

**ISODIOL INTERNATIONA INC.**

1212 Austin Ave  
Coquitlam, BC 3P5  
Telephone: 604-409-4409

**NOTICE OF ANNUAL GENERAL MEETING**

TO THE SHAREHOLDERS:

This communication is intended to give notice that the annual general meeting of shareholders (the “**Meeting**”) of Isodiol International Inc. (the “**Company**”) will be held at Studio 1 - Leicester Square, 10 Wardour Street, London, England, W1D 6QF, United Kingdom, on Monday, March 12, 2018, at the hour of 1:30 PM (GMT) for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended March 31, 2017, and the accompanying report of the auditors;
2. to set the number of directors of the Company for the ensuing year at seven persons;
3. to elect Marcos Agramont, Amandeep Parmar, Soheil Samimi and Bryan Loree as directors of the Company to hold office until the next annual general meeting of the Company, or until such time as their successors are duly elected or appointed in accordance with the Company’s constating documents;
4. to appoint D & H Group LLP, Chartered Professional Accountants, as the auditors of the Company for the fiscal year ending March 31, 2017 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending March 31, 2017;
5. to consider, and if thought fit, to approve an ordinary resolution of shareholders to ratify, confirm and approve the adoption of the Company’s stock option plan, as described in the accompanying management information circular (the “**Information Circular**”); and
6. to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The Company’s board of directors has fixed **February 5, 2018** as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with the Company’s transfer agent, **Computershare Investor Services Inc., 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1**, at

least 2 business days (excluding Saturdays, Sundays and holidays recognized in the Province of Ontario) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (the “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia, this 5th day of February, 2018.

By Order of the Board of Directors of

**ISODIOL INTERNATIONAL INC.**

*“Marcos Agramont”*

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Marcos Agramont  
Chief Executive Officer and Director

**ISODIOL INTERNATIONAL INC.**

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Coquitlam, BC V3K 3P5  
Telephone: 604-409-4409

**INFORMATION CIRCULAR**

**February 5, 2018**

**INTRODUCTION**

This information circular (“**Information Circular**”) accompanies the notice of annual general meeting (the “**Notice**”) and is furnished to shareholders (the “**Shareholders**” and each a “**Shareholder**”) holding common shares (the “**Shares**” and each a “**Share**”) in the capital of Isodiol International Inc. (the “**Company**”) in connection with the solicitation by the management of the Company of proxies to be voted at the annual general meeting (the “**Meeting**”) of the Shareholders to be held at 1:30 PM (GMT) on Monday, March 12, 2018 at Studio 1 - Leicester Square, 10 Wardour Street, London, England, W1D 6QF, United Kingdom, or at any adjournment or postponement thereof.

**Date and Currency**

The date of this Information Circular is February 5, 2018. Unless otherwise stated, all amounts herein are in Canadian dollars.

**PROXIES AND VOTING RIGHTS**

**Management Solicitation**

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals’ authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

### **Appointment of Proxy**

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each Share that such Shareholder holds on the record date of February 5, 2018 (the “**Record Date**”) on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of the Company.

**A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.**

**TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE’S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER’S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.**

In order to be voted, the completed form of proxy must be received by the Company’s registrar and transfer agent, Computershare Investor Services Inc. (the “**Transfer Agent**”), at their offices located at 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, by mail or fax, at least 2 business days (excluding Saturdays, Sundays and holidays recognized in the Province of Ontario) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder’s attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders, or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarized certified copy thereof, must accompany the form of proxy.

### **Revocation of Proxies**

A Shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder’s attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Transfer Agent at their offices located at 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (a) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (b) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

### **Voting of Shares and Proxies and Exercise of Discretion by Designated Persons**

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the Shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the Shares represented will be voted or withheld from the vote on that matter accordingly. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

**IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

### **ADVICE TO BENEFICIAL SHAREHOLDERS**

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders are “non-registered” shareholders because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the “**Non-Registered Holder**”) but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators or self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant. In accordance with the requirements set out in National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the Company has distributed copies of the Notice, this Information Circular and the form of proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) 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 Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with the Transfer Agent as provided above; or
- (b) more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “**proxy authorization form**”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of a one page pre-printed form, the proxy authorization will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit a Non-Registered Holder to direct the voting of the Shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the Designated Persons named in the form and insert the Non-Registered Holder’s name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.

There are two kinds of beneficial owners – those who object to their name being made known to the issuers of securities which they own (called OBOs for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called NOBOs for Non-Objecting Beneficial Owners). Pursuant to NI 54-101, issuers can obtain a list of their NOBOs from Intermediaries for distribution of proxy-related materials directly to NOBOs.

**These Meeting Materials are being sent to both registered shareholders and Non-Registered Holders. If you are a Non-Registered Holder, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding shares on your behalf.**

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Company is authorized to issue an unlimited number of Common Shares without par value and an unlimited number of preferred shares without par value. As of the Record Date, determined by the Board to be the close of business on February 5, 2018, a total of 300,779,584 Common Shares were issued and

outstanding and no preferred shares were issued and outstanding. Each Common Share carries the right to one vote at the Meeting.

Only registered Shareholders as of the Record Date (February 5, 2018) are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the Company's directors and executive officers, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares of the Company, other than as set forth below:

Name of Shareholder	Number of Common Shares Owned	Percentage of Outstanding Common Shares <sup>(1)</sup>
CDS & CO (NCI) <sup>(2)</sup>	110,163,068	36.63%
Jared Berry	37,500,000 <sup>(3)</sup>	12.47%

- (1) Based on 300,779,585 Common Shares issued and outstanding as of February 5, 2018. The Company believes that all persons hold legal title and the Company has no knowledge of actual Common Share ownership. The Company has not conducted any independent searches to verify such information.
- (2) Management of the Company is unaware of the beneficial Shareholders of the Common Shares registered in the name of CDS & CO (NCI).
- (3) The number of common shares disclosed as being held directly and indirectly by Jared Berry, is based solely on information reported by Jared Berry, which was available on the SEDI website [www.sedi.ca](http://www.sedi.ca). The Company has not conducted any independent investigation to verify such information.

#### NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at seven (7). The number of directors will be approved if the affirmative vote of the majority of Shares present or represented by proxy at the Meeting and entitled to vote are voted in favour of setting the number of directors at seven (7).

**Management recommends the approval of the resolution to set the number of directors of the Company for the ensuing year at seven (7).**

#### ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the board of directors (the "**Board**").

Management of the Company proposes to nominate the persons named in the table below for election by the Shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Province, Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Periods during which Nominee has Served as a Director	Number of Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly <sup>(1)</sup>
Marcos Agramont AZ, USA Chief Executive Officer, Director	Chief Executive Officer and Director Isodiol International May 10, 2017 to Present Chief Operations Officer EVR Premium Brands/Tree of Kindness Inc. November 2015 to March 2017 Director of Operations HempMeds/Medical Marijuana Inc. January 2013 to November 2015 Distribution The Coca-Cola Refreshments January 2011 to December 2012	May 10, 2017 - present	5,000,000
Amandeep Parmar <sup>(2)</sup> BC, Canada Director	Director of the Company since May 2017; Feb 2011-Present: General Manager of Haraman Development Inc., July 2017-Present: Director of Canadian Zeolite, December 2014-December 2015: Director of Vanc Pharmaceuticals.	May 30, 2017 - present	600,000
Soheil Samimi <sup>(2)</sup> BC, Canada Director	Director of the company since March 2, 2017; April 2016 to current: CEO of Medigreen Wellness Products LTD; January 2008 to Feb 2014: President of iMOZI Inc.	March 2, 2017 - present	4,000,000
Bryan Loree <sup>(2)</sup> BC, Canada Chief Financial Officer and Director	Chief Financial Officer and Director of the Company since August 8, 2016; 2008 to Present: Chief Financial Officer, Secretary and Director, International Corona Capital Corp., 2011 to Present: Chief Financial Officer, Secretary and Director, Cannabix Technologies Inc., 2014 to Present: Chief Financial Officer and Director, Torino Power Solutions Inc.	August 8, 2016 - present	1,225,000

<sup>(1)</sup> Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at February 5, 2018, based upon information furnished to the Company by the individual directors. The Company has not conducted any independent searches to verify such information.

<sup>(2)</sup> Member of the Audit Committee.

**Management recommends the approval of each of the nominees listed above for election as directors of the Company for the ensuing year.**

*Cease Trade Orders*

No proposed director of the Company is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company that:



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

All such representations are made upon the reliance of information provided by such individuals and the Company has not conducted any independent searches to verify such information.

#### *Bankruptcies*

No proposed director of the Company is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company 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.

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

*All such representations are made upon the reliance of information provided by such individuals and The Company has not conducted any independent searches to verify such information. Penalties and Sanctions*

No proposed director of the Company has been subject to:

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

All such representations are made upon the reliance of information provided by such individuals and The Company has not conducted any independent searches to verify such information.

## STATEMENT OF EXECUTIVE COMPENSATION

### General

For the purpose of this Statement of Executive Compensation:

**“compensation securities”** includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

**“external management company”** includes a subsidiary, affiliate or associate of the external management company;

**“named executive officer”** or **“NEO”** means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Company and its subsidiaries (if any), the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

**“plan”** includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons; and

**“underlying securities”** means any securities issuable on conversion, exchange or exercise of compensation securities.

### Director and NEO Compensation

#### *Table of Compensation Excluding Compensation Securities*

The following table sets forth all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or any subsidiary thereof to each NEO and director in

any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof for the three most recently completed financial years.

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Marcos Agramont <sup>(1)</sup> , CEO & Director	2017	N/A	N/A	N/A	N/A	N/A	N/A
	2016	N/A	N/A	N/A	N/A	N/A	N/A
	2015	N/A	N/A	N/A	N/A	N/A	N/A
Bryan Loree <sup>(2)</sup> , CFO & Director	2017	\$165,750	N/A	N/A	N/A	N/A	\$165,750
	2016	N/A	N/A	N/A	N/A	N/A	N/A
	2015	N/A	N/A	N/A	N/A	N/A	N/A
Soheil Samimi <sup>(3)</sup> , Director	2017	N/A	N/A	N/A	N/A	N/A	N/A
	2016	N/A	N/A	N/A	N/A	N/A	N/A
	2015	N/A	N/A	N/A	N/A	N/A	N/A
Amandeep Parmar <sup>(4)</sup> , Director	2017	N/A	N/A	N/A	N/A	N/A	N/A
	2016	N/A	N/A	N/A	N/A	N/A	N/A
	2015	N/A	N/A	N/A	N/A	N/A	N/A
Stuart Gray <sup>(5)</sup> President, CEO, CFO & Director	2017	\$110,000	Nil	Nil	Nil	Nil	\$110,000
	2016	\$120,000	Nil	Nil	Nil	Nil	\$120,000
	2015	\$120,000	Nil	Nil	Nil	Nil	\$120,000
Martin Carleton <sup>(6)</sup> Director	2017	\$68,000	Nil	Nil	Nil	Nil	\$68,000
	2016	\$51,250	Nil	Nil	Nil	Nil	\$51,250
	2015	Nil	Nil	Nil	Nil	Nil	Nil
Rhys Williams <sup>(7)</sup> Director	2016	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil
Negar Adam <sup>(8)</sup> Secretary & Director	2016	\$41,575	N/A	Nil	Nil	Nil	\$41,575
	2015	Nil	N/A	Nil	Nil	Nil	Nil
Glenn Little <sup>(9)</sup> Former CEO, CFO & Director	2016	\$52,500	N/A	Nil	Nil	Nil	\$52,500
	2015	\$30,000	N/A	Nil	Nil	Nil	\$30,000
Jon Sherron <sup>(10)</sup> Former Director	2016	\$2,500	Nil	Nil	Nil	Nil	\$2,500
	2015	\$6,000	Nil	Nil	Nil	Nil	\$6,000
Jacques Martel <sup>(11)</sup> Former Director	2016	\$3,000	Nil	Nil	Nil	Nil	\$3,000
	2015	\$5,500	Nil	Nil	Nil	Nil	\$5,500

<sup>(1)</sup> Mr. Agramont became CEO and Director of the Company on May 10, 2017

<sup>(2)</sup> Mr. Loree became CFO and Director of the Company on August 8, 2016

<sup>(3)</sup> Mr. Samimi became a Director of the Company on March 2, 2017

<sup>(4)</sup> Mr. Parmar became a Director of the Company on May 30, 2017

<sup>(5)</sup> Mr. Gray became President, CEO, CFO and Director of the Company on September 18, 2015 and served until December 16, 2016.

<sup>(6)</sup> Mr. Carleton became a Director of the Company on September 18, 2015.

- (7) Mr. Rhys became a Director of the Company on September 18, 2015.
- (8) Ms. Adam became Corporate Secretary on September 18, 2015 and a Director of the Company on October 31, 2015. Compensation paid by the Company in connection with Ms. Adam’s services was paid to All Seasons Consulting Inc.
- (9) Mr. Little served as CEO and CFO of the Company from December 22, 2014 until September 18, 2015 and a director of the Company from December 22, 2014 until October 31, 2015. Compensation paid by the Company in connection with Mr. Little’s services was paid to Brandenburg Financial Corp., a corporation which provides executive management services.
- (10) Mr. Sherron served as a director of the Company from June 2, 2014 until September 18, 2015.
- (11) Mr. Martel served as a director of the Company from June 2, 2014 until September 18, 2015.

*Stock Options and Other Compensation Securities*

The following table sets out all compensation securities granted or issued to each NEO and director by the Company or any subsidiary thereof in the year ended March 31, 2017 for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class <sup>(1)</sup>	Date of Issue or Grant	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant	Closing Price of Security or Underlying Security at Year End	Expiry Date
Bryan Loree <sup>(2)</sup> CFO & Director	Stock Options	100,000 (0.17%)	September 2, 2016	\$0.25	\$0.22	\$0.15	September 2, 2018
	Stock Options	300,000 (0.52%)	March 27, 2017	\$0.16	\$0.16	\$0.15	March 27, 2019
Martin Carleton <sup>(3)</sup> Director	Stock Options	300,000 (0.52%)	March 27, 2017	\$0.16	\$0.16	\$0.15	March 27, 2019
Soheil Samimi <sup>(4)</sup> Director	Stock Options	300,000 (0.52%)	March 27, 2016	\$0.16	\$0.16	\$0.15	March 27, 2019

(1) Based on 57,673,340 Shares issued and outstanding as at March 31, 2017. Percentage is based on partially diluted Shares.

(2) Mr. Loree became CFO and Director of the Company on August 8, 2016.

(3) Mr. Carleton served as a Director of the Company from September 18, 2015 until April 4, 2017.

(4) Mr. Samimi became a Director of the Company on March 2, 2017.

*Exercise of Compensation Securities by Directors and NEOs*

No director or NEO exercised any compensation securities, being solely comprised of stock options, during the year ended March 31, 2017.

**Stock Option Plans and Other Incentive Plans**

Executive officers of the Company, as well as directors, employees and consultants, are eligible to participate in the Company’s incentive stock option plan (the “Plan”). Individual stock options are

granted by the Board as a whole and the amounts of the option grants are dependent on, among other things, each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long term contribution to the Company will be crucial to its long-term success.

Stock options are normally granted by the Board when an executive officer or employee first joins the Company, based on their level of responsibility within the Company. Additional grants may be made periodically to ensure that the number of options granted to any particular individual is commensurate with their level of ongoing responsibility within the Company. The Board also evaluates the number of options an individual has been granted, the exercise price of the options and the term remaining on those options when considering further grants. The Board specifies the exercise price to be paid for Shares upon the exercise of stock options granted under the Plan. Subject to a minimum price of \$0.10 per Share and the price per Share paid by investors in a public distribution by prospectus within 90 days of a stock option grant, the exercise price of a stock option may not be less than the closing market price of the Shares on the trading day immediately preceding the date of grant of the option, less any applicable discount allowed by the Canadian Securities Exchange (the "CSE"). The maximum term of options pursuant to the Plan is five years from the date of grant.

Pursuant to the policies of the CSE, stock options may be granted outside of the Plan. Of the 1,640,000 stock options outstanding as of March 31, 2017, 1,640,000 stock options were granted under the Plan and nil stock options were granted outside of the Plan under stock option agreements (the "**Stock Option Agreements**") entered into with three consultants of the Company.

The exercise price of the stock options granted pursuant to the Stock Option Agreements is \$0.16 and \$0.25 per share and the expiry date of the stock options is September 2, 2018 and March 27, 2019. The Stock Option Agreements provide that the stock options granted thereunder will expire on the earlier of: (i) one year after the date of grant of the stock options; (ii) if the optionee ceases to be engaged by the Company, the stock options will expire 90 calendar days after the optionee ceases to be engaged by the Company; (iii) if the optionee is engaged in investor relations activities for the Company and ceases to be engaged by the Company, the stock options will expire 30 calendar days after the optionee ceases to be engaged by the Company; and (iv) if the optionee dies prior to the expiry of the stock options, the optionee's heirs or administrators may exercise the optionee's vested and outstanding stock options within one year from the date of the optionee's death. The Stock Option Agreements provide that the stock options are not transferable or assignable.

A copy of the Plan is attached to this Information Circular as Appendix B. Although Shareholder approval of the Plan is not required pursuant to the policies of the CSE, the Board is seeking disinterested Shareholder approval of the Plan to obtain maximum flexibility with respect to the granting of stock options under the Plan. The Plan has not been previously approved by the Shareholders. See "Particulars of Matters To Be Acted Upon – *Approval of Stock Option Plan*" beginning on page 21.

The Stock Option Agreements have not been previously approved by the Shareholders, and the Board is not seeking approval of the Stock Option Agreements at the Meeting.

### **Employment, Consulting and Management Agreements**

The Company does not have any employment, consulting or management agreements or arrangements with any of the Company's current NEOs or directors, other than the Services Agreement as set out below.

On July 1, 2017, the Company entered into an agreement with a Marcos Agramont. Pursuant to the Services Agreement, Mr. Agramont agreed to serve as CEO and a Director of the Company. The term of the Services Agreement (the “Term”) shall continue indefinitely until terminated in accordance with the provisions of the Services Agreement. During the Term, Mr. Agramont will receive (a) an annual salary of \$150,000 USD; and (b) Mr. Agramont will also receive \$225,000 USD in shares of the Company along with 1,500,000 shares of the Company.

On July 1, 2017, the Company entered into a Services Agreement with a company controlled by Soheil Samimi. Pursuant to the Services Agreement, the Company shall pay \$10,000 USD per month for services outlined in the agreement and issued 4,000,000 common shares.

Martin Carleton also entered into a consulting agreement (the “Carleton Consulting Agreement”) with Laguna USA dated for reference September 1, 2014. Pursuant to the Carleton Consulting Agreement, Laguna USA engaged Mr. Carleton to provide such business development services as Laguna USA may request from time to time. The term of the Carleton Consulting Agreement commenced on September 1, 2014 and terminated on December 31, 2014. Pursuant to the Carleton Consulting Agreement, Laguna USA issued 500,000 common shares of Laguna USA at a deemed price of \$0.02 per share. In connection with the closing of the RTO, the common shares of Laguna USA issued pursuant to the Carleton Consulting Agreement were exchanged for Shares of the Company. On August 23, 2016, the Company entered into a consulting agreement with Mr. Carleton pursuant to which Mr. Carleton will receive total compensation of \$6,000 per month.

On August 8, 2016, the Company entered into a consulting agreement with Mr. Loree pursuant to which Mr. Loree will receive total compensation of \$9,000 per month. Mr. Loree served and presently serves as the Chief Financial Officer of the Company.

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

The objectives of the Company’s compensation policies and procedures are to align the interests of the Company’s directors and NEOs with the interests of the Shareholders. Therefore, a significant portion of total compensation granted by the Company, being the grant of stock options, is based upon overall corporate performance. The Company intends to rely on Board discussion without a formal agenda for objectives, criteria and analysis, when determining compensation for the Company’s directors and NEOs. Compensation is not tied to performance criteria or goals such as milestones, agreements or transactions, and the Company does not use a “peer group” to determine compensation.

At present the Board does not have a Compensation Committee or a Nominating Committee. As such, all tasks related to developing and monitoring the Company’s approach with respect to the compensation of the directors and officers of the Company and to developing and monitoring the Company’s approach to the nomination of directors to the Board are performed by the members of the Board. Compensation for the Company’s directors and NEOs is reviewed, recommended and approved by the Board as a whole, including the independent directors. The Company may form a Compensation Committee which will oversee compensation matters and may also form a Nomination Committee to oversee the nomination of directors in the future.

The Board intends to review the compensation of its directors and NEOs during the current financial year due to the completion of the Company’s “fundamental change” transaction (as defined in the policies of the CSE) and resulting changes to the Company’s directors and NEOs.

### *Executive Compensation Program*

The Company's executive compensation program is comprised of two primary elements; a base fee or salary or consulting fee for certain persons, which constitutes short-term compensation, and long-term incentive compensation comprised of the grant of stock options. The Board plans to review both components in assessing the compensation of individual NEOs.

Base fees or salaries are intended to provide current compensation and a short-term incentive for executive officers to meet the Company's goals, as well as to remain competitive within the industry. Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by the executive officers.

Stock options are an important part of the Company's long-term incentive strategy for its officers and directors, permitting them to participate in any appreciation of the market value of the Shares over a stated period of time, and are intended to reinforce commitment to long-term growth and Shareholder value. Stock option grants reward overall corporate performance, as measured through the price of the Shares and enable executives to acquire and maintain a significant ownership position in the Company.

### **Pension Disclosure**

The Company does not have any pension arrangements in place for its directors or NEOs.

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

The following table sets forth details of the Company's equity compensation plans as of March 31, 2017.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights<sup>(1)</sup> (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by securityholders	1,640,000	\$0.18	4,127,334
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
<b>Total</b>	<b>1,640,000</b>	<b>\$0.18</b>	<b>4,127,334</b>

<sup>(1)</sup> The Company does not have any warrants or rights outstanding under any equity compensation plans.

<sup>(1)</sup> Based on the Company's issued and outstanding Shares of 57,673,340 as at March 31, 2017.

Of the 1,640,000 stock options outstanding as of March 31, 2017, all stock options were granted under the Plan under the Stock Option Agreements.

A copy of the Plan is attached to this Information Circular as Appendix B and is available at the office of the Company at 1212 Austin Ave., Coquitlam, BC V3K 3P5 during regular business hours up to and including the date of the Meeting. See “Particulars of Matters to Be Acted Upon – Approval of Stock Option Plan” for material terms of the Plan. See “Statement of Executive Compensation – Stock Option Plans and Other Incentive Plans” for material terms of the Stock Option Agreements.

### **APPOINTMENT OF AUDITOR**

At the Meeting, Shareholders will be asked to vote for the appointment of D & H Group LLP, Chartered Professional Accountants as auditor of the Company and to authorize the directors of the Company to fix the auditor’s remuneration. Previously, Charlton & Company, Chartered Accountants were appointed as the auditor of the Company on June 5, 2015.

**Management recommends Shareholders vote for the appointment of D & H Group LLP, Chartered Professional Accountants as the auditor of the Company and authorizing the directors of the Company to fix the auditor’s remuneration.**

### **AUDIT COMMITTEE DISCLOSURE**

National Instrument 52-110 *Audit Committees* (“**NI 52-110**”) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

#### **The Audit Committee Charter**

The text of the Audit Committee Charter is attached to this Information Circular as Appendix A.

#### **Composition of the Audit Committee**

The Company’s Audit Committee is currently comprised of three directors consisting of Amandeep Parmar, Soheil Samimi and Bryan Loree. As defined in NI 52-110, Bryan Loree, the Company’s CFO, is not “independent” as he is an executive officer of the Company. Amandeep Parmar and Soheil Samimi are independent. The Company is exempt from the Audit Committee composition requirements in NI 52-110 which require all Audit Committee members to be independent. All of the Audit Committee members are “financially literate”, as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as an understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right, at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The audit committee members meet periodically with management and annually with the external auditors.



### **Relevant Education and Experience**

Each member of the Company's present Audit Committee has adequate education and experience that is relevant to his or her performance as an Audit Committee member and, in particular the requisite education and experience that have provided the member with:

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

#### Amandeep Parmar

Mr. Parmar's corporate experience includes over 12 years working with both public and private companies in the health care, resource, manufacturing and real estate sectors. Aman has extensive experience in capital markets and has been involved in corporate restructuring and financing for both public and private companies. He has significant experience in developing international manufacturing and distribution channels. Mr. Parmar holds a Chartered Professional Accountant designation and holds a Bachelor of Technology in accounting from the British Columbia Institute of Technology. Mr. Parmar's years of experience with several private and public companies has given him significant exposure to the preparation and review of financial statements.

#### Soheil Samimi

Mr. Samimi's background includes management positions within leading technology companies, as well as being the successful founder of multiple start-ups which revolutionized the automated retail and digital media kiosk marketplace, working closely with major retailers, grocers, pharmacies and c-store chains in North America. Mr. Samimi has also served in the industry as the CEO of a private British-Columbia based company within the Canadian hemp and cannabis industry, with ventures for licensed production and distribution of THC-free Phytocannabinoid products across Canada. Mr. Samimi's years of experience with several private companies has given him significant exposure to the preparation and review of financial statements.

### Bryan Loree

Bryan Loree, BA, CPA, CMA has been the Chief Financial Officer, Secretary and Director since August 2016. Mr. Loree worked as an accountant for various private companies since 2005 and CFO for several public companies since 2008. Mr. Loree holds a Chartered Professional Accountant designation, a Financial Management Diploma from the British Columbia Institute of Technology, and obtained a Bachelor of Arts degree from Simon Fraser University in 2001.

### **Audit Committee Oversight**

At no time since the beginning of the Company's most recent completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Company's Board.

### **Reliance on Certain Exemptions**

Since the commencement of the Company's financial year ended March 31, 2017, the Company **has not** relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 (*De Minimis Non-audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 (*Exemptions*) permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110 in whole or in part.

### **Pre-Approval Policies and Procedures**

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. However, the Company's Audit Committee Charter provides that the Audit Committee will pre-approve all non-audit services to be provided by the auditor to the Company or its subsidiaries. The text of the Audit Committee Charter is attached to this Information Circular as Appendix A.

### **External Auditor Service Fees**

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's external auditor in the financial years ended March 31, 2017 and March 31, 2016 with respect to the Company, by category, are as follows:

<b>Financial Year Ended March 31</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
2017	\$19,500	Nil	Nil	Nil
2016	\$15,300	Nil	Nil	Nil

### **Exemption**

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No current or former director, executive officer, employee, or proposed nominee for election as a director, or associate of such person is, or at any time during the most recently completed financial year has been, indebted to the Company.

No indebtedness of a current or former director, executive officer, employee, or proposed nominee for election as a director, or associate of such person to another entity is, or at any time during the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as otherwise disclosed herein, no (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both carrying more than ten percent of the voting rights attached to the Shares outstanding (an “**Insider**”); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares where such person will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of Shares.

### **MANAGEMENT CONTRACTS**

There were no management functions of the Company which were, to any substantial degree, performed by a person other than the directors or executive officers of the Company.

### **CORPORATE GOVERNANCE**

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), the Company is required to disclose its corporate governance practices. Corporate governance relates to the activities of 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 Company.

National Policy 58-201 *Corporate Governance Guidelines* (“NP 58-201”) establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices and feels that the Company’s corporate governance practices are appropriate and effective for the Company given its current size.

### **Composition of the Board**

The Board is currently composed of Marcos Agramont, Amandeep Parmar, Soheil Samimi and Bryan Loree. NP 58-201 suggests that the board of directors of a public company should be constituted of a majority of individuals who qualify as “independent” directors. An “independent” director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be expected to, interfere with the exercise of the director’s independent judgment.

Amandeep Parmar and Soheil Samimi are considered by the Board to be “independent” within the meaning of NI 58-101. Marcos Agramont and Bryan Loree are executive officers of the Company and accordingly are considered to be “non-independent”.

### **Board Mandate**

The Board plans to meet for formal board meetings on an as needed basis to review and discuss the Company’s business activities and to consider and if thought fit, to approve matters presented to the Board for approval, and to provide guidance to management. In addition, management will informally provide updates to the Board at least once per quarter between formal meetings. In general, management consults with the Board when deemed appropriate to keep it informed regarding the Company’s affairs.

The Board will facilitate the exercise of independent supervision over management through these various meetings. At present, the Board does not have any formal committees other than its Audit Committee.

When necessary, the Board will strike a special committee of independent directors to deal with matters requiring independence. The composition of the Board is such that the independent directors have experience in business affairs and, as a result, these directors are able to provide independent supervision over management.

In the event of a conflict of interest at a meeting of the Board, the conflicted director will in accordance with corporate law and in accordance with his or her fiduciary obligations as a director of the Company, disclose the nature and extent of the interest to the other directors and abstain from voting on any matter in which the conflicted director has declared an interest.

### **Directorships**

The following directors are presently directors of other reporting issuers as set out below:

<b>Name of Director</b>	<b>Name of Reporting Issuer</b>	<b>Market</b>
Marcos Agramont	None	N/A

Name of Director	Name of Reporting Issuer	Market
Amandeep Parmar	Canadian Mining Inc.	TSX Venture Exchange
	Canadian Zeolite Corp.	TSX Venture Exchange
	Upper Canyon Minerals Corp.	TSX Venture Exchange
Soheil Samimi	None	N/A
Bryan Loree	International Corona Capital Corp.	TSX Venture Exchange
	Cannabix Technologies Inc.	CSE
	Torino Power Solutions Inc.	CSE

### **Orientation and Continuing Education**

The Company has not yet developed an official orientation or training program for new directors. As required, new directors will have the opportunity to become familiar with the Company by meeting with the other directors and with officers and employees. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

### **Ethical Business Conduct**

The Board has not adopted a formal code of ethics. The Audit Committee assists the Board in fulfilling its oversight responsibilities with respect to:

- (a) the financial reporting process and the quality, transparency and integrity of the financial statements and other related public disclosures;
- (b) internal controls over financial reporting;
- (c) compliance with legal and regulatory requirements relevant to the financial statements and financial reporting; and
- (d) ensuring that there is an appropriate standard of corporate conduct for senior financial personnel.

### **Nomination of Directors**

The entire Board is involved in nomination of new candidates for Board positions. Board members are asked for recommendations of people that they know of or have heard of that would contribute to the success of the Company if added to the Board.

### **Compensation**

The Board does not have a Compensation Committee. All tasks related to developing and monitoring the Company's approach with respect to the compensation of directors and officers of the Company are performed by the members of the Board. The compensation of the directors and NEOs is reviewed, recommended and approved by the Board as a whole, including the independent directors.

## Board Committees

The Board has no committees other than the Audit Committee. See “Audit Committee Disclosure.”

## Assessments

Any committee of the Board and individual directors will be assessed on an ongoing basis by the Board. The Board has not, as of yet, adopted formal procedures for assessing the effectiveness of the Board, its committees or individual directors.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company’s last financial year, each proposed nominee for election as a director of the Company, or any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting other than the election of directors and the grant of options which may be granted to such persons upon the approval of the Plan as discussed below.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Approval of Stock Option Plan

The Board is seeking disinterested Shareholder approval of the Plan. Although Shareholder approval of the Plan is not required pursuant to the policies of the CSE, the Board wishes to obtain maximum flexibility with respect to the granting of stock options under the Plan.

National Instrument 45-106 *Prospectus Exemptions* (“**NI 45-106**”) provides exemptions from the requirement to prepare and file a prospectus in connection with a distribution of securities. As the Company is listed on the CSE, the Company is classified as an “unlisted reporting issuer” for purposes of the exemption provided in Section 2.24 of NI 45-106 for distributions of securities to employees, executive officers, directors and consultants of the Company (the “**Exemption**”). NI 45-106 restricts the use of the Exemption by “unlisted reporting issuers” such as the Company, unless the Company obtains disinterested shareholder approval. Specifically, NI 45-106 provides that the Exemption does not apply to a distribution to an employee or consultant of the “unlisted reporting issuer” who is an investor relations person of the issuer, an associated consultant of the issuer, an executive officer of the issuer, a director of the issuer, or a permitted assign of those persons if, after the distribution,

- (a) the number of securities, calculated on a fully diluted basis, reserved for issuance under options granted to
  - (i) related persons, exceeds 10% of the outstanding securities of the issuer, or
  - (ii) a related person, exceeds 5% of the outstanding securities of the issuer, or
- (b) the number of securities, calculated on a fully diluted basis, issued within 12 months to
  - (i) related persons, exceeds 10% of the outstanding securities of the issuer, or

- (ii) a related person and the associates of the related person, exceeds 5% of the outstanding securities of the issuer.

The term “related person” is defined in NI 45-106 and generally refers to a director or executive officer of the issuer or of a related entity of the issuer, an associate of a director or executive officer of the issuer or of a related entity of the issuer, or a permitted assign of a director or executive officer of the issuer or of a related entity of the issuer. The term “permitted assign” includes a spouse of the person.

In accordance with the requirements of NI 45-106, the Board wishes to provide the following information with respect to the Plan so that the disinterested Shareholders may form a reasoned judgment concerning the Plan.

The purpose of this Plan is to attract and retain directors, officers, employees and consultants and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through stock options granted under this Plan to purchase Shares. The Plan is a 10% “rolling” stock option plan pursuant to which the maximum number of Shares reserved under the Plan, together with all of the Company’s other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, shall not result in the number of Shares reserved for issuance pursuant to stock options exceeding 10% of the issued and outstanding Shares as at the date of grant of any stock option under the Plan.

The Plan provides that:

1. The aggregate number of Shares subject to an option that may be granted to any one individual in any 12 month period under the Plan shall not exceed 5% of the issued and outstanding Shares determined at the time of such grant.
2. The aggregate number of Shares subject to an option that may be granted to any one consultant in any 12 month period under the Plan shall not exceed 2% of the issued and outstanding Shares determined at the time of such grant.
3. The aggregate number of Shares subject to an option that may be granted to any one person conducting Investor Relations Activities (as defined in the Plan) in any 12 month period under the Plan shall not exceed 2% of the issued and outstanding Shares determined at the time of such grant.
4. The Board shall specify the exercise price to be paid for Shares upon the exercise of stock options granted under the Plan. Subject to a minimum price of \$0.10 per Share and the price per Share paid by investors in a public distribution by prospectus within 90 days of a stock option grant, the exercise price of a stock option may not be less than the closing market price of the Shares on the trading day immediately preceding the date of grant of the option, less any applicable discount allowed by the CSE. The policies of the CSE currently provide that an issuer may not grant stock options with an exercise price lower than the greater of the closing market prices of the underlying securities on (a) the trading day prior to the date of grant of the stock options, and (b) the date of grant of the stock options.

5. The maximum term of stock options granted under the Plan is five years from the date of grant.
6. If a director, officer, employee or consultant ceases to be so engaged by the Company for any reason other than death, such director, officer, employee or consultant shall have the right to exercise any vested stock option granted to him or her under the Plan and not exercised prior to such termination within a period of 30 days after the date of termination, or such shorter period as may be set out in the optionee's written agreement.
7. If an optionee who is engaged in Investor Relations Activities (as defined in the Plan) ceases to be so engaged by the Company, such optionee shall have the right to exercise any vested stock option granted to the optionee under the Plan and not exercised prior to such termination within a period of 30 days after the date of termination, or such shorter period as may be set out in the optionee's written agreement.
8. If an optionee dies prior to the expiry of a stock option, his or her heirs or administrators may within 12 months from the date of the optionee's death exercise that portion of a stock option granted to the optionee under the Plan which remains vested and outstanding.
9. No stock option granted under the Plan or any right thereunder or in respect thereof shall be transferable or assignable (other than upon the death of the optionee).

At the Meeting, disinterested Shareholders will be asked to approve the following ordinary resolution (the "**Plan Resolution**"), which must be approved by at least a simple majority of the votes cast by disinterested Shareholders represented in person or by proxy at the Meeting who vote in respect of the Plan Resolution:

"RESOLVED, AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS THAT:

1. The Company's stock option plan (the "**Plan**"), as set forth in the Company's Information Circular dated November 15, 2016 (the "**Information Circular**"), including the reservation for issuance under the Plan at any time of a maximum of 10% of the issued common shares of the Company, be and is hereby ratified, confirmed and approved, in accordance with its terms and conditions and with the policies of the Canadian Securities Exchange (the "**CSE**");
2. The Company's board of directors (the "**Board**") be and is hereby authorized in its absolute discretion to administer the Plan and amend or modify the Plan in accordance with its terms and conditions and with the policies of the CSE;
3. The Board be and is hereby authorized in its absolute discretion to grant stock options under the Plan in reliance on the prospectus exemption provided in Section 2.24 [*Employee, executive officer, director and consultant*] of National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**") notwithstanding the limitations imposed by Section 2.25 [*Unlisted reporting issuer exception*] of NI 45-106; and



4. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his or her opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Plan required by the CSE or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Plan.”

The form of the Plan Resolution set forth above is subject to such amendments as management may propose at the Meeting, but which do not materially affect the substance of the Plan Resolution.

**Management of the Company recommends that disinterested Shareholders vote in favour of the Plan Resolution at the Meeting. It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Plan Resolution.**

**This special resolution must be approved by at least two-thirds of the votes cast by Shareholders of the Company who, being entitled to do so, vote in person or by proxy at the Meeting in respect of such special resolution.**

The form of the proposed resolution set forth above is subject to such amendments as management may propose at the Meeting but which do not materially affect the substance of the proposed resolution.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at its office by mail at 1212 Austin Ave, Coquitlam, British Columbia V3K 3P5, to request copies of the Company’s financial statements and related Management’s Discussion and Analysis (the “**MD&A**”). Financial information is provided in the Company’s audited financial statements and MD&A for the year ended March 31, 2017.

#### **OTHER MATTERS**

Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

**APPROVAL OF THE BOARD OF DIRECTORS**

The contents of this Information Circular have been approved and the delivery of it to each Shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

DATED at Vancouver, British Columbia, this 5th day of February, 2018.

By Order of the Board of Directors of

**ISODIOL INTERNATIONAL INC.**

*"Marcos Agramont"*

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Marcos Agramont  
Chief Executive Officer and Director

## APPENDIX A AUDIT COMMITTEE CHARTER

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company's audit committee, or its Board of Directors in lieu thereof (the "**Audit Committee**"). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

### 1. **Composition**

- (a) *Number of Members.* The Audit Committee must be comprised of a minimum of three directors of the Company, a majority of whom will be independent. Independence of the board members will be as defined by applicable legislation.
- (b) *Chair.* If there is more than one member of the Audit Committee, members will appoint a chair of the Audit Committee (the "**Chair**") to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (c) *Financially Literacy.* All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

### 2. **Meetings**

- (a) *Quorum.* The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (b) *Agenda.* The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.
- (c) *Notice to Auditors.* The Company's auditors (the "**Auditors**") will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor's duties.
- (d) *Minutes.* Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

### 3. **Roles and Responsibilities**

The roles and responsibilities of the Audit Committee include the following:

## External Auditor

The Audit Committee will:

- (a) *Selection of the external auditor.* Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Company's accounts, controls and financial statements.
- (b) *Scope of Work.* Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.
- (c) *Compensation.* Recommend to the Board the compensation to be paid to the external auditors.
- (d) *Replacement of Auditor.* If necessary, recommend the replacement of the Auditor to the Board of Directors.
- (e) *Approve Non-Audit Related Services.* Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.
- (f) *Direct Responsibility for Overseeing Work of Auditors.* Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.
- (g) *Resolution of Disputes.* Assist with resolving any disputes between the Company's management and the Auditors regarding financial reporting.

## Consolidated Financial Statements and Financial Information

The Audit Committee will:

- (h) *Review Audited Financial Statements.* Review the audited consolidated financial statements of the Company, discuss those statements with management and with the Auditor, and recommend their approval to the Board.
- (i) *Review of Interim Financial Statements.* Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.
- (j) *MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports.* Review the Company's management discussion and analysis, interim and annual press releases, and audit committee reports before the Company publicly discloses this information.
- (k) *Auditor Reports and Recommendations.* Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

## Risk Management, Internal Controls and Information Systems

The Audit Committee will:

- (l) *Internal Control.* Review with the Auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.
- (m) *Financial Management.* Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.
- (n) *Accounting Policies and Practices.* Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (o) *Litigation.* Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the consolidated financial statements.
- (p) *Other.* Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

#### Complaints

- (q) *Accounting, Auditing and Internal Control Complaints.* The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (r) *Employee Complaints.* The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

#### **4. Authority**

- (a) *Auditor.* The Auditor, and any internal auditors hired by the company, will report directly to the Audit Committee.
- (b) *To Retain Independent Advisors.* The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

#### **5. Reporting**

The Audit Committee will report to the Board on:

- (a) the Auditor's independence;

- (b) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (c) the reappointment and termination of the Auditor;
- (d) the adequacy of the Company's internal controls and disclosure controls;
- (e) the Audit Committee's review of the annual and interim consolidated financial statements;
- (f) the Audit Committee's review of the annual and interim management discussion and analysis;
- (g) the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and
- (h) all other material matters dealt with by the Audit Committee.

**APPENDIX B  
STOCK OPTION PLAN**

**ISODIOL INTERMNATIONAL INC.  
(formerly Laguna Blends Inc.)**

**INCENTIVE STOCK OPTION PLAN**

**PART 1  
INTERPRETATION**

1.1 Definitions. In this Plan, the following words and phrases shall have the following meanings:

- (a) **"Affiliate"** means a company that is a parent or subsidiary of the Company, or that is controlled by the same person as the Company;
- (b) **"Board"** means the board of directors of the Company and includes any committee of directors appointed by the directors as contemplated by Section 3.1;
- (c) **"Change of Control"** means the acquisition by any person or by any person and a Joint Actor, whether directly or indirectly, of voting securities of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than 50% of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board;
- (d) **"Company"** means Isodiol International Inc.;
- (e) **"Consultant"** means an individual or Consultant Company, other than an Employee or Director, that:
  - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to an Affiliate, other than services provided in relation to a distribution of securities;
  - (ii) provides such services under a written contract between the Company or an Affiliate;
  - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate; and
  - (iv) has a relationship with the Company or an Affiliate that enables the individual to be knowledgeable about the business and affairs of the Company;
- (f) **"Consultant Company"** means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;
- (g) **"CSE"** means the Canadian Securities Exchange;

- (h) **“Director”** means any director of the Company or any of its subsidiaries;
- (i) **“Eligible Person”** means a bona fide Director, Officer, Employee or Consultant, or a corporation wholly owned by such Director, Officer, Employee or Consultant;
- (j) **“Employee”** means:
  - (i) an individual who is considered an employee of the Company or a subsidiary of the Company under the *Income Tax Act* (and for whom income tax, employment insurance and CPP deductions must be made at source);
  - (ii) an individual who works full-time for the Company or a subsidiary of the Company providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
  - (iii) an individual who works for the Company or a subsidiary of the Company on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;
- (k) **“Exchange”** means the CSE or any other stock exchange on which the Shares are listed for trading;
- (l) **“Exchange Policies”** means the policies, bylaws, rules and regulations of the Exchange governing the granting of options by the Company, as amended from time to time;
- (m) **“Expiry Date”** means a date not later than 5 years from the date of grant of an option;
- (n) **“Income Tax Act”** means the *Income Tax Act* (Canada), as amended from time to time;
- (o) **“Insider”** has the meaning ascribed thereto in the *Securities Act*;
- (p) **“Investor Relations Activities”** means any activities, by or on behalf of the Company or a shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:
  - (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company
    - A. to promote the sale of products or services of the Company, or
    - B. to raise public awareness of the Company,
 that cannot reasonably be considered to promote the purchase or sale of securities of the Company;



- (ii) activities or communications necessary to comply with the requirements of
  - A. applicable Securities Laws,
  - B. the Exchange, or
  - C. the bylaws, rules or other regulatory instruments of any self-regulatory body or exchange having jurisdiction over the Company;
- (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if
  - A. the communication is only through such newspaper, magazine or publication, and
  - B. the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (iv) activities or communications that may be otherwise specified by the Exchange;
- (q) **“Joint Actor”** means a person acting jointly or in concert with another person;
- (r) **“Optionee”** means the recipient of an option under this Plan;
- (s) **“Officer”** means any senior officer of the Company or any of its subsidiaries;
- (t) **“Plan”** means this incentive stock option plan, as amended from time to time;
- (u) **“Securities Act”** means the *Securities Act* (British Columbia), as amended from time to time;
- (v) **“Securities Laws”** means the acts, policies, bylaws, rules and regulations of the securities commissions governing the granting of options by the Company, as amended from time to time; and
- (w) **“Shares”** means the common shares of the Company without par value.

1.2 **Governing Law.** The validity and construction of this Plan shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

1.3 **Gender.** Throughout this Plan, whenever the singular or masculine or neuter is used, the same shall be construed as meaning the plural or feminine or body politic or corporate, and vice-versa as the context or reference may require.

**PART 2  
PURPOSE**

- 2.1 Purpose. The purpose of this Plan is to attract and retain Directors, Officers, Employees and Consultants and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through options granted under this Plan to purchase Shares.

**PART 3  
GRANTING OF OPTIONS**

- 3.1 Administration. This Plan shall be administered by the Board or, if the Board so elects, by a committee (which may consist of only one person) appointed by the Board from its members.
- 3.2 Committee's Recommendations. The Board may accept all or any part of any recommendations of any committee appointed under Section 3.1 or may refer all or any part thereof back to such committee for further consideration and recommendation.
- 3.3 Board Authority. Subject to the limitations of this Plan, the Board shall have the authority to:
- (a) grant options to purchase Shares to Eligible Persons;
  - (b) determine the terms, limitations, restrictions and conditions respecting such grants;
  - (c) interpret this Plan and adopt, amend and rescind such administrative guidelines and other rules and regulations relating to this Plan as it shall from time to time deem advisable; and
  - (d) make all other determinations and take all other actions in connection with the implementation and administration of this Plan including, without limitation, for the purpose of ensuring compliance with Section 7.1, as it may deem necessary or advisable.
- 3.4 Grant of Option. A resolution of the Board shall specify the number of Shares that shall be placed under option to each Eligible Person; the exercise price to be paid for such Shares upon the exercise of such option; any applicable hold period; and the period, including any applicable vesting periods required by Exchange Policies or by the Board, during which such option may be exercised.
- 3.5 Written Agreement. Every option granted under this Plan shall be evidenced by a written agreement between the Company and the Optionee substantially in the form attached hereto as Schedule A, containing such terms and conditions as are required by Exchange Policies and applicable Securities Laws, and, where not expressly set out in the agreement, the provisions of such agreement shall conform to and be governed by this Plan. In the event of any inconsistency between the terms of the agreement and this Plan, the terms of this Plan shall govern.
- 3.6 Withholding Taxes. If the Company is required under the Income Tax Act or any other applicable law to make source deductions in respect of Employee stock option benefits and to remit to the applicable governmental authority an amount on account of tax on the value of the taxable

benefit associated with the issuance of any Shares upon the exercise of options, then any Optionee who is deemed an Employee shall:

- (a) pay to the Company, in addition to the exercise price for such options, the amount necessary to satisfy the required tax remittance as is reasonably determined by the Company;
- (b) authorize the Company, on behalf of the Optionee, to sell in the market on such terms and at such time or times as the Company determines a portion of the Shares issued upon the exercise of such options to realize proceeds to be used to satisfy the required tax remittance; or,
- (c) make other arrangements acceptable to the Company to satisfy the required tax remittance.

#### **PART 4 RESERVE OF SHARES**

- 4.1 Sufficient Authorized Shares to be Reserved. A sufficient number of Shares shall be reserved by the Board to permit the exercise of any options granted under this Plan. Shares that were the subject of any option that has lapsed or terminated shall thereupon no longer be in reserve and may once again be subject to an option granted under this Plan.
- 4.2 Maximum Number of Shares Reserved. Unless authorized by the shareholders of the Company, this Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, shall not result, at any time, in the number of Shares reserved for issuance pursuant to options exceeding 10% of the issued and outstanding Shares as at the date of grant of any option under this Plan.
- 4.3 Limits with Respect to Individuals. The aggregate number of Shares subject to an option that may be granted to any one individual in any 12 month period under this Plan shall not exceed 5% of the issued and outstanding Shares determined at the time of such grant.
- 4.4 Limits with Respect to Consultants. The aggregate number of Shares subject to an option that may be granted to any one Consultant in any 12 month period under this Plan shall not exceed 2% of the issued and outstanding Shares determined at the time of such grant.
- 4.5 Limits with Respect to Investor Relations Activities. The aggregate number of Shares subject to an option that may be granted to any one person conducting Investor Relations Activities in any 12 month period under this Plan shall not exceed 2% of the issued and outstanding Shares determined at the time of such grant.

#### **PART 5 CONDITIONS GOVERNING THE GRANTING AND EXERCISING OF OPTIONS**

- 5.1 Exercise Price. Subject to a minimum price of \$0.10 per Share and Section 5.2, the exercise price of an option may not be less than the closing market price of the Shares on the trading day

immediately preceding the date of grant of the option, less any applicable discount allowed by the Exchange.

- 5.2 Exercise Price if Distribution. If any options are granted within 90 days of a public distribution by prospectus, then the minimum exercise price shall be the greater of that specified in Section 5.1 and the price per share paid by the investors for Shares acquired under the public distribution. The 90 day period shall commence on the date the Company is issued a final receipt for the prospectus.
- 5.3 Expiry Date. Each option shall, unless sooner terminated, expire on a date to be determined by the Board which shall not be later than the Expiry Date.
- 5.4 Different Exercise Periods, Prices and Number. The Board may, in its absolute discretion, upon granting an option under this Plan and subject to the provisions of Section 5.3, specify a particular time period or periods following the date of granting such option during which the Optionee may exercise the option and may designate the exercise price and the number of Shares in respect of which such Optionee may exercise the option during each such time period.
- 5.5 Termination of Employment. If a Director, Officer, Employee or Consultant ceases to be so engaged by the Company for any reason other than death, such Director, Officer, Employee or Consultant shall have the right to exercise any vested option granted to him under this Plan and not exercised prior to such termination within a period of 30 days after the date of termination, or such shorter period as may be set out in the Optionee's written agreement.
- 5.6 Termination of Investor Relations Activities. If an Optionee who is engaged in Investor Relations Activities ceases to be so engaged by the Company, such Optionee shall have the right to exercise any vested option granted to the Optionee under this Plan and not exercised prior to such termination within a period of 30 days after the date of termination, or such shorter period as may be set out in the Optionee's written agreement.
- 5.7 Death of Optionee. If an Optionee dies prior to the expiry of an option, his heirs or administrators may within 12 months from the date of the Optionee's death exercise that portion of an option granted to the Optionee under this Plan which remains vested and outstanding.
- 5.8 Assignment. No option granted under this Plan or any right thereunder or in respect thereof shall be transferable or assignable otherwise than as provided for in Section 5.7.
- 5.9 Notice. Options shall be exercised only in accordance with the terms and conditions of the written agreements under which they are granted and shall be exercisable only by notice in writing to the Company substantially in the form attached hereto as Schedule B.
- 5.10 Payment. Options may be exercised in whole or in part at any time prior to their lapse or termination. Shares purchased by an Optionee upon the exercise of an option shall be paid for in full in cash at the time of their purchase.

**PART 6**  
**CHANGES IN OPTIONS**

- 6.1 Share Consolidation or Subdivision. In the event that the Shares are at any time subdivided or consolidated, the number of Shares reserved for option and the price payable for any Shares that are then subject to option shall be adjusted accordingly.
- 6.2 Stock Dividend. In the event that the Shares are at any time changed as a result of the declaration of a stock dividend thereon, the number of Shares reserved for option and the price payable for any Shares that are then subject to option may be adjusted by the Board to such extent as it deems proper in its absolute discretion.
- 6.3 Effect of a Take-Over Bid. If a bona fide offer to purchase Shares (an “Offer”) is made to an Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of Section 1(1) of the Securities Act, the Company shall, upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon all Shares subject to option (the “Option Shares”) shall become vested and such option may be exercised in whole or in part by such Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise pursuant to the Offer. However, if:
- (a) the Offer is not completed within the time specified therein including any extensions thereof; or
  - (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,
- then the Option Shares received upon such exercise, or in the case of clause (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become vested pursuant to Section 3.4 shall be reinstated. If any Option Shares are returned to the Company under this Section 6.3, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.
- 6.4 Acceleration of Expiry Date. If, at any time when an option granted under this Plan remains unexercised with respect to any unissued Option Shares, an Offer is made by an offeror, the Board may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of options granted under this Plan vested, and declare that the Expiry Date for the exercise of all unexercised options granted under this Plan is accelerated so that all options shall either be exercised or shall expire prior to the date upon which Shares must be tendered pursuant to the Offer.
- 6.5 Effect of a Change of Control. If a Change of Control occurs, all outstanding options shall become vested, whereupon such options may be exercised in whole or in part by the applicable Optionee.

- 6.6 Other Stock Exchange Listing. In the event that the Company applies or intends to apply for listing on a stock exchange other than the CSE and, based on the policies and requirements of the other stock exchange, the Company believes that any or all options granted hereunder will not be accepted or approved by the other stock exchange, then the Company may, in its sole discretion, immediately cancel any or all options that remains outstanding to meet the listing requirements of the other stock exchange. If the Company cancels any such options pursuant to this Section 6.6, then no compensation will be owed by the Company to the applicable Optionee.
- 6.7 Approval and Cancellation. In the event that approval from the CSE or other stock exchange, as applicable, is not received for the grant of any options hereunder, each Optionee agrees that the Company may immediately cancel any or all such options that remains outstanding. If the Company cancels any of such options pursuant to this Section 6.7, then no compensation shall be owed by the Company to the applicable Optionee.

## **PART 7 SECURITIES LAWS AND EXCHANGE POLICIES**

- 7.1 Securities Laws and Exchange Policies Apply. This Plan and the granting and exercise of any options hereunder are also subject to such other terms and conditions as are set out from time to time in applicable Securities Laws and Exchange Policies and such terms and conditions shall be deemed to be incorporated into and become a part of this Plan. In the event of an inconsistency between such terms and conditions and this Plan, such terms and conditions shall govern. In the event that the Shares are listed on a new stock exchange, in addition to the terms and conditions set out from time to time in applicable Securities Laws, the granting or cancellation of options shall be governed by the terms and conditions set out from time to time in the policies, bylaws, rules and regulations of the new stock exchange and unless inconsistent with the terms of this Plan, the Company shall be able to grant or cancel options pursuant to the policies, bylaws, rules and regulations of such new stock exchange without requiring shareholder approval.

## **PART 8 AMENDMENT**

- 8.1 Board May Amend. The Board may, by resolution, amend or terminate this Plan, but no such amendment or termination shall, except with the written consent of the Optionees concerned, affect the terms and conditions of options previously granted under this Plan which have not then lapsed, terminated or been exercised.
- 8.2 Exchange Approval. Any amendment to this Plan or options granted pursuant to this Plan shall not become effective until such Exchange and shareholder approval as is required by Exchange Policies and applicable Securities Laws has been received.
- 8.3 Amendment to Insider's Options. Any amendment to options held by Insiders which results in a reduction in the exercise price of the options at the time of the amendment shall be conditional upon obtaining disinterested shareholder approval for that amendment.

**PART 9**  
**EFFECT OF PLAN ON OTHER COMPENSATION OPTIONS**

- 9.1 Other Options Not Affected. This Plan is in addition to any other existing stock options granted prior to and outstanding as at the date of this Plan and shall not in any way affect the policies or decisions of the Board in relation to the remuneration of Directors, Officers, Employees and Consultants.

**PART 10**  
**OPTIONEE'S RIGHTS AS A SHAREHOLDER**

- 10.1 No Rights Until Option Exercised. An Optionee shall be entitled to the rights pertaining to share ownership, such as to dividends, only with respect to Shares that have been fully paid for and issued to the Optionee upon the exercise of an option.

**PART 11**  
**EFFECTIVE DATE OF PLAN**

- 11.1 Effective Date. This Plan shall become effective upon its approval by the Board.

**SCHEDULE A  
INCENTIVE STOCK OPTION AGREEMENT**

Isodiol International Inc. (the “**Company**”) hereby grants the undersigned (the “**Optionee**”) incentive stock options to purchase common shares of the Company (the “**Options**”) in accordance with the Company’s stock option plan, as amended from time to time (the “**Plan**”), according to the following terms. The Optionee acknowledges that the grant of Options is subject to (a) the Plan; (b) the regulations and provisions of the British Columbia Securities Commission, the Alberta Securities Commission and the Ontario Securities Commission and any other applicable provincial securities commission; and (c) the approval of the Canadian Securities Exchange or other stock exchange, as applicable.

Name of Optionee: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Position with the  
Company: \_\_\_\_\_

Number of Options: \_\_\_\_\_

Exercise Price: \_\_\_\_\_

Date of Grant: \_\_\_\_\_

Expiry Date: \_\_\_\_\_

or earlier pursuant to Paragraphs 5.4, 5.5, 5.6, 5.4, 5.5, 5.6, 5.7, 6.4, 6.6, 6.7 or 8.1 of the Plan.

Vesting Schedule: All of the Options shall vest immediately unless otherwise described in the table below.

Period	% of Shares Vested



IN WITNESS WHEREOF, the Company and Optionee have caused this Agreement to be duly executed as of the date first written above.

**ISODIOL INTERNATIONAL INC.**

Per: \_\_\_\_\_  
Authorized Signatory

WITNESSED BY: )  
)  
\_\_\_\_\_)  
Signature )  
\_\_\_\_\_)  
Name )  
\_\_\_\_\_)  
Address )  
\_\_\_\_\_)  
\_\_\_\_\_)  
\_\_\_\_\_)  
Occupation )

\_\_\_\_\_  
**OPTIONEE**

**SCHEDULE B  
ISODIOL INTERNATIONAL INC.  
EXERCISE NOTICE**

The undersigned hereby subscribes for \_\_\_\_\_ common shares of Isodiol International Inc. (the "**Company**") at a price of \$\_\_\_\_\_ per share for a total amount of \$\_\_\_\_\_ (the "**Exercise Price**") pursuant to the provisions of the Incentive Stock Option Agreement entered into between the undersigned and the Company dated \_\_\_\_\_.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Email Address