the Audit Committee.

Each of the foregoing individuals has held his present principal occupation or other office or position with the firm set opposite his name for the past five years, unless otherwise noted above.

Biographical Information

Mr. Jeffrey Stevens – Mr. Stevens has more than 20 years of capital markets experience and has held officer roles and directorships with several public companies. Mr. Stevens has taken multiple companies public, built functional and effective teams and structured multiple merger and acquisition transactions while building successful businesses.

Mr. Michael Nederhoff – Mr. Nederhoff has over 25 years of management experience, with experience on both the retail and manufacturing sides. He started his career in the retail space at Loblaws Companies Ltd as a category manager. Most recently Mr. Nederhoff was the Chief Executive Officer of Shelter Cannabis and prior to that he was President of JUUL Labs Canada, overseeing all functions of the business. Mr. Nederhoff is currently the owner of WilRo Consulting and advises companies in different sectors and specializes in scaling companies in restricted categories. In 2004 he helped launch Red Bull energy drink in the Canadian market, leading commercial operations for the business. Mr. Nederhoff is a graduate of the University of Saskatchewan.

Mr. Terry Booth – Mr. Booth is a global cannabis industry pioneer and a co-founder of Aurora Cannabis Inc. An entrepreneur and business leader, Mr. Booth has served as President and Chief Executive Officer of six other highly successful businesses, including several of Canada's top 50 fastest-growing companies.

Ms. Janeen Stodulski – Ms. Stodulski is a Master of Arts graduate of Brock University. Ms. Stodulski received her Chartered Professional Accountant designation in 1999 and her Master of Business Administration from Queen’s University in 2002 and completed in-depth taxation courses with CPA Canada in 2018. She has more than 30 years of diverse tax, financial, and business consulting experience. Her diverse accounting and technology background allows her to provide outside-the-box strategies and solutions for clients. With love for technology, she focuses on end-to-end solutions for clients encompassing cloud technology and solutions for all aspects of businesses and provides technology solutions and offers end-to-end outsourcing for accounting needs.

Mr. Nicholas Kadysh – With over a decade of experience as a Public Affairs and Regulatory expert, Mr. Kadysh is the founder and Chief Executive Officer of PharmAla, a Toronto-based Life Sciences company focused on the manufacturing and development of MDMA and MDXX-class molecules. Prior to launching PharmAla in 2020, Mr. Kadysh led government relations and regulatory departments for several large corporations, including acting as Head of Corporate Affairs for JUUL Labs (Canada), Government Affairs & Public Policy Leader for General Electric Canada and Director of Public Affairs for Red Bull Canada.

Mr. Kadysh gained a deep understanding of government as a campaign and legislative staff member in multiple levels of government prior to joining the corporate sector, most recently directing the Outreach department of the Office of the Leader of the Opposition at Queen’s Park in Toronto. He has also worked as a policy advisor at the Parliament of Canada. Mr. Kadysh is trilingual (English, French & Russian) and is a graduate of Queen’s University. He is active in non-profit and community initiatives in Toronto, including fundraising for Toronto East General Hospital and as a member of the board for Yonge-Dundas Square.

Professor David Nutt – Professor Nutt is a psychiatrist at the Edmond J. Safra Professor of Neuropsychopharmacology in the Division of Brain Science, Imperial College London. He was previously President of the European Brain Council, British Association of Psychopharmacology, British Neuroscience Association and European College of Neuropsychopharmacology. Professor Nutt currently sits as the Chair of the Scientific Advisory Board for COMPASS Pathways and Chair of the Scientific Advisory Board for AWAKN Life Sciences. He is also a member of the Medical Advisory Board of Opiant and sits on the board of directors of Lundbeck Institute Campus.

Mr. Harrison Aaron – Mr. Aaron is a Principal at Santa Monica based investment firm Gotham Green Partners, having joined the firm in early 2019. During his time at Gotham Green, in addition to helping lead the firm’s broader investment efforts, Harrison co-founded cannabis e-commerce retail and delivery business Amuse.com (currently serving Los Angeles, the Bay Area, and Sacramento), as well as co-founding Sandland Sleep (SandlandSleep.com), nationwide seller of highly-effective natural sleep aids, and is currently serving on the boards of both companies, as well as serving on the boards of VIOLA Brands and Engin Sciences. Prior to his time at Gotham, from 2013 to 2019 Harrison covered the consumer sector as a senior analyst on the investment team at NYC-based JANA Partners, a multi-billion-dollar hedge fund investing in companies undergoing, or with the potential to undergo, value-unlocking changes. Harrison began his career on Goldman Sachs’ Hedge Fund Strategies and Cross Asset Sales teams from 2009-2013, after graduating magna cum laude and Phi Beta Kappa from Colgate University, with High Honors in Mathematical Economics.

Corporate Cease Trade Orders or Bankruptcies

Except as set out herein, none of the Corporation Nominees are as of the date hereof, or within 10 years prior to the date hereof were a director, chief executive officer or chief financial officer of any company (including the Corporation), that: (i) were subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively, an “**Order**”) that was issued while a Corporation Nominee was acting in the capacity as director, chief executive officer or chief financial officer, or (ii) were subject to an Order that that was issued after the Corporation Nominee ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

None of the Corporation Nominees are as of the date hereof, or have been within the 10 years prior to the date hereof, a director or executive officer of any company (including the Corporation) 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.

None of the Corporation Nominees (or any personal holding companies of the Corporation Nominees) has, within 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 the assets of a Corporation Nominee.

Jeffrey Stevens

Jeffrey Stevens was a director of Greatbanks Resources Ltd. (currently Goldhills Holding Ltd.) from July 10, 2015 to April 24, 2017, which was subject to a cease trade order on December 11, 2015, for failure to file the required financial statements and management's discussion and analysis. The cease trade order was revoked on March 21, 2016, after the company completed the required filings.

Penalties or Sanctions

None of the Corporation Nominees (including any personal holding companies of the Corporation Nominees) have been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or have entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a Corporation Nominee.

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

3. Re-appointment of Auditors

Effective January 17, 2020, BDO Canada LLP, ("**BDO**") resigned as the auditors for the Corporation and Clearhouse LLP ("**Clearhouse**") was appointed as the new auditors of the Corporation. BDO was the auditor of the Corporation since July 18, 2011. Since their appointment, Clearhouse has continued as the Corporation's auditor.

At the Meeting, the Shareholders will be asked to consider and, if thought advisable, to pass, with or without variation, an ordinary resolution to appoint Clearhouse to serve as the auditor of the Corporation until the close of the next annual general meeting of Shareholders and to authorize the Board to set the auditor's remuneration. To be approved, an ordinary resolution needs to be passed by at least a majority of the votes cast by the Shareholders present in person, or represented by proxy, and entitled to vote at the Meeting.

The Board unanimously recommends that Shareholders vote their Common Shares FOR the re-appointment of Clearhouse as auditors of the Corporation and to authorize the Board to fix their remuneration.

The persons named in the accompanying form of proxy will, in the absence of specifications or instructions to withhold from voting on the form of proxy, vote FOR the re-appointment of Clearhouse as the auditors of the Corporation, to hold office until the next annual general meeting of Shareholders and to authorize the Board to fix such auditor's remuneration.

4. Approval of the Transaction Resolution

Effective May 28, 2023, the Corporation entered into a binding agreement with Gotham Green Fund III, L.P. and Gotham Green Fund III (Q), L.P. (together, "**Gotham**") that is anticipated to be replaced by the Investor Rights Agreement (as defined herein) pursuant to which the Corporation is completing a non-brokered private placement (the "**Offering**") of units of the Corporation (each, a "**Unit**") for aggregate gross proceeds of up to US\$7,500,000 (approximately C\$10,064,250.00 assuming an exchange rate of US\$1.00 = C\$1.3419 as at June 6, 2023, as published on the website of the Bank of Canada) at a price of C\$0.07 per Unit in two tranches, the first of which will be for US\$500,000 (approximately C\$670,950.00), subject to the Tranche 1 Closing Conditions (as defined herein) and is scheduled to close prior to the date of the Meeting (the "**Initial Tranche**") and the second is expected to be for US\$7,000,000 (approximately C\$9,393,300.00) ("**Tranche 2**"), subject to the Tranche 2 Closing Conditions (as defined herein), including prior approval by Shareholders pursuant to the policies of the Canadian Securities Exchange (the "**CSE**") and is scheduled to close within five (5) business days following the satisfaction and/or waiver of the Tranche 2 Closing Conditions (as defined herein), or as the parties may otherwise agree.

The Offering is led by Gotham, and it is anticipated to include affiliates and/or co-investors (together, the "**Investors**").

At the Meeting, Shareholders will be asked to consider, and if deemed advisable, to pass, with or without modification, an ordinary resolution of disinterested Shareholders (the "**Transaction Resolution**") authorizing and approving Tranche 2 and the issuance of the Units representing Tranche 2 (the "**Tranche 2 Units**").

The following is a summary of the material terms of the Offering and Tranche 2. Shareholders are also cautioned these terms are summary in nature and may not contain all of the terms that are contained in the definitive documentation.

Offering Details

Each Unit will consist of one (1) Common Share and one (1) Common Share purchase warrant (each, a "**Warrant**"). Each Warrant will entitle the holder thereof to acquire one (1) additional Common Share (each, an "**Additional Share**") at a price of C\$0.10 per Additional Share at any time for a period of sixty (60) months from the date of issuance, subject to the Acceleration Clause (as defined herein). Subject to compliance with the policies of the CSE, in lieu of exercising the Warrants for cash, the holder thereof may exercise the Warrants on a cashless basis, based on the value of the Common Shares at the time of exercise. Should the Common Shares trade above an average of C\$0.40 per Common Share on the CSE on a volume-weighted basis over any thirty (30) consecutive trading days (the "**30 Day VWAP**") prior to the Warrant expiry date, on volume of at least twenty-five million (25,000,000) Common Shares traded over such thirty (30) days, subject to compliance with the policies of the CSE, the Warrants will automatically be exercised on a cashless basis, with the value of the Common Shares at the time of exercise determined by such 30 Day VWAP for the purposes of determining the number of Common Shares to be issued on such cashless exercise (the "**Acceleration Clause**").

The Offering is being offered for purchase and sale to investors in the United States on a private placement basis pursuant to available exemptions from the registration requirements under the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), provided that no prospectus, registration statement or similar document is required to be filed.

All securities issued under the Offering will be subject to: (i) a four (4) month and one (1) day hold period from the date of issuance and (ii) applicable legends as required pursuant to the U.S. Securities Act and Canadian securities laws.

The securities to be offered pursuant to the Offering have not been, and will not be, registered under the U.S. Securities Act or any United States state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable

exemption from the registration requirements of the U.S. Securities Act and applicable United States state securities laws.

Use of Proceeds

The Corporation intends to use the net proceeds from the Offering for working capital and general corporate purposes. The Corporation will agree with Gotham that for a period of eighteen (18) months following the Tranche 2 closing, consent of a supermajority of the Board (at least 5 of 7 Board members) will be required for any single expenditure or group of related expenditures in excess of C\$200,000, including but not limited to (a) multiple expenditures with a single vendor over the span of up to six (6) months which total in excess of C\$200,000 and (b) new headcount additions with total annual compensation in excess of C\$200,000.

Initial Tranche

Closing of the Initial Tranche is conditional upon the completion of the following (the “**Initial Tranche Closing Conditions**”):

- (i) customary closing conditions, including all relevant corporate and regulatory approvals being obtained (including, but not limited to, CSE approval, if necessary);
- (ii) the officers of the Corporation and Board members entering into support agreements to vote their Common Shares in favor of the Transaction Resolution (the “**Support Agreements**”), authorizing and approving Tranche 2 and the issuance of the Tranche 2 Units;
- (iii) the Corporation and Gotham entering into the Investor Rights Agreement; and
- (iv) the Corporation granting exclusivity to Gotham for a period of ninety (90) days following the closing of the Initial Tranche, during which time the Corporation and its directors, officers, and representatives are prohibited from directly or indirectly discussing, negotiating, or entering into any agreement or arrangement with respect to any potential financing transaction, sale transaction or other strategic transaction with any third party.

Investor Rights Agreement

On closing of the Initial Tranche, the Corporation and Gotham will enter into an investor rights agreement (the “**Investor Rights Agreement**”) which would replace the binding agreement effective May 28, 2023 referred to above, and which would provide, among other things, that:

- (i) upon closing of the Initial Tranche and for a period of twelve (12) months thereafter, Gotham will have the right to designate one (1) director to become a member of the Board, who would replace an existing member of the Board, maintaining the size of the Board at seven (7); such nominee will initially be Harrison Aaron (the “**Initial Nominee**”); and
- (ii) if Tranche 2 closes, for a period of twelve (12) months following the closing of Tranche 2, Gotham will have the right to:
 - a. designate two (2) additional directors to become members of the Board (neither of whom shall be the Initial Nominee), who would replace existing Board members (the “**Additional Nominees**”), bringing the total Board representation of Gotham to three (3) members, and maintaining the size of the Board at seven (7);
 - b. jointly designate, with the Corporation, one individual for election to the Board, who will initially be Nick Kadysh, an existing Board member (the “**Joint Nominee**”); and

- c. designate for election to the audit committee of the Corporation, provided that any of the following individuals satisfy the eligibility criteria for such committee, either: (x) the Initial Nominee, (y) one of the Additional Nominees, or (z) the Joint Nominee,

provided that no more than three (3) Board members, at any time, will be employees or partners of the Investors and/or their affiliates.

Pursuant to the Investor Rights Agreement, within five (5) business days following the satisfaction and/or waiver of the Tranche 2 Closing Conditions, including prior approval by Shareholders pursuant to the policies of the CSE, the Corporation anticipates closing Tranche 2 with the Investors. Closing of Tranche 2 is conditional upon the completion of the following (the “**Tranche 2 Closing Conditions**”):

- (i) Gotham shall, in their sole discretion, be satisfied with their legal, tax, business and other due diligence with respect to the Corporation and its business, assets, liabilities, current and future operations, condition and prospects (financial or otherwise);
- (ii) Gotham shall have delivered to the Corporation a notice in writing (the “**Tranche 2 Closing Notice**”), in accordance with the terms of the Investor Rights Agreement, which shall include certain information, including confirmation from Gotham that the Tranche 2 Closing Conditions have been satisfied or waived, and confirmation of the identity of the Investors and the Tranche 2 Units each Investor will acquire;
- (iii) the Corporation shall have received approval of the CSE and disinterested Shareholders shall have approved the Transaction Resolution at the Meeting;
- (iv) the Investors shall have entered into lock-up agreements with the Corporation to refrain from selling any Tranche 2 Units (and any securities underlying such Tranche 2 Units) for a period of twelve (12) months following closing of Tranche 2;
- (v) the Corporation shall have entered into new employment agreements with its Chief Executive Officer, Jeffrey Stevens and Chief Operating Officer, David Shisel; and
- (vi) satisfaction of certain other closing conditions customary for a transaction of this nature.

Upon closing of Tranche 2, the Corporation has agreed to reimburse the Investors for reasonable and documented out-of-pocket expenses incurred in connection with the Offering in the amount of up to C\$15,000.

The Investor Rights Agreement will terminate on the earliest of: (i) the written agreement of Gotham and the Corporation; (ii) the date on which Gotham ceases to hold any securities of the Corporation; (iii) if Gotham provides a notice to the Corporation that closing of Tranche 2 will not occur; and (iv) by the Corporation by written notice to Gotham, if Gotham has not delivered a Tranche 2 Closing Notice by the date which is 90 days from the date of the Investor Rights Agreement, or such other date as the parties may agree in writing.

The Investor Rights Agreement will be filed on SEDAR.

Shareholder Approval Requirements

Pursuant to section 4.6(2)(a)(i)(2) of CSE Policy 4, the CSE requires Shareholder approval for a proposed securities offering if the number of securities issuable in the offering (calculated on a fully diluted basis) is more than 50% of the total number of securities or votes of the listed issuer outstanding (calculated on a non-diluted basis) accompanied by a new Control Person (as defined in CSE Policy 1) or more than 100% of the total number of securities or votes outstanding.

If the Corporation is successful in closing Tranche 2 in full, and assuming an exchange rate of US\$1.00 = C\$1.3419 as at June 6, 2023, as published on the website of the Bank of Canada, the Investors are expected to have beneficial ownership of up to 287,550,000 Common Shares (comprised of up to 143,775,000 issued Common Shares and up to a further 143,775,000 Common Shares issuable upon exercise of the Warrants), which represents 51.43% of the current issued and outstanding Common Shares on a non-diluted basis and 67.92% on a partially-diluted basis.

As Tranche 2 involves the potential issuance of securities that represents more than (i) 50% of the total number of securities or votes of the Corporation outstanding (calculated on a non-diluted basis) and may be accompanied by one or more new Control Persons, namely one or more of the Investors, and (ii) 100% of the total number of securities or votes outstanding, disinterested Shareholders must approve Tranche 2 and the issuance of the Tranche 2 Units. Shareholder approval of the Transaction Resolution on a disinterested Shareholder basis means that the votes attached to any Common Shares held by the Investors (as potentially one or more new Control Persons) will be excluded.

Accordingly, disinterested Shareholders will be asked to consider and, if thought advisable, to pass the following Transaction Resolution at the Meeting:

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. the issuance of up to approximately 143,775,000 Units, comprised of approximately 143,775,000 Common Shares and 143,775,000 Warrants, to the Investors at a price of C\$0.07 per Unit, representing approximately 51.43% of the current issued and outstanding Common Shares on a non-diluted basis and approximately 67.92% on a partially-diluted basis, all assuming an exchange rate of US\$1.00 = C\$1.3419 as at June 6, 2023, as published on the website of the Bank of Canada, is hereby approved;
2. any one director or officer of the Corporation is hereby authorized, for and on behalf of the Corporation, to execute and deliver all such further agreements, documents and instruments and to do all such other acts and things as such director or officer may determine to be necessary or advisable for the purpose of giving full force and effect to the provisions of this resolution, the execution and delivery by such director or officer of any such agreement, document or instrument or the doing of any such act or thing being conclusive evidence of such determination; and
3. notwithstanding that this resolution has been duly passed by the Shareholders, the directors of the Corporation be and they are hereby authorized without further approval of the Shareholders, to revoke this resolution and determine not to proceed with Tranche 2.”

Disinterested Shareholders may vote **FOR** or **AGAINST** the Transaction Resolution. If the Transaction Resolution is not approved, the Corporation will not proceed with the Tranche 2. In order for the Transaction Resolution to be effective, it must be approved by a resolution passed by a majority of the votes cast by disinterested Shareholders present in person or represented by proxy at the Meeting.

The Board, after consultation with representatives of the Corporation’s management team, having taken into account such other matters as it considered necessary and relevant, unanimously determined that the completion of Tranche 2 and the issuance of the Tranche 2 Units is in the best interest of the Corporation, and authorized the Corporation to complete the Offering. Accordingly, management of the Corporation recommends that disinterested Shareholders vote **IN FAVOUR** of the Transaction Resolution. Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote **FOR** the approval of the Transaction Resolution at the Meeting.

STATEMENT OF EXECUTIVE COMPENSATION

The following disclosure describes the compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Corporation to each Named Executive Officer (as defined herein). This section also identifies the objectives and material elements of compensation awarded to the Named

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Jeffrey Stevens, through S4 Management, previously entered into a consulting agreement with the Corporation for a monthly remuneration of \$8,000 in consideration of his Chief Executive Officer services provided to the Corporation. Effective October 1, 2020, his remuneration was adjusted to \$12,000 per month. During the year ended November 30, 2021, S4 Management charged \$76,000 (2020 – \$64,000) for consulting services provided to the Corporation, which are included in management salaries and consulting fees. Effective May 1, 2021, the Corporation and Mr. Stevens entered into an executive agreement which superseded his consulting agreement, pursuant to the executive agreement the Corporation pays Mr. Stevens an annual base salary of \$240,000 for his Chief Executive Officer services. During the year ended November 30, 2022, the Corporation recorded management salaries of \$240,000 (2021 - \$140,000) in relation to the Chief Executive Officer's employment compensation.
- (2) On January 24, 2022, the Corporation granted 8,800,000 restricted share units ("**RSUs**") to certain officers and advisors of which Mr. Stevens received 2,000,000 RSUs. Half of the RSUs vested immediately, with the other half vesting upon launch of the Corporation's products.
- (3) On July 13, 2020, the Corporation granted 7,312,000 stock options ("**Option**") to various directors, officers and consultants with an exercise price of \$0.10 and an expiry date of July 13, 2025, of which Mr. Stevens received 1,500,000 Options. The Options vested three months from the date of grant and were measured at fair value at the date of grant using the Black-Scholes valuation model with the following assumptions: expected volatility of 100% based on the estimated volatility for the psychedelic industry, expected dividend yield of 0%, risk-free interest rate of 0.36% and an expected life of 5 years.
- (4) Keith Li is employed through Branson Corporate Services Ltd. ("**Branson**"), which is party to a management services agreement, providing for Chief Financial Officer services to the Corporation, as well as other accounting and administrative services. During the year ended November 30, 2022, Branson charged fees of \$94,000 (2021- \$80,000; 2020 - \$64,625), for Chief Financial Officer services, as well as other accounting and administrative services.
- (5) On January 27, 2022, the Corporation granted 500,000 RSUs to certain officers and advisors of which Mr. Li received 250,000 RSUs. Half of the RSUs vested immediately, with the other half vesting upon launch of the Corporation's products.
- (6) In 2020, Mr. Li received from the Corporation a cash bonus of \$2,000.
- (7) David Shisel previously entered into a consulting agreement with the Corporation for a monthly remuneration of \$8,000 in consideration of his Chief Operating Officer services provided to the Corporation. Effective October 1, 2020, his remuneration was adjusted to \$10,000 per month. During the year ended November 30, 2022, Mr. Shisel charged \$193,326 (2021 –\$120,000; 2020 – \$60,000) for consulting services provided to the Corporation, which are included in management salaries and consulting fees.
- (8) On January 24, 2022, the Corporation granted 8,800,000 RSUs to certain officers and advisors, of which Mr. Shisel received 2,000,000 RSUs. Half of the RSUs vested immediately, with the other half vesting upon launch of the Corporation's products.
- (9) On July 13, 2020, the Corporation granted 7,312,000 Options to various directors, officers and consultants with an exercise price of \$0.10 and an expiry date of July 13, 2025, of which Mr. Shisel received 1,500,000 Options. The Options vested three months from the date of grant and were measured at fair value at the date of grant using the Black-Scholes valuation model with the following assumptions: expected volatility of 100% based on the estimated volatility for the psychedelic industry, expected dividend yield of 0%, risk-free interest rate of 0.36% and an expected life of 5 years.
- (10) On January 24, 2022, the Corporation granted 8,800,000 RSUs to certain officers and advisors, of which Mr. Singh received 2,000,000 RSUs. Half of the RSUs vested immediately, with the other half vesting upon launch of the Corporation's products.
- (11) On December 1, 2021, the Corporation granted 1,500,000 Options to Mr. Singh with an exercise price of \$0.145 and an expiry date of December 1, 2026. 50% of the Options vested immediately on grant, 25% vest on June 1, 2022, and the final 25% vest on December 1, 2022. The Options were measured at fair value at the date of grant using the Black-Scholes valuation model with the following assumptions: expected volatility of 100% based on the estimated volatility for the psychedelic industry, expected dividend yield of 0%, risk-free interest rate of 1.35% and an expected life of 5 years.

On April 2, 2019, the Corporation entered into a management services agreement with Branson, for providing Chief Financial Officer services to the Corporation, as well as other accounting and administrative services for a monthly fee of \$4,500.

On March 1, 2020, the Corporation entered into a subsequent agreement with Branson, to provide Chief Financial Officer, controllership, bookkeeping, administrative, and general and back-office services for a monthly fee of \$5,000. Keith Li, the current Chief Financial Officer of the Corporation, is employed by Branson and is compensated by Branson.

On April 26, 2021, the Corporation entered into a further amendment with Branson, to amend the monthly fee to \$7,500, for provision of the above noted services.

On January 1, 2023, the Corporation entered into a further amendment with Branson, to amend the monthly fee to \$10,000, for provision of the above noted services (“**Branson Amended Management Services Agreement**”). In connection with the Branson Amended Management Services Agreement, the Corporation or Branson may, at any time, give 30 days’ advance written notice to the other party of its intention to terminate the Branson Amended Management Services Agreement and on the expiration of such period the Branson Amended Management Services Agreement will be terminated.

Executive Compensation-Related Fees/All Other Fees

No fees were paid to any consultant or advisor (or any of their affiliates) during the fiscal year ended November 30, 2022, for services related to determining compensation for any of the Corporation’s directors and executive officers. Fees were billed for other services by a consultant or advisor (or any of their affiliates) during such period.

Incentive Plan Awards

The following tables provide information regarding the incentive plan awards for each Named Executive Officer outstanding as of November 30, 2022:

Outstanding Share-Based Awards and Option-Based Awards

Name	Option-based Awards				Share-based Awards		
	Number of Common Shares underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money Options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Jeffrey Stevens	1,500,000	0.10	July 13, 2025	Nil	1,000,000	Nil	85,000
Keith Li	Nil	N/A	N/A	N/A	125,000	Nil	10,625
Jeffrey Stevens	1,500,000	0.10	July 13, 2025	Nil	1,000,000	Nil	85,000
Matthew Singh	250,000	\$0.23	June 24, 2026	Nil	1,000,000	Nil	85,000
Matthew Singh	1,500,000	\$0.145	December 1, 2026	Nil	N/A	N/A	N/A

Note:

(1) Aggregate dollar amount of in-the-money unexercised Options held as at November 30, 2022. This figure is computed based on the difference between the market value of the Common Shares on the CSE as at November 30, 2022 and the exercise price of the Option. The closing price of the Common Shares on the CSE on November 30, 2022 was \$0.085.

Incentive Plan Awards – Value Vested or Earned During the Year

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Jeffrey Stevens	Nil	210,000	Nil
Keith Li	Nil	25,000	Nil
David Shisel	Nil	210,000	Nil
Matthew Singh	155,434	210,000	Nil

Compensation Discussion and Analysis

The Corporation’s approach to executive compensation has been to align management’s interests with those of the Shareholders. The Corporation has attempted to do so by encouraging shareholdings in the Corporation rather than paying its Named Executive Officers meaningful cash compensation. Given the stage of the Corporation’s development, the Corporation has taken the approach that the amount of cash compensation paid to the Named Executive Officers should not be a strain on the Corporation’s finances

and, accordingly, has emphasized Option awards and more recently, RSU awards. On the other hand, the Corporation believes that some cash compensation should be paid to the Named Executive Officers for the substantial amount of time that they dedicate to managing the Corporation's affairs.

The Board as a whole determines the compensation for directors and officers. The Board establishes and reviews the Corporation's overall compensation philosophy and its general compensation policies with respect to executive officers, including the broad-based corporate goals and objectives. The Board evaluates each officer's performance in light of these goals and objectives, including, among other things, the development and execution of appropriate programs and appropriate controls of the Corporation's financial activities and, based on its evaluation, determines and approves the salary, bonus, Options, RSUs, and other benefits for such officers. In determining compensation matters, the Board may consider a number of factors, including the Corporation's performance, the value of similar incentive awards to officers performing similar functions at comparable companies, the awards given in past years and other factors it considers relevant. The current overall objective of the Corporation's compensation strategy is to reward management for their efforts, while seeking to conserve cash given current market conditions. With respect to any bonuses or incentive plan grants which may be awarded to executive officers in the future, the Corporation has not currently set any objective criteria and will instead rely upon any recommendations and discussion at the Board level with respect to the above-noted considerations and any other matters which the Board may consider relevant on a going-forward basis, including the cash position of the Corporation.

The Board considers the implications of the risks associated with the Corporation's compensation policies and practices. The Board does not currently consider the Corporation's compensation policies and practices, which focus on limited cash compensation and standard Option and RSU plans, to pose significant risk to the Corporation.

The Corporation does not have any specific restrictions on the Named Executive Officers or the directors of the Corporation purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officers or directors of the Corporation. However, the Corporation is of the view that the nature of its affairs does not lend itself to the purchase of these instruments.

Existing Options and/or RSUs held by the Named Executive Officers, if any, at the time of subsequent Option and/or RSUs grants are taken into consideration in determining the quantum or terms of any such subsequent Option and/or RSU grants. Options and RSUs have in the past been granted to directors, management, employees and certain service providers as long-term incentives to align the individual's interests with those of the Corporation. The size of the Option and/or RSU awards is in proportion to the deemed ability of the individual to make an impact on the Corporation's success.

It is anticipated that the Corporation's approach to executive and director compensation will be re-evaluated in the future as the Corporation proceeds with the assumption of the business of the Corporation. At this time no definitive changes have been adopted by the Board.

Stock option plan and other incentive plans

Option Plan

On June 30, 2020, the Shareholders approved a "rolling" 10% stock option plan (the "**Option Plan**").

The material terms of the Option Plan are summarized below but are qualified by the entirety of the Option Plan, a copy of which can be accessed on SEDAR in the Management Information Circular dated April 1, 2022.

The purpose of the Option Plan is to advance the interests of the Corporation by encouraging the directors, officers, employees, management company employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire Common Shares, thereby increasing their proprietary interest

in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs. The Option Plan provides that, subject to the requirements of the CSE, the aggregate number of securities reserved for issuance will be up to 10% of the number of the Common Shares issued and outstanding from time to time. The Option Plan is administered by the Board, which has full and final authority with respect to granting Options thereunder.

Options may be granted under the Option Plan to such service provider of the Corporation and its affiliates, if any, as the Board may from time to time designate. The exercise price of Options grants will be determined by the Board, will not be less than the closing market price of the Common Shares on the CSE less allowable discounts at the time of grant. The Option Plan provides that the number of Common Shares that may be reserved for issuance to any one individual upon exercise of all Options held by such individual may not exceed 5% of the issued Common Shares. All Options granted under the Option Plan will expire not later than the date that is ten years from the date that such Options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from the date of termination other than for cause; (iii) one year from the date of death or disability. Options granted under the Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

As of the date hereof, the Corporation has 135,789,695 Common Shares issued and outstanding. This means that a total of 13,578,969 Options are currently available to be granted pursuant to the Option Plan. As of the date of this Circular, 13,257,000 Options had been granted pursuant to the Option Plan and 321,969 Options are still available to be granted.

RSU Plan

On May 11, 2021, the Shareholders approved a Restricted Share Unit plan (the “**RSU Plan**”) which provides for the grant of RSUs to certain eligible persons in accordance with the terms and conditions of the RSU Plan.

The material terms of the RSU Plan are summarized below but are qualified by the entirety of the RSU Plan, a copy of which can be accessed on SEDAR in the Management Information Circular dated April 1, 2022.

Summary of the RSU Plan

The principal features of the RSU Plan are summarized below:

Purpose

The purpose of the RSU Plan is promote the interests and long-term success of the Corporation by: (i) furnishing certain directors, officers, employees and consultants of the Corporation with greater incentive to develop and promote the business and financial success of the Corporation; (ii) aligning the interests of persons to whom RSUs may be granted with those of Shareholders generally through a proprietary ownership interest in the Corporation; and (iii) assisting the Corporation in attracting, retaining and motivating its directors, officers, and employees.

Eligibility

RSU grants may be made under the RSU Plan to directors, officers, employees, and consultants of the Corporation or of any affiliate of the Corporation (each an “**Eligible Person**”), excluding individuals or consultants engaging in Investor Relations Activities (as such term is defined in the policies of the CSE. Any Eligible Person shall be designated a participant for the purposes of the RSU Plan (a “**Participant**”). The Corporation and a Participant shall be required to confirm that any Eligible Person that is an employee is a *bona fide* employee of the Corporation or its affiliates for the purposes of participating in the RSU Plan.

In determining whether an Eligible Person shall receive an RSU and the terms thereof, the Board or a committee of the Board may take into account the nature of the services rendered by the Eligible Person, his or her present and potential contributions to the success of the Corporation, and such other relevant factors.

Administration

The RSU Plan will be administered by the Board, which at any time may appoint a committee of the Board (the “**Compensation Committee**”) to, among other things, interpret, administer and implement the RSU Plan on behalf of the Board. The Compensation Committee is authorized, subject to the provisions of the RSU Plan, to establish such rules and regulations as it deems necessary for the proper administration of the RSU Plan, and to make determinations and take such other action in connection with or in relation to the RSU Plan as it deems necessary or advisable.

Common Shares Available for Awards

The maximum number of Common Shares that may be issuable pursuant to RSU Plan may not exceed in the aggregate, that number of Common Shares which is equal to 10% of the issued and outstanding Common Shares as at the effective date of the RSU Plan, being 13,058,969 Common Shares as of January 24, 2022. The number of Common Shares covered by a grant of RSUs will be counted on the date of grant of such RSUs against the aggregate number of Common Shares available under the RSU Plan. Fractional RSUs are permitted under the RSU Plan.

Grant of Awards

The Compensation Committee may from time-to-time grant to any Eligible Person one or more RSUs as the Compensation Committee deems appropriate, provided that:

- (a) the number of Common Shares reserved for issuance to any Participant combined with all of the Corporation’s other security-based arrangements within any one-year period shall not, in aggregate, exceed 5% of the total number of Common Shares, or in the case of consultants, 2% of the issued and outstanding Common Shares to each consultant in any one year period, unless disinterested shareholder approval is obtained for such issuances;
- (b) the number of Common Shares reserved for issuance to any one Participant within any one-year period shall not, in aggregate, exceed 1% of the total number of Common Shares, unless disinterested shareholder approval is obtained for such issuance;
- (c) the maximum number of Common Shares which may be reserved for issuance to a related group of persons, together with any other security-based compensation agreements, may not exceed 10% of the issued and outstanding Common Shares at any given time;
- (d) the number of Common Shares (i) issuable, at any time, to Participants that are insiders; and (i) issued to Participants that are Insiders (as such term is defined in the RSU Plan) within any one-year period when combined with all of the Corporation’s other security-based compensation arrangements that provide for the issuance from treasury or potential issuance from treasury of Common Shares shall not, in aggregate, exceed 5% of the total number of Common Shares at any given time; and
- (e) the number of Common Shares reserved for issuance to Participants that are Insiders pursuant to the RSU Plan within any one-year period shall not, in aggregate, exceed 2% of the total number of Common Shares, unless disinterested shareholder approval is obtained for such issuances.

Each RSU grant will be evidenced by an Award Agreement (as such term is defined in the RSU Plan) which incorporates such terms and conditions, including all vesting conditions, as the Compensation Committee in its discretion deems appropriate and consistent with the provisions of the RSU Plan.

Termination of Services

Upon the termination of a Participant's employment (as determined under criteria established by the Compensation Committee), including by way of death, retirement, disability, termination without cause and termination for cause during the term of an RSU, all unvested RSUs held by the Participant shall be forfeited and cancelled; provided, however, that the Compensation Committee may, if it determines that a waiver would be in the best interest of the Corporation, waive in whole or in part any or all remaining restrictions or conditions with respect to any such RSU grant.

Vesting

RSUs granted pursuant to the RSU Plan will vest, and the corresponding Common Shares will be issued, no later than December 15 of the third calendar year following the end of the Service Year (as defined herein) in respect of each such RSU grant. For the purposes of this paragraph: (i) where an RSU is granted within the first half of a calendar year, the "**Service Year**" in respect of such RSU shall be the immediately preceding year; and (ii) where an RSU is granted within the second half of a calendar year, the "**Service Year**" in respect of such RSU shall be the year of grant.

Each vested, whole RSU granted is payable in Common Shares and confers on the holder thereof the right to receive one Common Share from treasury immediately upon the completion of certain conditions during such periods as the Compensation Committee may establish. The conditions to be completed during any period, the length of any period, the amount of any RSUs granted, the number of Common Shares receivable pursuant to any RSU and any other terms and conditions of the RSU are to be determined by the Compensation Committee at the time of grant.

Amendments to the RSU Plan

The following amendments to the RSU Plan will require the prior approval of the CSE and disinterested shareholder approval:

- (a) increasing the maximum number of Common Shares reserved for issuance under the RSU Plan;
- (b) extending the term of an RSU beyond its original expiry time; or
- (c) any amendment that results in a modification to the section of the RSU Plan that deals with the maximum number of Common Shares available for issuance under the RSU Plan.

The Compensation Committee may make any other amendment to the RSU Plan not set out above, including the following:

- (d) amendments of a clerical or housekeeping nature, including but not limited to the correction of grammatical or typographical errors or clarification of terms;
- (e) amendments to reflect any requirements of any regulatory authorities to which the Corporation is subject, including the CSE;
- (f) amendments to any vesting provisions of an RSU, provided that such amendments shall not extend vesting beyond December 15 of the third calendar year following the end of the Service Year in respect of such RSU; and

- (g) amendments to the expiration date of an RSU that does not extend the term of an RSU past the original date of expiration for such RSU.

Adjustments

In the event of any share distribution, share split, combination or exchange of shares, merger, consolidation, spin-off or other distribution of the Corporation's assets to the Shareholders, or any other change affecting the Common Shares, the outstanding RSUs shall be adjusted in such manner, if any, as the Compensation Committee may in its discretion deem appropriate to reflect the event, provided that no amount will be paid to a Participant and no additional RSUs will be granted to such Participant to compensate for a downward fluctuation in the market price of the Common Shares, nor will any other form of benefit be conferred upon, or in respect of a Participant for such purpose.

In the event of a Merger and Acquisition Transaction (as such term is defined the RSU Plan), the Compensation Committee will determine any adjustment to the number and type of Common Shares (or other securities) that shall thereafter underlie the then outstanding, and any future, RSUs and determine the manner in which all unvested RSUs granted will be treated including, without limitation, requiring the acceleration of the time for the vesting of such RSUs by the Participants, the time for the fulfillment of any conditions or restrictions on such vesting, and the time for the expiry of such RSUs. Notwithstanding anything to the contrary in the RSU Plan, any unvested RSUs issued to a Participant at the time of a Merger and Acquisition Transaction shall immediately vest if either (i) the Participant is either terminated without cause or resigns with good reason (as such term has been defined under common law, including any reason that would be considered to amount to constructive dismissal by a court of competent jurisdiction) from their position with the Corporation within the period ending 12 months from the date of the completion of the Merger and Acquisition Transaction, or (ii) the Compensation Committee, acting reasonably, determines that an adjustment to the number and type of Common Shares (or other securities) resulting from a Merger and Acquisition Transaction is impractical or impossible.

Withholding Tax

Each Participant in the RSU Plan is responsible for all applicable withholding taxes in respect the issuance, transfer, amendment or vesting of an RSU or the issuance of Common Shares thereunder in order to satisfy any applicable withholding taxes, the Corporation is entitled to, among other things, withhold or offset such amounts from any salary or other amounts otherwise due or to become due from the Corporation to the Participant, or may require that a Participant pay such amounts to the Corporation.

RSUs non-Transferable

Each RSU granted is non-transferrable or assignable except to (i) an executor or administrator for the estate of the Participant upon the death of the Participant, or (ii) a committee or duly appointed attorney of the Participant, upon the Participant becoming incapable, by reason of physical or mental infirmity, of managing his or her affairs. A change in the status, office, position or duties of a Participant from the status, office, position or duties held by such Participant on the date on which the RSU was granted to such Participant will not result in the termination of the RSU granted to such Participant provided that such Participant remains an Eligible Person.

As of the date of this Circular, 9,850,000 RSUs had been granted pursuant to the RSU Plan and 3,208,969 RSUs are still available to be granted.

Pension Plan Benefits

The Corporation does not have a pension plan or provide any benefits following or in connection with retirement.

Termination and Change of Control Benefits

Except as set out below, neither the Corporation or any of its subsidiaries has any plan or arrangement with respect to compensation to its executive officers which would result from the resignation, retirement or any other termination of employment of the executive officers' employment with the Corporation and its subsidiaries or from a change of control of the Corporation or any subsidiary of the Corporation or a change in the executive officers' responsibilities following a change in control.

Jeffrey Stevens, Chief Executive Officer

Effective May 1, 2021, the Corporation entered into an executive employment agreement with Jeffrey Stevens, providing for Mr. Stevens' services as the Chief Executive Officer of the Corporation, for the annual base salary for the first year of term of \$240,000, exclusive of bonuses, benefits and other compensation (the "**Stevens Employment Agreement**"). In connection with the Stevens Employment Agreement, Mr. Stevens shall be eligible to receive an annual bonus at the discretion of the compensation committee of the Corporation of up to 50% of the annual base salary.

The Stevens Employment Agreement may be terminated by the Corporation for just cause without any additional compensation, other than compensation earned by Mr. Stevens before the date of termination. If the Stevens Employment Agreement is terminated by the Corporation for any reason other than just cause, Mr. Stevens shall be entitled to his annual salary and pro-rated bonus, up to the date of termination.

If the Stevens Employment Agreement is terminated: (i) by the Corporation for any other reason other than for just cause or death; (ii) by Mr. Stevens for good reason; or (iii) by Mr. Stevens with or without reason during the six month period immediately following a change of control, Mr. Stevens shall be entitled to the following:

- (a) the Corporation shall pay to or to the order of Mr. Stevens within 30 days after the date of termination an amount equal to twelve (12) months his then annual salary plus one-half of the average of any bonus paid to Mr. Stevens for the previous two years;
- (b) the Corporation shall continue, following the termination date, to provide Mr. Stevens with the employee benefits for a period of six months;
- (c) the amount in (a) and (b) shall increase by one (1) month for each completed year of service from the date of the Stevens Employment Agreement to a maximum of twelve (12) months);
- (d) if Mr. Stevens holds any options, rights, warrants or other entitlements for the purchase or acquisition of shares in the capital of the Corporation which have vested as of the date of termination, all such rights shall continue to be available for exercise until such time as they would be deemed to expire pursuant to the terms of the plan, after which any such rights shall be void and of no further force and effect;
- (e) with respect to any rights which have not vested as of the date of termination, all such rights shall be deemed to have ceased to be available for exercise and shall be void and of no further force and effect; and
- (f) the Corporation shall pay to Mr. Stevens all outstanding and accrued regular and special vacation

pay to the date of the termination.

David Shisel, Chief Operating Officer

Effective June 1, 2022, the Corporation entered into a consulting agreement with The Shisel, a company incorporated under the laws of Israel, providing for Mr. Shisel's services as Chief Operating Officer of the Corporation, for a monthly fee of \$16,666.00 (the "**Shisel Consulting Agreement**").

The Shisel Consulting Agreement may be terminated by the Corporation by providing Mr. Shisel with 60 days written notice or by The Shisel by providing the Corporation with 30 days written notice.

In the event that a change of control occurs, and either:

- (a) The Shisel Consulting Agreement with the Corporation is subsequently or contemporaneously terminated by the Corporation within twelve months (12) months from the effective date of the change of control; or
- (b) Mr. Shisel's position, role or duties as provided in the Shisel Consulting Agreement are amended so as to deprive Mr. Shisel of a material part of the benefit it is entitled to received under the Shisel Consulting Agreement, then Mr. Shisel may immediately terminate the Shisel Consulting Agreement, if the Shisel Consulting Agreement has not been terminated by the Corporation, but in either case, the Corporation agrees to pay Mr. Shisel a termination payment equal to twelve (12) months of consulting fees. This payment shall be made within sixty (60) calendar days of the date of termination of the Shisel Consulting Agreement.

Matthew Singh, Chief Commercial Officer

Effective December 1, 2021, the Corporation entered into an executive employment agreement with Matthew Singh, providing for Mr. Singh's services as Chief Commercial Officer of the Corporation, for the annual base salary for the first year of term of \$200,000, exclusive of bonuses, benefits and other compensation (the "**Singh Employment Agreement**"). In connection with the Singh Employment Agreement, Mr. Singh shall be eligible to receive 1,500,000 Options under the Option Plan and a bonus twice a year to be determined by the compensation committee of the Corporation.

The Singh Employment Agreement may be terminated by the Corporation for just cause without any additional compensation, other than compensation earned by Mr. Singh before the date of termination. If the Singh Employment Agreement is terminated by the Corporation for any reason other than just cause, Mr. Singh shall be entitled to his annual salary and pro-rated bonus, up to the date of termination, and the greater of 6 months, or employment law standards, from the date of termination, to action any outstanding Options owed.

Director Compensation

No fees were paid to the directors of the Corporation for their services in their capacity as directors for the financial year ended November 30, 2022. The Corporation has no arrangements pursuant to which directors are compensated for their services in their capacity as directors, including fees for attending meetings of the Board or any committee thereof, though they are eligible to participate in the Corporation's Option and RSU programs. Directors may also be compensated for services provided to the Corporation as consultants or experts on the same basis and at the same rate as would be payable if such services were provided by a third party, arm's length service provider. During the financial year ended November 30, 2022, such services were provided to the Corporation by Messrs. Nederhoff, Kadysh and Nutt.

The following table provides a summary of all annual and long-term compensation for services rendered in all capacities to the Corporation during the financial year ended November 30, 2022, in respect of the individuals who were, during the fiscal year, directors of the Corporation other than the Named Executive Officers:

Name	Fees Earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Michael Nederhoff	30,000	Nil	Nil	N/A	N/A	N/A	30,000
Nicholas Kadysh	40,000	Nil	Nil	N/A	N/A	N/A	40,000
Terry Booth	Nil	Nil	Nil	N/A	N/A	N/A	Nil
David Nutt	Nil	Nil	Nil	N/A	N/A	N/A	Nil
Amanda Galbraith	Nil	Nil	Nil	N/A	N/A	N/A	Nil
Janeen Stodulski	Nil	Nil	Nil	N/A	N/A	N/A	Nil

Outstanding Share-Based Awards and Option-Based Awards

The following table provides information regarding the incentive plan awards for each director outstanding as of November 30, 2022:

Outstanding Share Awards and Options Awards

Name	Option-based Awards				Share-based Awards		
	Number of Securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money Options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Michael Nederhoff	750,000	0.10	July 13, 2025	Nil	N/A	N/A	N/A
Nicholas Kadysh	375,000	0.10	July 13, 2025	Nil	N/A	N/A	N/A
Terry Booth	750,000	0.10	July 13, 2025	Nil	N/A	N/A	N/A
David Nutt	750,000	0.145	November 13, 2025	Nil	N/A	N/A	N/A
Janeen Stodulski	500,000	0.39	March 15, 2026	Nil	N/A	N/A	N/A
Amanda Galbraith	750,000	0.23	June 30, 2026	Nil	N/A	N/A	N/A

Note:

- (1) Aggregate dollar amount of unexercised Options held as at November 30, 2022. This figure is computed based on the difference between the market value of the Common Shares on the CSE as at November 30, 2022 and the exercise price of the Option. The closing price of the Common Shares on the CSE as of November 30, 2022 was \$0.085.

The following table provides information regarding the value vested or earned on incentive plan awards for each director during the year ended November 30, 2022:

Incentive Plan Awards – Value Vested During or Earned During the Year

Name	Option awards – Value vested during the year (\$)	Share awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Michael Nederhoff	Nil ⁽¹⁾	Nil	Nil
Nicholas Kadysh	Nil ⁽¹⁾	Nil	Nil
David Nutt	Nil ⁽²⁾	Nil	Nil
Amanda Galbraith	Nil ⁽³⁾	Nil	Nil
Janeen Stodulski	Nil ⁽⁴⁾	Nil	Nil

Notes:

- (1) Aggregate dollar value that would have been realized if the Options had been exercised on the vesting date (computed based on the difference between the market price of the Common Shares and the exercise price of the Options on the vesting date). The Options granted on July 13, 2020 vested three months from the date of grant on October 13, 2020, and are exercisable for a period of five years until July 13, 2025.
- (2) Aggregate dollar value that would have been realized if the Options had been exercised on the vesting date (computed based on the difference between the market price of the Common Shares and the exercise price of the Options on the vesting date). The Options granted on November 13, 2020 vested three months from the date of grant, and are exercisable for a period of five years until November 13, 2025. The closing price of the Common Shares on the CSE on February 13, 2021 was \$0.60.
- (3) Aggregate dollar value that would have been realized if the Options had been exercised on the vesting date (computed based on the difference between the market price of the Common Shares and the exercise price of the Options on the vesting date).

The Options granted on March 15, 2021 vested three months from the date of grant, and are exercisable for a period of five years until March 15, 2026. The closing price of the Common Shares on the CSE on June 15, 2021 was \$0.30.

- (4) Aggregate dollar value that would have been realized if the Options had been exercised on the vesting date (computed based on the difference between the market price of the Common Shares and the exercise price of the Options on the vesting date). The Options granted on June 30, 2021 vested three months from the date of grant, and are exercisable for a period of five years until June 30, 2026. The closing price of the Common Shares on the CSE on September 30, 2021 was \$0.15.

Securities Authorized for Issuance under Equity Compensation Plans

Set out below is information as of November 30, 2022 with respect to compensation plans under which equity securities of the Corporation are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	12,875,000	0.17	703,969
Equity compensation plans not approved by securityholders	23,886,365	0.42	23,886,365
Total	36,761,365		24,590,334

Management Contracts

Other than as disclosed herein, since the beginning of the Corporation's most recently completed financial year, no management function of the Corporation or any of its subsidiaries are to any substantial degree performed other than by directors or executive officers of the Corporation.

Indebtedness of Directors and Executive Officers

As of the date hereof, no current executive officer, director or employee or former executive officer, director or employee of the Corporation or of any of its subsidiaries is indebted to the Corporation or any of its subsidiaries or any other entity where the indebtedness was the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

Corporate Governance Practices

The Corporation and Board recognize the importance of corporate governance to the effective management of the Corporation and to the protection of its employees and Shareholders. The Corporation's approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Corporation are effectively managed so as to enhance Shareholder value. The Board fulfills its mandate directly at regularly scheduled meetings or as required. Frequency of meetings may be increased, and the nature of the agenda items may be changed depending upon the state of the Corporation's affairs and in light of opportunities or risks which the Corporation faces. The directors are kept informed of the Corporation's operations at these meetings as well as through reports and discussions with management on matters within their particular areas of expertise.

Schedule "A" hereto sets out the corporate governance practices of the Corporation in accordance with National Instrument 58-101 – *Disclosure of Corporate Governance Guidelines* / Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)*.

Audit Committee

Under *National Instrument 52-110 – Audit Committee* ("NI 52-110"), the Corporation is required to include in this Circular the disclosure with respect to the Audit Committee, including the composition of the Audit Committee, the text of the Audit Committee charter, attached hereto as Schedule "B", and the fees paid to the external auditor.

Composition of the Audit Committee

The following are the current members of the Audit Committee:

Name	Independence⁽¹⁾	Financial Literacy⁽²⁾
Janeen Stodulski ⁽³⁾	Independent	Financially Literate
Terry Booth	Independent	Financially Literate
Michael Nederhoff	Independent	Financially Literate

Notes:

- (1) Pursuant to NI 52-110, an audit committee member is independent if he or she has no direct or indirect “**material relationship**” (as such term is defined in NI 52-110) with the issuer.
- (2) Pursuant to NI 52-110, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer’s financial statements.
- (3) Ms. Stodulski serves as chair of the Audit Committee.

Relevant Education and Experience

Set out below is a description of the education and experience of each audit committee member that is relevant to the performance of his responsibilities as an audit committee member.

Ms. Janeen Stodulski – Ms. Stodulski is an MA graduate of Brock University, and she received her CPA designation in 1999 and her MBA from Queen’s University in 2002, In-Depth taxation with CPA Canada, 2018. She has more than 30 years of diverse tax, financial, and business consulting experience.

Mr. Terry Booth – Mr. Booth is the co-founder and former Chief Executive Officer of Aurora Cannabis Inc. Prior to co-founding Aurora Cannabis Inc., Mr. Booth had been in the industrial permitting and governmental regulatory sector for over 20 years. Mr. Booth has served as President and/or Chief Executive Officer of six other highly successful businesses.

Mr. Michael Nederhoff – Mr. Nederhoff has over 25 years of experience within the consumer-packaged goods sector and was the president of JUUL Labs (Canada). Mr. Nederhoff is a graduate of the University of Saskatchewan and holds a Bachelor of Commerce degree, as well as a mini-Master of Business Administration from the University of Calgary. Mr. Nederhoff has a finance degree and has completed supplemental finance classes from Harvard, as well as corporate governance classes at Ryerson University.

Audit Committee Oversight

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

Reliance on Certain Exemptions

Since the commencement of the Corporation’s most recently completed financial year, and since the commencement of the preceding financial year, the Corporation has not relied on any exemptions. As a “venture issuer”, the Corporation is exempt from the requirements of Part 3 (*Composition of Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110. Although exempt, the Corporation complies with the requirements of Part 3 (*Composition of Audit Committee*).

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in Schedule “B” attached hereto.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Corporation's external auditors during the financial years ended November 30, 2022 and 2021 were as follows:

Financial Year Ended November 30	Audit Fees ⁽¹⁾	Audit-Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
2021	\$37,000	\$1,000	\$2,000	Nil
2022	\$50,000	\$4,750	\$3,080	Nil

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Corporation's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees." This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

Interest of Informed Persons in Material Transactions

Other than as described in this Circular, to the best of the knowledge of the directors and executive officers of the Corporation, since the commencement of the Corporation's last completed financial year and the commencement of the preceding financial year, no "informed person" (as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) of the Corporation, any Corporation Nominee, or any associate or affiliate of an informed person, has or had any material interest, direct or indirect, in any transaction or any proposed transaction that has materially affected or will materially affect the Corporation or any of its subsidiaries.

Additional Information

Additional information relating to the Corporation is available at www.sedar.com. Shareholders may obtain additional copies of the Corporation's financial statements and management's discussion and analysis by written request addressed to: Psyched Wellness Ltd., Attention: Chief Financial Officer, 2905 – 77 King Street West, Toronto, Ontario, M5K 1A2 or by email (info@psychedwellness.com). Financial information regarding the Corporation is provided in its financial statements and management's discussion and analysis for the financial year ended November 30, 2022.

Directors' Approval

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

DATED at Toronto, Ontario this 6th day of June 2023.

BY ORDER OF THE BOARD

“Michael Nederhoff”

Michael Nederhoff
Chairman

SCHEDULE "A"

PSYCHED WELLNESS LTD.

(THE "CORPORATION")

CORPORATE GOVERNANCE DISCLOSURE

Corporate governance relates to the activities of the board of directors of the Corporation (the "**Board**"), the members of which are elected by and are accountable to the shareholders and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Corporation. The Board is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making.

National Policy – 58-201 *Corporate Governance Guidelines* ("**NP 58-201**") establishes corporate governance guidelines that apply to public companies. The Corporation has reviewed its own corporate governance practices in light of these guidelines. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") mandates disclosure of corporate governance practices in Form 58-101F2, which disclosure is set out in this Schedule "A".

1. Board

To facilitate the Board functioning independently of management, the following structures and processes are in place:

- (a) there are no members of management on the Board, other than the Chief Executive Officer of the Corporation;
- (b) when appropriate, members of management, including the Chief Executive Officer, are not present for the discussion and determination of certain matters at meetings of the Board; and
- (c) under the by-laws of the Corporation, any two directors may call a meeting of the Board.

The Board is currently composed of seven directors: Jeffrey Stevens, Terry Booth, Nicholas Kadysh, Michael Nederhoff, David Nutt, Janeen Stodulski and Amanda Galbraith. All of whom, except for Amanda Galbraith, are being nominated for re-election at the Meeting.

Terry Booth, Michael Nederhoff, Nicholas Kadysh, David Nutt, Janeen Stodulski and Amanda Galbraith are independent directors as they do not have a direct or indirect material relationship with the Corporation, are independent of management and are free from any direct or indirect interest and business relationship with the Corporation.

Jeffrey Stevens is not an independent director as he is the Chief Executive Officer of the Corporation and as such is involved in the management and the day-to-day operations of the Corporation.

2. Directorships

Name	Name of Reporting Issuer	Name or Exchange or Market
Jeffrey Stevens	Victory Opportunities 1 Corp.	TSX Venture Exchange
Terry Booth	Australis Capital Inc.	Canadian Securities Exchange
Janeen Stodulski	DataMetrex AI Limited	TSX Venture Exchange
Nicholas Kadysh	Pharmala Biotech Holdings Inc.	Canadian Securities Exchange
David J. Nutt	Awakn Life Sciences Corp.	Neo Exchange

3. Orientation and Continuing Education

New directors are briefed on the role of the Board and its directors and on the strategic plan, annual and long-term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing corporate policies. Board members are encouraged to meet and communicate with management and the auditors to keep themselves current with the Corporation, industry trends and developments and changes in legislation, with management's assistance. Board members have access to the Corporation's records.

4. Ethical Business Conduct

The members of the Board understand their responsibility to encourage and promote a culture of ethical and honest business conduct and recognize the importance of:

- (a) the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) promoting avoidance of conflicts of interest, including disclosure to an appropriate person of any material transaction or relationship that reasonably could be expected to give rise to such a conflict;
- (c) promoting full, fair, accurate, timely and understandable disclosure in reports and documents that the Corporation files with, or submits to, the securities regulators and in other public communications made by the Corporation;
- (d) promoting compliance with applicable governmental laws, rules and regulations;
- (e) promoting accountability for adherence to honest and ethical conduct; and
- (f) helping to foster a culture of honesty and accountability.

5. Nomination of Directors

The Board as a whole is responsible for the nomination of directors. With respect to the nomination of directors, the Board is responsible for establishing the qualifications and skills necessary for members of the Board and procedures for identifying possible nominees who meet this criteria. The Board is also responsible for establishing an appropriate review and selection process for new nominees to the Board as well as analyzing the needs of the Board relating to current or future vacancies on the Board and identifying and recommending nominees who meet such needs. The identification and recruitment of new directors is carried on informally through business and industry contacts of the Corporation's directors and officers.

6. Compensation

The Board as a whole is responsible for reviewing and approving compensation for the directors and Chief Executive Officer of the Corporation as well other members of the Corporation's senior management team, administering the Corporation's compensation plans, including stock options, restricted share units, directors compensation plans and such other compensation plans or structure as adopted by the Corporation from time-to-time, researching and identifying trends in employment benefits as well as establishing and conducting periodic reviews of the Corporation's policies in the area of management benefits and perquisites.

7. Other Board Committees

The Corporation has one standing committee, the Audit Committee, whose members are: Janeen Stodulski (Chair), Terry Booth and Michael Nederhoff.

8. Assessments

The Board is responsible for assessing the effectiveness and contributions of the Board as a whole, its committees or individual directors.

SCHEDULE "B"

PSYCHED WELLNESS LTD.

(THE "CORPORATION")

AUDIT COMMITTEE CHARTER

A. PURPOSE

The overall purpose of the audit committee (the "**Committee**") of the board of directors of the Corporation (the "**Board**") is to ensure that management of the Corporation has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the financial statements of the Corporation and to review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosures of material facts.

B. AUTHORITY

- (1) The Committee is appointed by the Board pursuant to the provisions of the *Business Corporations Act* (Ontario), the Corporation's by-laws and applicable securities regulatory rules and policies.
- (2) Primary responsibility for the Corporation's financial reporting, accounting and internal controls is vested in senior management of the Corporation and is overseen by the Committee. The Committee is a standing committee of the Board and has the powers inherent in such appointment as a committee of the Board. The Committee is established to discharge and fulfill the roles, duties and obligations set out herein.
- (3) The Committee may engage independent counsel and other advisors as it determines necessary to carry out its roles, duties and obligations. The Committee shall set the compensation for any advisors so engaged, to be paid by the Corporation.
- (4) The Committee shall have access to such officers and employees of the Corporation and to the Corporation's external auditors, and to such information respecting the Corporation, as it considers to be necessary or advisable in order to perform its roles, duties and responsibilities.
- (5) The Committee shall have direct communication channels with the internal auditors (if any) and the external auditors to discuss and review specific issues as appropriate. The Corporation will require that its external auditors report directly to the Committee.
- (6) This charter sets out the Committee's mandates, roles, duties and responsibilities. The Committee will (a) report annually to the Board on the Committee's undertakings in respect of those mandates, roles, duties and responsibilities and how the Committee has discharged them, and (b) review the Committee's charter annually and propose recommended changes to the Board.

C. COMPOSITION, PROCEDURES AND ORGANIZATION

- (1) The Committee shall consist of at least three members of the Board, two of whom shall be "independent", as that term is defined in National Instrument 52-110 – *Audit Committees* ("**NI 52-110**").
- (2) All of the members of the Audit Committee shall be "financially literate", as that term is defined in NI 52-110 (i.e., able to read and understand a balance sheet, an income statement and a cash flow statement that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements).

- (3) The Board, at its organizational meeting held in conjunction with (or at its first meeting following) each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
- (4) Unless the Board has appointed a chair of the Committee, the members of the Committee shall elect a chair from among their number.
- (5) The secretary of the Committee shall be “financially literate”, unless otherwise determined by the Committee.
- (6) The Committee shall meet at least four times annually, and may convene special meetings as required, at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee.
- (7) Meetings of the Committee shall be conducted as follows:
 - (a) the Committee chair shall, in consultation with management and the external auditors and internal auditors (if any), establish the agenda for Committee meetings and ensure that properly prepared agenda materials are circulated to the members with sufficient time for study prior to the meeting;
 - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee;
 - (c) the following management representatives shall be invited to attend all meetings, except executive sessions and private sessions with the external auditors:
 - Chief Executive Officer, or the person performing functions similar to a chief executive officer for the Corporation
 - Chief Financial Officer, or the person performing functions similar to a chief financial officer for the Corporation;
 - (d) other management representatives may be invited to attend as necessary;
 - (e) the quorum for meetings is a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other; and
 - (f) minutes of Committee meetings shall accurately record the decisions reached and shall be distributed to Committee members with copies to the Board, the chief executive officer of the Corporation, the chief financial officer of the Corporation, and the external auditor, and copies thereof shall be kept by the secretary of the Corporation with the records of the Corporation.
- (8) The internal auditors (if any) and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Corporation as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

D. ROLES AND RESPONSIBILITIES

- (1) The overall mandate, duties, roles and responsibilities of the Committee are as follows:

- (a) to assist the Board in the discharge of its responsibilities relating to the Corporation's accounting principles, reporting practices and internal controls and its approval of the Corporation's annual and quarterly financial statements and management's discussion and analysis of financial condition and operating results ("**MD&A**");
 - (b) to establish and maintain a direct line of communication with the Corporation's internal (if any) and external auditors and assess their performance;
 - (c) to ensure that the management of the Corporation has designed, implemented and is maintaining an effective system of internal financial controls; and
 - (d) to report regularly to the Board on the fulfillment of its mandate, roles, duties and responsibilities.
- (2) The mandate, duties, roles and responsibilities of the Committee as they are related to the external auditors are as follows:
- (a) to recommend to the Board a firm of external auditors to be engaged by the Corporation, and to verify the independence of such external auditors;
 - (b) to review and recommend to the Board the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) the Committee is directly responsible for overseeing the work of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting;
 - (d) to review the audit plan of the external auditors prior to the commencement of the audit;
 - (e) to review with the external auditors, upon completion of their audit:
 - (i) contents of their report;
 - (ii) scope and quality of the audit work performed;
 - (iii) adequacy of the Corporation's financial and auditing personnel;
 - (iv) co-operation received from the Corporation's personnel during the audit;
 - (v) internal resources used;
 - (vi) significant transactions outside of the normal business of the Corporation;
 - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - (viii) the non-audit services provided by the external auditors.
 - (f) to discuss with the external auditors the quality and not just the acceptability of the Corporation's accounting principles;
 - (g) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management;

- (h) review and pre-approve all engagements (including fees for such services) for non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditors (or an entity affiliated with the external auditors), and consider the impact thereof on the independence of the external auditors, all in accordance with NI 52-110;
 - (i) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation; and
 - (j) establish a periodic review procedure to ensure that the external auditors of the Corporation comply with the Canadian Public Accountability Regime under National Instrument 52-108 – *Auditor Oversight*.
- (3) The mandate, duties, roles and responsibilities of the Committee as they relate to the internal control procedures of the Corporation are to:
- (a) review the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - (b) review compliance under the Corporation's business conduct policy, if any, and to periodically review this charter and recommend to the Board changes which the Committee may deem appropriate;
 - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Corporation; and
 - (d) periodically review the Corporation's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
- (4) The Committee is also charged with the responsibility to:
- (a) review the Corporation's quarterly and annual financial statements, including the impact of unusual items and changes in accounting principles and estimates, and MD&A related to those financial statements, and report to the Board with respect thereto;
 - (b) review and approve the financial sections of:
 - (i) the annual report to shareholders;
 - (ii) the annual information form;
 - (iii) prospectuses or offering memoranda; and
 - (iv) other public reports requiring approval by the Board,and report to the Board with respect thereto;
 - (c) review regulatory filings and decisions as they relate to the Corporation's financial statements;

- (d) review the appropriateness of the policies and procedures used in the preparation of the Corporation's financial statements and other required disclosure documents and consider recommendations for any material change to such policies;
 - (e) review and report on the integrity of the Corporation's financial statements;
 - (f) review the minutes of any audit committee meeting of subsidiary companies;
 - (g) review with management, the external auditors and if necessary, with legal counsel any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Corporation and the manner in which such matters have been disclosed in the financial statements;
 - (h) review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, MD&A, tax matters and disclosure of material facts; and
 - (i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board following each annual general meeting of shareholders.
- (5) Acknowledging that the Corporation is required to make certain public disclosures under applicable securities laws, the Committee will (without in any way limiting the generality of the foregoing matters set forth in this charter):
- (a) *General:* review the Corporation's financial statements, MD&A, and annual and interim earnings press releases before the Corporation publicly discloses this information;
 - (b) *Annual Information Form / Proxy Circular:* review the disclosures required under NI 52-110 for inclusion in the Corporation's annual information form or proxy-related materials sent to shareholders, as applicable;
 - (c) *Annual Financial Information:* prior to the Corporation's filing with applicable securities regulatory authorities or sending it to the shareholders, review and consider for approval the annual audited financial statements, annual MD&A, any letter to shareholders, and related press releases, and if approved, recommend the approval of such financial information to the Board, after discussing matters such as the selection of accounting policies (and changes thereto), major accounting judgments, accruals and estimates with management and the external auditors;
 - (d) *Annual Report:* review the MD&A section and all other relevant section to the annual report to ensure consistency of all financial information included in the annual report;
 - (e) *Interim Financial Information:* prior to the Corporation's filing with applicable securities regulatory authorities or sending it to the shareholders, review and consider for approval, the quarterly interim financial statements, interim MD&A, any letter to shareholders, and related press releases, and, if approved, recommend the approval of such financial information to the Board; and
 - (f) *Earnings Guidance / Forecasts:* review forecasted financial information and forward-looking statements prior to any public dissemination of same.
- (6) The Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of the Corporation (or its subsidiary entities) of concerns regarding questionable accounting or auditing matters.

