

Sprout AI Inc.

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON NOVEMBER 18, 2022**

AND

MANAGEMENT INFORMATION CIRCULAR

October 3, 2022

SPROUT AI INC.

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING
OF SHAREHOLDERS TO BE HELD ON NOVEMBER 18, 2022**

NOTICE IS HEREBY GIVEN that an Annual General and Special Meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (“**Common Shares**”) in the capital of Sprout AI Inc. (“**Sprout**” or the “**Company**”) will be held at 9:00 AM MST on November 18, 2022 at Suite 600, 520 – 5th Avenue SW, Calgary, Alberta.

The Meeting will be held for the following purposes:

1. to receive the annual audited financial statements of the Company for the fiscal year ended January 31, 2022, together with the report of the auditors thereon;
2. to fix the number of directors of the Corporation to be elected at the Meeting at three (3);
3. to elect the directors of the Company for the ensuing year;
4. to appoint Segal LLP, as the auditors of the Company for the ensuing year and to authorize the Board of Directors of the Company to fix their remuneration;
5. to ratify and approve the stock option plan of the Company, as more particularly described in the management information circular dated October 3, 2022, (the “**Circular**”);
6. to ratify and approve the restricted share unit plan of the Company, as more particularly described in the management information circular dated October 3, 2022, (the “**Circular**”); and
7. to transact such other business as may properly be brought before the Meeting or any adjournment(s) thereof.

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

In the event the Company decides to change the date, time and/or location of the Meeting as part of its efforts to reduce the spread of COVID-19, the Company will issue a press release announcing the change and take all reasonable steps necessary to inform all the parties involved in the proxy infrastructure, including intermediaries and the Company’s transfer agent, of the change. The Company strongly encourages each Shareholder to submit a form of proxy or voting instruction form in advance of the Meeting. The Company also encourages all Shareholders to monitor the Company’s website for any changes to Meeting arrangements at <https://sproutai.solutions>.

Only Shareholders at the close of business on October 3, 2022 (the “Record Date”) are entitled to notice of and to vote at the Meeting or any adjournments or postponements thereof.

Shareholders may vote in person at the Meeting or any adjournments or postponements thereof, or they may appoint another person (who needs not be a Shareholder) as their proxy to attend and vote in their place.

To be valid, proxy forms must be dated, completed, signed and forwarded to Endeavor Trust Corporation, # 702, 777 Hornby Street, Vancouver, British Columbia V6Z 1S2 no later than November 16, 2022, or if the Meeting is adjourned or postponed, by the second business day prior to the date on which the Meeting is reconvened.

Panama City, Panama
October 3, 2022

BY ORDER OF THE BOARD OF DIRECTORS

(signed) “Chris Bolton”

Chris Bolton
Chief Executive Officer and Chair

**SPROUT AI INC.
MANAGEMENT INFORMATION CIRCULAR
FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON NOVEMBER 18, 2022**

GENERAL INFORMATION RESPECTING THE MEETING

The information contained in this management information circular (the “Circular”) is given as at **October 3, 2022**, unless otherwise noted.

No person has been authorized to give any information or to make any representation in connection with the other matters described herein other than those contained in this Circular and, if given or made, any such representation should be considered not to have been authorized by the Company.

This Circular is furnished in connection with the solicitation of proxies by or on behalf of the management of Sprout AI Inc. (“Sprout” or the “Company”) for use at the annual general and special meeting of the holders (the “Shareholders”) of the common shares (the “Common Shares”) in the capital of the Company to be held at 9:00 AM MST on November 18, 2022 at Suite 600, 520 – 5th Avenue SW, Calgary, Alberta, and any adjournment or adjournments thereof (the “Meeting”) for the purposes set forth in the notice of meeting of Shareholders (the “Notice of Meeting”) accompanying this Circular.

This Circular does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any person 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 any person to whom it is unlawful to make such solicitation.

Information contained in this Circular should not be construed as legal, tax or financial advice and Shareholders are urged to consult their own professional advisers in connection therewith.

Time, Date and Location of Meeting

The Meeting will be held on November 18, 2022, at 9:00 AM MST on November 18, 2022 at Suite 600, 520 – 5th Avenue SW, Calgary, Alberta. In the event the Company decides to change the date, time and/or location of the Meeting as part of its efforts to reduce the spread of COVID-19, the Company will issue a press release announcing the change and take all reasonable steps necessary to inform all the parties involved in the proxy infrastructure, including intermediaries and the Company’s transfer agent, of the change. The Company encourages all Shareholders to monitor the Company’s website for any changes to Meeting arrangements.

Currency

In this Circular, unless otherwise specified herein, all references to dollar amounts are to US Dollars.

Record Date

The Board of Directors of the Company (the “Board”) has fixed October 3, 2022, as the record date (the “Record Date”) for determination of persons entitled to receive notice of and to vote at the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described herein will be entitled to vote or to have their common shares of the Company (the “Common Shares”) voted at the Meeting.

Appointment of Proxyholders

The purpose of a proxy is to designate persons who will vote the proxy on behalf of a Shareholder of the Company in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or directors of the Company.

The individual(s) named in the accompanying form of proxy are management’s representatives. If you are a Shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than

the person(s) designated in the proxy, who need not be a Shareholder of the Company, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the proxy or by completing and delivering another proper proxy and, in either case, delivering the completed proxy to the office of Endeavor Trust Corporation, at # 702, 777 Hornby Street, Vancouver, British Columbia V6Z 1S2, or by fax or by email, or vote via internet (online) as specified in the proxy form, no later than 9:00 AM MST on November 16, 2022, unless the Chair elects to exercise his discretion to accept proxies received subsequently.

Voting by Proxyholder

The person(s) named in the proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The proxy confers discretionary authority on the person(s) named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

As at the date hereof, the Board knows of no such amendments, variations or other matters to come before the Meeting, other than the matters referred to in the Notice of Meeting. **However, if other matters should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the person(s) voting the proxy.**

Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting.

If a Shareholder does not specify a choice and the Shareholder has appointed one of the management proxyholders as proxyholder, the management proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

In respect of a matter for which a choice is not specified in the proxy, the person(s) named in the proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other means of communication by the directors, officers and employees of the Company, none of whom will be specifically remunerated therefor. The cost of any such solicitation will be borne by the Company.

Notice-and-Access

The Company has elected to use the "notice-and-access" provisions under National Instrument 54-101 – Communications with Beneficial Owners of Securities of a Reporting Issuer (the "Notice-and-Access Provisions") for the Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials which are mailed to shareholders by allowing a reporting issuer to post an information circular in respect of a meeting of its shareholders and related materials online.

The Company will use procedures known as "stratification" in relation to its use of the Notice-and-Access Provisions, meaning that Registered Shareholders will receive a paper copy of the Information Circular and other relevant information whereas Shareholders who do not own Common Shares in their own name ("Beneficial Shareholders") will be mailed a notification of availability of Meeting materials directing them to those websites where they can access the Information Circular and other relevant information (the "Notice-and-Access Notification").

The Company anticipates that notice-and-access will directly benefit the Company through substantial reductions in postage and printing costs. The Company believes that notice-and-access is also environmentally responsible to the extent that it decreases the large volume of paper documents generated by printing proxy-related materials.

The Company will be delivering the Notice-and-Access Notification to non-objecting Beneficial Shareholders directly with the assistance of Broadridge Financial Solutions, Inc. ("Broadridge"). Management does not intend to pay for intermediaries to forward the Notice-and-Access Notification to Beneficial Shareholders who have objected to their intermediary/broker disclosing ownership information about them pursuant to applicable securities laws ("Objecting Beneficial Shareholders"). Consequently, an Objecting Beneficial Shareholder will not receive the Notice-and-Access Notification unless the Objecting Beneficial Shareholder's intermediary/broker assumes the cost of delivery.

Shareholders with questions about notice-and-access can call Endeavor Trust Corporation toll free at 1 888 787 0888.

In order to receive a paper copy of this Information Circular and other relevant information, requests by Beneficial Shareholders may be made up to one year from the date the Information Circular was filed on System for Electronic Document Analysis and Retrieval ("SEDAR") by: (i) online at the Company's website: <https://sproutai.solutions>; (ii) calling Endeavor Trust Corporation toll free at 1 888 787 0888. The Company estimates that a Shareholder's request for paper copies of the Information Circular and other relevant information will need to be received prior to November 2, 2022, in order for such Shareholder to have sufficient time to receive and review the materials requested and return the completed Form of Proxy by the due date set out under the heading "Completion of Proxies" in this Information Circular.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by completing, dating and signing the enclosed form and returning it to the Company's transfer agent, Endeavour Trust Corporation, either: (a) by mail or hand delivery to Endeavor Trust Corporation at # 702, 777 Hornby Street, Vancouver, British Columbia V6Z 1S2; or (b) by fax at 604-559-8908; or (c) by email at proxy@endeavortrust.com; or (d) using the internet through the website of the Company's transfer agent at and entering the digit control number provided. Registered Shareholders must follow the instructions that appear on the screen and refer to the proxy form for the holder's Control Number. In order to be valid and acted upon at the Meeting, proxies and votes must be received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used. Proxies received after that time may not be accepted by the Chair of the Meeting in the Chair's discretion, and the Chair is under no obligation to accept late proxies.

Beneficial Shareholders

The following information is important to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by registered Shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares). 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. Shares beneficially owned by a non-registered shareholder are registered either:

- (a) in the name of an intermediary (an "**Intermediary**") that the non-registered shareholder deals with in respect of their shares (Intermediaries include, among others, banks, trust companies, securities dealers, or brokers and trustees or administrators of self-administered RRSP, RRIFs, RESPs and similar plans); or
- (b) in the name of a clearing agency (such as the Canadian Depository for Securities Limited or the Depository Trust & Clearing Corporation) of which the Intermediary is a participant.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all such cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such

Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such Common Shares are registered under the name of CDS & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from beneficial Shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of beneficial Shareholders, 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).

The Company is taking advantage of the provisions of NI 54-101, which permits it to deliver proxy-related materials directly to NOBOs. As a result, NOBOs can expect to receive a scannable voting instruction form ("**VIF**"). These VIFs are to be completed and returned to Endeavour Trust Corporation in the envelope provided or by facsimile to the number provided in the VIF.

This Circular, with related material, is being sent to both registered and beneficial Shareholders. If you are a beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name and address and information about your Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary who holds your Common Shares on your behalf. Please return your VIF as specified in your request for voting instructions that you receive.

Beneficial Shareholders who are OBOs should carefully follow the instructions of their Intermediary in order to ensure that their Common Shares are voted at the Meeting.

The form of proxy that will be supplied to beneficial Shareholders by the Intermediaries will be similar to the Proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the Intermediary on how to vote on behalf of the beneficial Shareholder. Most Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. in the United States and Broadridge Financial Solutions, Inc. Canada, in Canada (collectively, "**Broadridge**"). Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same person(s) as the proxy to represent beneficial Shareholders at the Meeting. Beneficial Shareholders have the right to appoint a person (who need not be a beneficial Shareholder of the Company), other than the person(s) designated in the VIF, to represent them at the Meeting. To exercise this right, beneficial Shareholders should insert the name of the desired representative in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge in the manner specified and in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, you cannot use it to vote Common Shares directly at the Meeting. The VIF must be completed and returned to Broadridge in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.**

Although as a beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your Intermediary, you, or a person designated by you, may attend the Meeting as proxyholder for your Intermediary and vote your Common Shares in that capacity. If you wish to attend the Meeting and indirectly vote your Common Shares as proxyholder for your Intermediary, or have a person designated by you to do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the VIF provided to you and return the same to your Intermediary in accordance with the instructions provided by such Intermediary, well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal proxy which would enable you, or a person designated by you, to attend the Meeting and vote your Common Shares.

In accordance with NI 54-101, arrangements have been made with Intermediaries or their nominees to distribute copies of the Notice of Meeting, this Circular, the form of proxy and the supplemental mailing list (collectively, the “**Meeting Materials**”) to OBOs whose Common Shares are held by or in custody of such Intermediaries. Such Intermediaries are required to forward the Meeting Materials to OBOs unless an OBO has waived the right to receive them. The Company has elected to pay for the delivery of the Meeting Materials to OBOs by the Intermediaries. The Company is sending the Meeting Materials directly to NOBOs through the services of Endeavour Trust Corporation.

Beneficial Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or voting instruction form is to be delivered.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a registered Shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered Shareholder or the registered Shareholder’s authorized attorney in writing, or if the registered Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Endeavour Trust Corporation at # 702, 777 Hornby Street, Vancouver, British Columbia V6Z 1S4, at any time up to and including the last business day that precedes the date of the Meeting or, if the Meeting is adjourned or postponed, the last business day that precedes any reconvening thereof, or to the Chair of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the registered Shareholder’s Common Shares. A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

BUSINESS OF MEETING

To the knowledge of the Board and management of the Company, the only matters to be brought before the Meeting are those set out in the accompanying Notice of Meeting and more particularly detailed below. **However, if other matters should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the person(s) voting the proxy.**

Presentation of Financial Statements

The annual audited consolidated financial statements of the Company for the fiscal year ended January 31, 2022 together with the report of the auditors thereon (the “**Fiscal 2021 Financial Statements**”), will be placed before the Meeting. The Fiscal 2021 Financial Statements and the related management’s discussion and analysis were mailed to the Shareholders who requested it and are additionally available by contacting the Company’s registered office at 810, 789 West Pender Street, Vancouver BC Canada or under the Company’s profile on SEDAR at www.sedar.com.

No vote is required nor will be taken on the Fiscal 2021 Financial Statements and receipt of thereof will not constitute approval or disapproval of any matters referred to therein.

Election of Directors

The Company’s Articles of Incorporation provide that the Board consists of a minimum of three (3) directors. There are currently three (3) directors on the Board and the Board has set the number of directors to be elected at the Meeting to three (3). The persons named hereunder will be proposed for election as directors of the Company. Each director elected will hold office until the close of the next annual meeting of Shareholders of the Company, or until his successor is duly elected unless prior thereto he resigns or his office becomes vacant by reason of death or other cause.

Common Shares represented by proxies in favour of management will be voted in favour of each of the individuals nominated for election as a director and named herein (each, a “Nominee”) unless a Shareholder has specified in the proxy that the Shareholder’s Common Shares are to be withheld from voting in respect of any particular Nominee or Nominees. Management does not contemplate that any of such Nominees will be unable to serve as directors; however, if for any reason any of the Nominees do not stand for election or are unable to serve as such, proxies in favour of management’s Nominees will be voted for another Nominee in their discretion unless a Shareholder has specified in the proxy that the Shareholder’s Common Shares are to be withheld from voting in respect of any particular Nominee or Nominees.

The following table sets forth the name, province or state and country of residence and principal occupation during the prior 2021-2022 period of each Nominee and the number of voting securities of the Company beneficially owned, or over which control or direction is exercised, directly or indirectly, by each Nominee. At the Meeting, Shareholders will be entitled to cast their votes for, or withhold their votes from, the election of each Nominee.

Name, Province and Country of Residence	Principal Occupation, Business or Employment ⁽¹⁾	Director of the Company Since	Common Shares Beneficially Owned or Over Which Control or Direction, Directly or Indirectly is Exercised		Options Beneficially Owned or Over Which Control or Direction, Directly or Indirectly is Exercised ⁽⁴⁾
			Number ⁽²⁾	Percentage (%) ⁽³⁾	
Christopher Bolton, <i>Panama, Panama</i>	Chief Executive Officer and Director		24,105,674		Nil
Tom Andrews, <i>Alberta, Canada</i>	Board of Director		Nil		Nil
Toni Rinow, <i>Quebec, Canada</i>	Board of Director		Nil		Nil

Notes:

TheraCann International Benchmark Corporation owns 48,211,347 shares of Sprout. Christopher Bolton owns 50% of of TheraCann.

As at the date of this Circular, to the Company’s knowledge, the Nominees, as a group, beneficially own, directly, or indirectly, or exercise control or direction over 24,105,674 Common Shares, representing approximately 26.5% of the issued and outstanding Common Shares (on a non-diluted basis).

Director Biographies

Chris Bolton

Mr. Bolton is Chief Executive Officer and Chair of Sprout AI Inc. Mr. Bolton has over thirty years of global experience in agricultural science and laboratory operations, manufacturing, quality control, software development, vertical urban farming regulatory compliance, business development and consulting. He is a senior executive with a proven reputation for creating a corporate vision to maximize multi-stakeholder input and the knowledge and passion to implement on that vision, and with proven experience in planning, designing, implementing and managing complex technologies while developing an international business operation. Chris holds a Law Degree (LLB) and a Bachelor of Arts with Honours B.A.(Hons.) from the University of Calgary. Prior to holding position as CEO of Sprout AI Inc., Mr. Bolton was the CEO of Benchmark Laboratories Group Ltd, an Operational Director of GE Capital IT Solutions, COO of International Productivity Solutions Inc., CEO of the Siberian Business Development

Corporation, CEO of FlashPoint Components Ltd. FlashPoint Innovations Ltd., and Partner of Civil and Criminal litigation at Helgeson, McDonald, Bolton.

Toni Rinow

Dr. Rinow is a transformational finance and business leader with over 20 years of experience and a proven track record in international corporate development. Toni specializes in guiding companies through inflection points of growth, innovation, technology convergence and business integration. Toni transforms data into actionable strategies and most recently served in a NASDAQ traded company raising over \$160 million in capital expansion financing and executed on acquisitions securing a Morgan Stanley capital-backed portfolio.

Toni led healthcare organizations as General Manager at global nuclear medicine leader Jubilant Draximage Inc and as Chief Operating Officer at Isologic Innovative Radiopharmaceuticals. Her professional career includes leadership roles in both public and private pharmaceutical and healthcare organizations, where she spearheaded acquisitions across Canada, Latin America, Europe, India and USA.

Dr. Rinow holds a MBA and a Masters in Accounting from the McGill University, as well as a chemical engineer degree from ERASMUS European Higher Institute of Chemistry in Strasbourg, France and a PhD in Biophysics and Chemistry from the University of Montreal. She is trained in artificial intelligence at MIT Massachusetts Institute of Technology. Dr. Rinow believes in giving back to the community and sat on the Board of Directors in several non-for profit organizations.

Tom Andrews

Mr Andrews, holds a BSc from the University of Calgary in Geophysics and has over 35 years of experience as a professional Geophysicist. Employed domestically and internationally with BP Canada/Talisman Energy, Gauntlet Energy, Tamboran Resources and most recently as an independent consultant to several multinational and junior companies in the oil and gas sector.

An expert in the oil and gas sector advising firms exploring and drilling conventional prospects and exposure to the shale gas revolution in North America. Over the past few years Mr. Andrews has established himself in zero carbon emission energy projects in North America including Blue Hydrogen and Geothermal.

He has been a valuable resource to Sprout through his knowledge in providing solutions to the carbon issues facing the global environment. This includes Sprout commitment to assisting in this valuable initiative.

Corporate Cease Trade Orders or Bankruptcies

The Company's shares are subject to a Cease Trade Order ("CTO") on the Canadian Stock Exchange effective April 6, 2022. The CTO occurred due to financial statement filings which were past due. Sprout's filing requirements were missed due to mis-interpretations in the year-end period that transpired with the RTO. Sprout AI intends to correct these deficiencies in the near-term and will request removal of the CTO in October 2022.

To the knowledge of the Company, none of the Nominees are, or within 10 years prior to the date of this Circular have been, a director or executive officer of any company that, while such person was acting in that capacity, was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant issuer access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days (an "**Order**").

To the knowledge of the Company, none of the Nominees was the subject of an Order that was issued after the Nominee ceased to be a director or executive 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.

To the knowledge of the Company, none of the Nominees are, or within 10 years prior to the date of this Circular have been, a director or executive officer of any company that, while 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.

Personal Bankruptcies

To the knowledge of the Company, none of the Nominees have, within 10 years prior to the date of this Circular, become bankrupt, made a proposal under any bankruptcy or insolvency legislation, been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold their assets.

Penalties or Sanctions

To the knowledge of the Company, none of the Nominees have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, or have entered into a settlement agreement with a securities regulatory authority, or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Appointment of Auditors

The Shareholders will be asked to pass an ordinary resolution at the Meeting to appoint Segal LLP (“**Segal**”) as auditors of the Company, to hold office until the next annual meeting of the Shareholders, at such remuneration to be determined by the Board. Segal was first appointed auditors of the Company effective March 8, 2022.

Common Shares represented by proxies in favour of management will be voted in favour of the resolution authorizing the appointment of Segal as auditor of the Company, to hold office for the ensuing year or until a successor is appointed at a remuneration to be fixed by the Board, unless a Shareholder has specified in the proxy that the Shareholder’s common shares are to be withheld from voting in respect thereof.

Approval of Stock Option Plan

At the Meeting, Shareholders will be asked to approve an ordinary resolution (the “**Stock Option Plan Resolution**”) to ratify and approve the Company’s stock option plan (the “**Stock Option Plan**”), attached as Appendix “B” to this Circular, for the ensuing year. In order to be effective, the Stock Option Plan Resolution must be passed by not less than a majority of the votes cast by the holders of Common Shares present in person, or represented by proxy, at the Meeting. If the Stock Option Plan Resolution is not approved by the Shareholders at the Meeting, then all Options which have already been granted will not be affected; however, the Company will not be permitted to make further grants under the Stock Option Plan until Shareholder approval is obtained. In addition, Options that are redeemed, or which terminate or expire shall not be available for re-grant until the requisite Shareholder approval is obtained. A summary of the terms of the Stock Option Plan is included under the heading “*Securities Authorized for Issuance under Equity Compensation Plans – Stock Option Plan*” in this Circular.

The Stock Option Plan provides that the Board may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company, or any subsidiary of the Company, the option to purchase Common Shares. The Stock Option Plan provides for a floating maximum limit of 15% of the outstanding Common Shares as permitted by the policies of the Canadian Stock Exchange (the “**CSE**”). As at the date hereof, this represents 9,096,481 Common Shares available for issuance under the Stock Option Plan. As at the date hereof, outstanding there are no options issued.

The foregoing summary of the Stock Option Plan is qualified in its entirety with reference to the full text of the Stock Option Plan, a copy of which is attached hereto as Appendix “B”.

The Board recommends that Shareholders vote FOR the Stock Option Plan Resolution. Unless the Shareholder has specifically instructed in the form of proxy or voting instruction form that the Common Shares represented by such proxy or voting instruction form are to be voted against the Stock Option Plan Resolution, the persons named in the proxy or voting instruction form will vote FOR the Stock Option Plan Resolution.

The text of the resolution to be passed is set out below:

“BE IT RESOLVED THAT:

1. the stock option plan (the “Stock Option Plan”), substantially in the form attached as Appendix “B” to this Circular, be and is hereby ratified and approved as the stock option plan of the Company;
2. the form of Stock Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Company; and
3. any one director or officer of the Company be and the same is hereby authorized and directed for and in the name of and on behalf of the Company to execute or cause to be executed, whether under corporate seal of the Company or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in order to carry out the terms of this resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing.”

For additional information and a detailed description of the Stock Option Plan, please see “*Securities Authorized for Issuance under Equity Compensation Plans – Stock Option Plan*”.

Approval of Restricted Share Unit Plan

At the Meeting, Shareholders will be asked to approve an ordinary resolution (the “**Restricted Share Unit Plan Resolution**”) to ratify and approve the Company’s restricted share (“RSU”) unit plan (the “**RSU Plan**”), attached as Appendix “C” to this Circular, for the ensuing year, and that was originally adopted by the Company on July 5, 2021. In order to be effective, the RSU Plan Resolution must be passed by not less than a majority of the votes cast by the holders of Common Shares present in person, or represented by proxy, at the Meeting. If the RSU Plan Resolution is not approved by the Shareholders at the Meeting, then all RSUs which have already been granted will not be affected; however, the Company will not be permitted to make further grants under the RSU Plan until Shareholder approval is obtained. In addition, RSUs that are redeemed, or which terminate or expire shall not be available for re-grant until the requisite Shareholder approval is obtained. A summary of the terms of the RSU Plan is included under the heading “*Securities Authorized for Issuance under Equity Compensation Plans – RSU Plan*” in this Circular.

The RSU Plan provides that the Board may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company, or any subsidiary of the Company, the option to purchase Common Shares. The RSU Plan provides for a [floating/fixed] maximum limit 15% of the outstanding Common Shares as permitted by the policies of the Canadian Stock Exchange (the “CSE”). As at the date hereof, this represents 9,096,481 Common Shares available for issuance under the RSU Plan. No RSU’s have been issued to date.

The foregoing summary of the RSU Plan is qualified in its entirety with reference to the full text of the RSU Plan, a copy of which is attached hereto as Appendix “C”.

The Board recommends that Shareholders vote FOR the RSU Plan Resolution. Unless the Shareholder has specifically instructed in the form of proxy or voting instruction form that the Common Shares represented by such proxy or voting instruction form are to be voted against the RSU Plan Resolution, the persons named in the proxy or voting instruction form will vote FOR the RSU Resolution.

The text of the resolution to be passed is set out below:

“BE IT RESOLVED THAT:

1. the restricted share unit plan (the “RSU Plan”), substantially in the form attached as Appendix “C” to this Circular, be and is hereby ratified and approved as the restricted share unit plan of the Company;
2. the form of RSU Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Company; and

3. any one director or officer of the Company be and the same is hereby authorized and directed for and in the name of and on behalf of the Company to execute or cause to be executed, whether under corporate seal of the Company or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in order to carry out the terms of this resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing.”

For additional information and a detailed description of the RSU Plan, please see “*Securities Authorized for Issuance under Equity Compensation Plans – RSU Plan*”.

Other Business

The Board knows of no other matters to come before the Meeting other than as referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the Common Shares represented by proxy solicited hereby will be voted on such matters in accordance with the best judgement of the person voting such proxy.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation of Named Executive Officers: Compensation Discussion & Analysis

The purpose of this compensation discussion and analysis is to describe and explain the Company’s executive compensation strategy, philosophy, objectives and processes and to discuss compensation decisions made by the Company in Fiscal 2021 (as defined below). In this Circular, a Named Executive Officer (“**NEO**”) means each of the following individuals for Fiscal 2021: (i) the Company’s Chief Executive Officer and Chair (the “**CEO**”); (ii) the Company’s Chief Financial Officer (the “**CFO**”); (iii) each of the Company’s **three** most highly compensated executive officers, or the most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, whose total compensation at the end of Fiscal 2022 was, individually more than \$150,000 for Fiscal 2022; and (iv) each individual who would be an NEO under (iii) above, but for the fact that such individual was neither an executive officer of the Company, nor serving in a similar capacity, at the end of Fiscal 2022.

Based on the foregoing definitions, the Company’s NEOs in respect of the year ended January 31, 2022 were: (i) Christopher Bolton, CEO, Kyle Horak, COO and Jon Olson, CFO.

The general objectives of the Board’s compensation decisions are:

- to encourage management to achieve a high level of performance and results with a view to increasing long-term shareholder value;
- to align management’s interests with the long-term interest of shareholders;
- to provide compensation commensurate with peer companies in order to attract and retain highly qualified executives; and
- to ensure that total compensation paid takes into account the Company’s overall financial position.

The Board’s compensation program, which is determined by the Board, is designed to provide competitive levels of compensation, a significant portion of which is dependent upon individual and corporate performance and contribution to increasing shareholder value. The Board recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive’s level of responsibility. In general, NEO compensation is comprised of consulting fees or salary and Option grants.

The compensation paid to the NEOs was paid to an individual who is proficient, experienced, has sufficient skills and potential and is performing at a high level. The compensation was variable in nature and directly related to the actual amount of work performed. The variable rates were based on market related rates for professionals performing similar duties and possessing a similar skill set.

Option grants are designed to reward the NEOs for success on a similar basis as the shareholders of the Company, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the NEOs.

The Board has not formally considered the risks associated with the Company's compensation policies and practices. The Company's compensation policies and practices give greater weight toward long-term incentives to mitigate the risk of encouraging short term goals at the expense of long-term sustainability. The discretionary nature of Option grants are significant elements of the Company's compensation plans and provide the Board of Directors with the ability to reward historical performance and behaviour that the Board of Directors consider to be aligned with the Company's best interests. The Company has attempted to minimize those compensation practices and policies that expose the Company to inappropriate or excessive risks.

The Company has not established a policy on whether or not a NEO or director is permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. During the financial year ended January 31, 2022, the Company did not utilize any financial hedges.

Compensation of Named Executive Officers: Elements of Compensation

The Board relies on the knowledge and experience of its members to set appropriate levels of compensation for NEOs. When determining NEO compensation, the Board uses all data available to it to ensure that such compensation is set at a level that is both commensurate with the size of the Company, responsibilities of the particular NEO and retention of the NEOs, who are considered by the Board to be essential to the success of the Company. The Board reviews the various elements of the NEOs' compensation in the context of the total compensation package, including salary, incentive bonuses and awards of Options, and recommends the NEOs' compensation packages.

The executive compensation program consists of three components: (a) base compensation in the form of salary; (b) incentive bonuses in the form of cash payments; and (c) subject to Shareholder approval, long-term compensation in the form of Options issued under the Stock Option Plan.

Base Compensation

Base compensation for executive officers of the Company is set annually, having regard to the individual's job responsibilities, contribution, experience and proven or expected performance, as well as to market conditions. In setting base compensation levels, consideration is expected to be given to such factors as level of responsibility, experience and expertise in addition to the policies of the CSE. At this time, the Company does not tie base compensation to any milestones or peer groups.

Incentive Bonuses

Incentive bonuses, in the form of cash payments, are designed to add a variable component of compensation based on corporate and individual performance for executive officers. The Company does not have a formal bonus plan but may award discretionary bonuses that are recommended by the CEO and approved by the Board.

Stock Options

To provide a long-term component to the executive compensation program, executive officers of the Company are eligible to receive Options. The maximization of shareholder value is encouraged by granting Options since such grants provide an incentive to eligible persons to further the development, growth and profitability of the Company. Consideration will be given to granting Options amongst the various organizational levels of management, including directors, officers and certain consultants. The Chief Executive Officer will make recommendations to the Board for the Chief Financial Officer and other key employees. These recommendations are to take into account factors such as awards made in previous years, the number of Options outstanding per individual and the level of responsibility. The Board, as a whole, will determine the Options to be issued to the Chief Executive Officer. A summary of the

terms of the Stock Option Plan is included under the heading “*Securities Authorized for Issuance under Equity Compensation Plans – Stock Option Plan*” below.

Restricted Share Units

The RSU component of a NEO’s compensation is an incentive-based method of compensation pursuant to which executives are awarded units in lieu of cash payments that such individuals are entitled to for their service to the Company. When RSUs are granted the award is valued based on the market price of the Corporation’s shares at the time of grant and the value of a RSU tracks the market value of the Corporation’s shares from the date of grant to the date of expiry, which is generally three years from the grant date. When the RSU is paid out, the value of the RSU will be the market value of the Corporation’s shares at the payout date. RSU’s may be settled in cash or the Corporation’s shares issued from treasury.

Compensation of Directors: Compensation Discussion & Analysis

The Board determines director compensation from time to time. Directors are not generally compensated in their capacities as such, but the Company may, from time to time, grant to its directors Options pursuant to the terms of the Stock Option Plan and in accordance with the policies of the CSE.

Summary Compensation Table: Directors and Named Executive Officers, Excluding Compensation Securities

The following table sets forth the information required under Form 51-102F6V – *Statement of Executive Compensation-Venture Issuers (“Form 51-102F6V”)*, regarding all compensation paid, payable, granted or otherwise provided during the most recently completed financial year of the Company, to all persons acting as directors or as NEOs for the 15 month period from November 1, 2021 and ended January 31, 2022 respectively.

Name & Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	All other Compensation (\$)	Total Compensation (\$)
Christopher John Bolton, CEO and Director	15 months	39,491					39,491
Kyle Horak, COO and Director (1)	15 months	78,538					78,538
Jon Olsen, CFO (2)	15 months	50,485					50,485

Notes:

1. Kyle Horak resigned from his position of COO on March 18th, 2022 and as Director on April 11, 2022.
2. Jon Olsen resigned from his position as CFO on January 25, 2022.

Summary Compensation Table: Stock Options and Other Compensation Securities

There have been no grants of Stock options, RSU's or other compensation by the Company during the financial year ended January 31, 2022.

Pension Plan Benefits

A retirement savings plan, managed by Progreso AFPC, has recently been incorporated at the Company. The plan has three different funds options, based on rentability, expected yield and risk level, which gives flexibility to workers to select an appropriate option based on particular circumstances and conditions.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table provides information regarding compensation plans under which securities of the Company are authorized for issuance to directors, officers, employees and consultants in effect as of the end of the Company's most recently completed fiscal year:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity Compensation Plans approved by securityholders			
Stock Option Plan	None	None	None
Restricted Share Unit Plan	None	None	None
Equity compensation plans not approved by security holders	None	None	None

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No person, director, executive officer, employee or any former director, executive officer or employee of the Company or a subsidiary thereof, and furthermore, no person who is a nominee for election as a director of the Company, and no associate of such persons is, or was as of the date of this Circular indebted to the Company or a subsidiary of the Company or indebted to any other entity where such indebtedness is subject to a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or a subsidiary of the Company.

CORPORATE GOVERNANCE PRACTICES

In accordance with National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Policy 58-201 – *Corporate Governance Guidelines* (“**NP 58-201**”), issuers are to disclose the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices. The Company is also subject to National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), which has been adopted in each of the Canadian provinces and territories and which prescribes certain requirements in relation to audit committees.

The Board is responsible for the governance of the Company. The Board and the Company's management consider good corporate governance to be central to the effective and efficient operation of the Company. Below is a discussion of the Company's approach to corporate governance.

Board of Directors

The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Company. The Board is committed to a high standard of corporate governance practices. The Board believes that this commitment is not only in the best interest of the Shareholders, but that it also promotes effective decision making at the Board level.

In accordance with NI 58-101, a director is deemed to be “independent” if he or she has no direct or indirect “material relationship” with the issuer. A “material relationship” is as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member’s independent judgment. The Board maintains the exercise of independent supervision over management by ensuring that the majority of its directors are independent.

The Board is currently comprised of three (3) directors being Chris Bolton, Toni Rinow, and Tom Andrews. Toni Rinow and Tom Andrews are independent within the meaning of NI 58-101. Chris Bolton is not independent as he is an officer of the Company and thereby has a “material relationship” with the Company.

The Board believes that it functions independently of management and reviews its procedures on an ongoing basis to ensure that it is functioning independently of management.

Corporate Governance and Compensation Committee

Board Oversight

The Board exercises its independent supervision over the Company’s management through a combination of formal meetings of the Board as well as informal discussions amongst the Board members. The independent directors can also hold scheduled meetings at which non-independent directors and members of management are not in attendance. Where matters arise at Board meetings which require decision making and evaluation that is independent of management and interested directors, the meeting breaks into an in-camera session among the independent and disinterested directors.

Directorships in Other Reporting Issuers

Toni Rinow is a director of Converge Technology Solutions Corp., a TSXV listed company.

Orientation and Continuing Education

While the Company does not have a formal orientation and training program, new members of the Board are provided with:

- (a) a copy of the policies and mandates of the Board and its committees and copies of the Company’s corporate governance policies, which provides information respecting the functioning of the Board;
- (b) access to recent, publicly filed documents of the Company;
- (c) access to management; and
- (d) access to legal counsel in the event of any questions relating to the Company’s compliance and other obligations.

Members of the Board are encouraged to communicate with management, legal counsel and, where applicable, auditors and technical consultants of the Company; to keep themselves current with industry trends and developments and changes in legislation with management’s assistance; and to attend related industry seminars and visit the Company’s operations. Board members have full access to the Company’s records.

Ethical Business Conduct

In establishing its corporate governance practices, the Board has been guided by applicable Canadian securities legislation, including NP 58-201, and the guidelines of the CSE for effective corporate governance. The Board is

committed to a high standard of corporate governance practices. The Board believes that this commitment is not only in the best interests of its Shareholders, but that it also promotes effective decision making at the Board level.

The Board takes steps to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer of the Company has a material interest, which include ensuring that directors and officers are familiar with the rules concerning reporting conflicts of interest and obtaining direction from the Company's CEO and/or the Company's legal counsel, as appropriate, regarding any potential conflicts of interest.

The Board encourages and promotes an overall culture of ethical business conduct by: (i) promoting compliance with applicable laws, rules and regulations; (ii) providing guidance to officers and directors to help them recognize and deal with ethical issues; (iii) promoting a culture of open communication, honesty and accountability; and (iv) ensuring awareness of disciplinary action for violations of ethical business conduct.

Additionally, in order to encourage and promote a culture of ethical business conduct, the Board has adopted a Code of Conduct (the "**Code**") wherein directors, officers and employees of the Company and others are provided with a mechanism by which they can raise complaints regarding financial and regulatory reporting, internal accounting controls, auditing or health, safety and environmental matters or any other matters and raise concerns about any violations of the Code in a confidential and, if deemed necessary, anonymous process.

The Board has instructed its management and employees to abide by the Code and to bring any breaches of the Code to the attention of the Chair of the Audit Committee. Compliance with the Code is monitored primarily through the reporting process within the Company's organizational structure.

It is a requirement of applicable corporate law that directors who have an interest in a transaction or agreement with the Company promptly disclose that interest at any meeting of the Board at which the transaction or agreement will be discussed and abstain from discussions and voting in respect to same if the interest is material. The Code imposes a similar disclosure requirement on all non-director representatives of the Company and requires such persons to report such conflict to the executive officer to whom that person reports in the course of his employment responsibilities, or, in the case of a senior executive officer, to the Audit Committee and fully inform such person or the committee, as applicable, of the facts and circumstances related to the conflict or potential conflict. The representative is prohibited from taking any further action in respect of the matter or transaction giving rise to such conflict or potential conflict unless and until he is authorized to do so by his reporting officer or the Audit Committee.

Nomination of Directors

The Board has not appointed a nominating committee. As a result of the Company's size, its stage of development and the size of the Board, the Board considers that a nominating committee is not required at this time.

Other Board Committees

The Board has no standing committees other than the Audit Committee and the Governance and Human Resources Committee.

Assessments

The Board does not consider formal assessments useful given the stage of the Company's business and operations. However, the Chief Executive Officer of the Company meets annually with each director individually, which facilitates a discussion of his contribution and that of other directors. When needed, time is set aside at a meeting of the Board for a discussion regarding the effectiveness of the Board and its committees. If appropriate, the Board then considers procedural or substantive changes to increase the effectiveness of the Board and its committees. On an informal basis, the Chief Executive Officer is also responsible for reporting to the Board on areas where improvements can be made. Any agreed upon improvements required to be made are implemented and overseen by Board. A more formal assessment process will be instituted as, if, and when the Board considers it to be necessary.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITORS

The Audit Committee is a committee of the Board to which the Board delegates its responsibility for oversight of the financial reporting process. The Audit Committee is also responsible for managing, on behalf of the Shareholders, the relationship between the Company and the external auditor. NI 52-110 requires the Company, as a Venture Issuer (as defined in NI 52-110), to disclose annually in its information circular certain information relating to the Company's audit committee and its relationship with the Company's independent auditors.

Audit Committee Charter

The directors of the Company have adopted a Charter for the Audit Committee, which sets out the Audit Committee's mandate, organization, powers and responsibilities. The full text of the Audit Committee Charter is attached hereto as Appendix "A" to this Circular.

The mandate of the Audit Committee is to oversee and provide assistance in financial reporting, financial policies and internal controls as well as to work with the external auditors to ensure the accuracy of the Company's financial disclosures. The Audit Committee must pre-approve all non-audit services to be provided by an external auditor.

Composition of the Audit Committee

As of the date hereof, the Audit Committee is composed of two members, Toni Rinow and Tom Andrews. Each of Ms. Rinow and Mr. Andrews are independent as such term is defined NI 52-110. All current and proposed members of the Audit Committee are "financially literate", as such term is as defined in NI 52-110.

Relevant Education and Experience

Collectively, the Audit Committee has the education and experience to fulfill the responsibilities outlined in the Audit Committee Charter.

For the relevant education and experience of each of the current and proposed members of the Company's Audit Committee, please see the full biographical summaries under the heading "*Business of the Meeting – Director Biographies*".

Each current and proposed member of the Audit Committee has:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements;
- (b) the ability to assess the general application of those principles in connection with the accounting for estimates, accruals and provisions;
- (c) 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
- (d) an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

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

Reliance on Certain Exemptions

Since the Company is a "Venture Issuer" pursuant to NI 52-110 (its securities are not listed or quoted on any of the Toronto Stock Exchange, a market in the United States of America, or a market outside of Canada and the United

States of America), it is exempt from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee Charter provides for the Audit Committee to establish the auditors' fees. Such fees have been based upon the complexity of the matters in question and the time incurred by the auditors. Management of the Company believes that the fees negotiated in the past with the auditors of the Company were reasonable in the circumstances and would be comparable to fees charged by other auditors providing similar services.

Audit Fees

The following chart summarizes the aggregate fees billed by the external auditors of the Company for professional services rendered to the Company for audit and non-audit related services for fiscal year 2022 and fiscal year 2021. The amounts indicated below are exclusive of disbursements and HST.

Type of Work	For the 15 month period November 1, 2021 to January 31, 2022	
Audit fees	\$44,661	
Audit-related fees	0	
Tax fee	0	
All other fees	0	
Total	\$44,661	

VOTING OF COMMON SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares, which as at the date hereof, there were 92,504,806 fully paid and non-assessable Common Shares issued and outstanding. The holders of the Common Shares are entitled to receive notice of all meetings of Shareholders and to attend and vote the Common Shares at all such meetings. Each Common Share carries with it the right to one vote and no other voting securities are issued and outstanding as of the Record Date.

To the best of the knowledge of the directors and executive officers of the Company, as at the date hereof, the following persons or companies beneficially owned, directly or indirectly, or exercised control or direction over, voting securities of the Company carrying more than 10% of the voting rights attached to the Common Shares:

Name	Number of Common Shares Held	Percentage of Total Issued and Outstanding Common Shares
TheraCann International Benchmark Corporation	48,211,347	53%

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, since the commencement of the Company's most recently completed financial year, no informed person of the Company, or any associate or affiliate of any informed person or nominee, has or had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or will materially affect the Company or any of its subsidiaries.

INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Other than as disclosed in this Circular, management of the Company is not aware of any material interest of any director or nominee for director or executive officer or anyone who has held office as such since the beginning of the Company's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting.

ADDITIONAL INFORMATION

The Company has been a reporting issuer under the securities laws of the Provinces of Ontario, British Columbia and Alberta since June 1, 2021, and is therefore required to file its financial statements, management discussion and analysis and its management information circulars with the securities commissions of such provinces on or before the prescribed filing deadlines under applicable corporate and securities laws.

Financial information of the Company is provided in the Company's comparative annual financial statements and management's discussion and analysis for its most recently completed financial year. Copies of these documents, as well as additional information relating to the Company contained in documents filed by the Company with the Canadian securities regulatory authorities, may also be accessed through the SEDAR website at www.sedar.com.

APPROVAL OF BOARD OF DIRECTORS

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

Dated: October 3, 2022.

"Chris Bolton"

Chris Bolton
Chief Executive Officer and Chair

APPENDIX “A”

Audit Committee Charter

AUDIT COMMITTEE CHARTER

This charter (the “**Charter**”) sets forth the mandate, composition, authority and duties of the audit committee (the “**Committee**”) of the board of directors (the “**Board**”) of Sprout AI Inc. (the “**Company**”).

Section 1 Mandate

The mandate of the Committee is to:

- (a) assist the Board in fulfilling its oversight responsibilities in respect of:
 - (i) the quality and integrity of the Company’s financial statements, financial reporting processes and systems of internal controls and disclosure controls regarding risk management, finance, accounting and legal and regulatory compliance;
 - (ii) the independence and qualifications of the Company’s external auditors;
 - (iii) the review of the periodic audits performed by the Company’s external auditors and the Company’s internal accounting department; and
 - (iv) the development and implementation of policies and processes in respect of corporate governance matters;
- (b) provide and establish open channels of communication between the Company’s management, internal accounting department, external auditor and directors;
- (c) prepare all filings and disclosure documents required to be prepared by the Committee and/or the Board pursuant to all applicable federal, provincial and state securities legislation and the rules and regulations of all securities commissions having jurisdiction over the Company;
- (d) review and confirm the adequacy of procedures for the review of all public disclosure of financial information extracted or derived from the Company’s financial statements, and to periodically assess the adequacy of those procedures; and
- (e) establish procedures for:
 - (i) the receipt, retention and treatment of complaints or concerns received by the Company regarding accounting, internal accounting controls or auditing matters, including, but not limited to, concerns about questionable accounting or auditing practices; and
 - (ii) the confidential, anonymous submission by employees of the Company of such complaints or concerns.

The Committee will primarily fulfil its mandate by performing the duties set out in Section 7 hereof.

The Board and management of the Company will ensure that the Committee has adequate funding to fulfil its mandate.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits, or to determine that the Company’s financial statements are complete and accurate or are in accordance with generally accepted accounting principles, accounting standards or applicable laws and regulations. This is the responsibility of the Company’s management, internal accounting department and external

auditors. Because the primary function of the Committee is oversight, the Committee will be entitled to rely on the expertise, skills and knowledge of the Company's management, internal accounting department, external auditors and other external advisors and the integrity and accuracy of information provided to the Committee by such persons in carrying out its oversight responsibilities. Nothing in this Charter is intended to change or in any way limit the responsibilities and duties of the Company's management, internal accounting department or external auditors.

Section 2 Composition

The Committee will be comprised of at least three (3) members of the Board, the number of which may be modified from time to time by resolution of the Board. The composition of the Committee will be determined by the Board such that the membership and independence requirements set out in the rules and regulations, in effect from time to time, of any securities commissions (including, but not limited to, the British Columbia Securities Commission and any exchanges upon which the Company's securities are listed (including, but not limited to, the Canadian Securities Exchange and the OTCQB) are satisfied (the said securities commissions and exchanges are hereinafter collectively referred to as the "**Regulators**").

Section 3 Term of Office

The members of the Committee will be appointed or re-appointed by the Board on an annual basis. Each member of the Committee will continue to be a member thereof until such member's successor is appointed, or until such member resigns or is removed by the Board. The Board may remove or replace any member of the Committee at any time. However, a member of the Committee will automatically cease to be a member of the Committee upon either ceasing to be a director of the Board or ceasing to meet the requirements established, from time to time, by any Regulators. Vacancies on the Committee will be filled by the Board.

Section 4 Committee Chair

The Board, or if it fails to do so, the members of the Committee, will appoint a chair from the members of the Committee. If the chair of the Committee is not present at any meeting of the Committee, an acting chair for the meeting will be chosen by majority vote of the Committee from among the members present. In the case of a deadlock in respect of any matter or vote, the chair will refer the matter to the Board for resolution. The Committee may appoint a secretary who need not be a member of the Board or the Committee.

Section 5 Meetings

The time and place of meetings of the Committee and the procedures at such meetings will be determined, from time to time, by the members thereof, provided that:

- (a) a quorum for meetings will be two members, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to and hear each other. The Committee will act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Committee may also act by unanimous written consent in lieu of meeting;
- (b) the Committee may meet as often as it deems necessary, but will not meet less than once annually;
- (c) notice of the time and place of every meeting will be given in writing and delivered in person or by facsimile or other means of electronic transmission to each member of the Committee at least 72 hours prior to the time of such meeting; and

- (d) the Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board. The Committee will make regular reports of its meetings to the Board, directly or through its chair, accompanied by any recommendations to the Board approved by the Committee.

Section 6 Authority

The Committee will have the authority to:

- (a) retain (at the Company's expense) its own legal counsel, accountants and other consultants that the Committee believes, in its sole discretion, are needed to carry out its duties and responsibilities;
- (b) conduct investigations that it believes, in its sole discretion, are necessary to carry out its responsibilities;
- (c) take whatever actions it deems appropriate, in its sole discretion, to foster an internal culture within the Company that results in the development and maintenance of a superior level of financial reporting standards, sound business risk practices and ethical behaviour; and
- (d) request that any director, officer or employee of the Company, or other persons whose advice and counsel are sought by the Committee (including, but not limited to, the Company's legal counsel and the external auditors) meet with the Committee and any of its advisors and respond to their inquiries.

Section 7 Specific Duties

In fulfilling its mandate, the Committee will, among other things:

- (a) (i) select the external auditors, based upon criteria developed by the Committee; (ii) approve all audit and non-audit services in advance of the provision of such services and the fees and other compensation to be paid to the external auditors; (iii) oversee the services provided by the external auditors for the purpose of preparing or issuing an audit report or related work; and (iv) review the performance of the external auditors, including, but not limited to, the partner of the external auditors in charge of the audit, in its discretion, approve any proposed discharge of the external auditors when circumstances warrant and appoint any new external auditors. Notwithstanding any other provision of this Charter, the external auditor will be ultimately accountable to the Board and the Committee, as representatives of the shareholders of the Company, and those representatives will have the ultimate authority and responsibility to select, evaluate and, where appropriate, replace the external auditor (or to nominate the external auditor to be proposed for shareholder approval);
- (e) periodically review and discuss with the external auditors all significant relationships that the external auditors have with the Company to determine the independence of the external auditors. Without limiting the generality of the foregoing, the Committee will ensure that it receives, on an annual basis, a formal written statement from the external auditors that sets out all relationships between the external auditor and the Company, and receives an opinion on the financial statements consistent with all professional standards that are applicable to the external auditors (including, but not limited to, those established by any securities legislation and regulations, the Canadian Institute of Chartered Professional Accountants – Chartered Accountants, Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States) and the American Institute of Certified Public Accountants, and those set out in the

International Financial Reporting Standards as issued by the International Accounting Standards Board (collectively, the “**Professional Standards**”));

- (f) evaluate, in consultation with the Company’s management, internal accounting department and external auditors, the effectiveness of the Company’s processes for assessing significant risks or exposures and the steps taken by management to monitor, control and minimize such risks; as well as obtain, annually, a letter from the external auditors as to the adequacy of such controls;
- (g) consider, in consultation with the Company’s external auditors and internal accounting department, the audit scope and plan of the external auditors and the internal accounting department;
- (h) coordinate with the Company’s external auditors the conduct of any audits to ensure completeness of coverage and the effective use of audit resources;
- (i) assist in the resolution of disagreements between the Company’s management and the external auditors regarding the preparation of financial statements; and, in consultation with the external auditors, review any significant disagreement between management and the external auditors in connection with the preparation of the financial statements, including management’s responses thereto;
- (j) after the completion of the annual audit, review separately with each of the Company’s management, external auditors and internal accounting department the following:
 - (i) the Company’s annual financial statements and related footnotes;
 - (ii) the external auditors’ audit of the financial statements and their report thereon;
 - (iii) any significant changes required in the external auditors’ audit plan;
 - (iv) any significant difficulties encountered during the course of the audit, including, but not limited to, any restrictions on the scope of work or access to required information; and
 - (v) the Company’s guidelines and policies governing the process of risk assessment and risk management;
- (k) other matters related to the conduct of the audit that must be communicated to the Committee in accordance with the standards of any regulatory body (including, but not limited to the Professional Standards);
- (l) consider and review with the Company’s external auditors (without the involvement of the Company’s management and internal accounting department):
 - (i) the adequacy of the Company’s internal controls and disclosure controls, including, but not limited to, the adequacy of computerized information systems and security;
 - (ii) the truthfulness and accuracy of the Company’s financial statements; and
 - (iii) any related significant findings and recommendations of the external auditors and internal accounting department, together with management’s responses thereto;
- (m) consider and review with the Company’s management and internal accounting department:

- (i) significant findings during the year and management's responses thereto;
 - (ii) any changes required in the planned scope of the audit plan;
 - (iii) the internal accounting department's budget and staffing; and
 - (iv) the internal accounting department's compliance with the appropriate internal auditing standards;
- (n) establish systems for the regular reporting to the Committee by each of the Company's management, external auditors and internal accounting department of any significant judgments made by management in the preparation of the financial statements and the opinions of each as to appropriateness of such judgments;
- (o) review (for compliance with the information set out in the Company's financial statements and in consultation with the Company's management, external auditors and internal accounting department, as applicable) all filings made with the Regulators and government agencies, and other published documents that contain the Company's financial statements before such filings are made or documents published (including, but not limited to: (i) any certification, report, opinion or review rendered by the external auditors; (ii) any press release announcing earnings (especially those that use the terms "pro forma", "adjusted information" and "not prepared in compliance with generally accepted accounting principles"); and (iii) all financial information and earnings guidance intended to be provided to analysts, the public or to rating agencies);
- (p) prepare and include in the Company's annual proxy statement or other filings made with the Regulators any report from the Committee or other disclosures required by all applicable federal and provincial securities legislation and the rules and regulations of the Regulators having jurisdiction over the Company;
- (q) review with the Company's management: (i) the adequacy of the Company's insurance and fidelity bond coverage, reported contingent liabilities and management's assessment of contingency planning; (ii) management's plans in respect of any changes in accounting practices or policies and the financial impact of such changes; (iii) any major areas that, in management's opinion, have or may have a significant effect upon the financial statements of the Company; and (iv) any litigation or claim (including, but not limited to, tax assessments) that could have a material effect upon the financial position or operating results of the Company;
- (r) at least annually, review with the Company's legal counsel and accountants all legal, tax or regulatory matters that may have a material impact on the Company's financial statements, operations and compliance with applicable laws and regulations;
- (s) review and update periodically the Company's Code of Conduct (the "**Code of Conduct**") for the directors, officers and employees of the Company; and review management's monitoring of compliance with the Code of Conduct;
- (t) review and update periodically the procedures for the receipt, retention and treatment of complaints and concerns by employees received by the Company regarding accounting, internal accounting controls or auditing matters, including, but not limited to, concerns regarding questionable accounting or auditing practices;

- (u) consider possible conflicts of interest among the Company’s directors and officers and the Company and approve for such parties, in advance, all related party transactions;
- (v) review policies and procedures in respect of the expense accounts of the Company’s directors and officers, including, but not limited to, the use of corporate assets;
- (w) monitor and periodically review the whistleblower policy of the Company (the “**Whistleblower Policy**”) and associated procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
 - (ii) the confidential, anonymous submission by directors, officers and employees of the Company of concerns regarding questionable accounting or auditing matters; and
 - (iii) if applicable, any violations of applicable law, rules or regulations that relate to corporate reporting and disclosure, or violations of the Company’s Code of Conduct;
- (x) review and approve the Company’s hiring policies regarding employees and partners, and former employees and partners, of the present and former external auditors of the Company;
- (y) direct and supervise the investigation into any matter brought to its attention within the scope of the Committee’s duties;
- (z) perform such other duties as may be assigned to it by the Board from time to time or as may be required by applicable law; and
- (aa) perform such other functions, consistent with this Charter, the Company’s constating documents and governing laws, as the Committee deems necessary or appropriate.

Review of Charter

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

Dated: January __, 2022
Approved by: Board of Directors of the Company

APPENDIX “B”

Incentive Stock Option Plan

Sprout AI Inc.

(the “Company”)

2022 SHARE OPTION PLAN

**ARTICLE 1
PURPOSE AND INTERPRETATION**

Purpose

The purpose of this Plan will be to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with the rules and policies of the Canadian Stock Exchange (or “CSE”) (the “CSE Policies”) and any inconsistencies between this Plan and the CSE Policies whether due to inadvertence or changes in CSE Policies will be resolved in favour of the latter.

Definitions

In this Plan

Affiliate means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;

Associate has the meaning assigned by the Securities Act;

Board means the board of directors of the Company or any committee thereof duly empowered or authorized to grant options under this Plan;

Change of Control includes situations where after giving effect to the contemplated transaction and as a result of such transaction:

- (i) any one Person holds a sufficient number of voting shares of the Company or resulting company to affect materially the control of the Company or resulting company, or,
- (ii) any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, hold in total a sufficient number of voting shares of the Company or its successor to affect materially the control of the Company or its successor,

where such Person or combination of Persons did not previously hold a sufficient number of voting shares to affect materially control of the Company or its successor. In the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, holding more than 20% of the voting shares of the Company or its successor is deemed to materially affect the control of the Company or its successor;

Common Shares means common shares without par value in the capital of the Company providing such class is listed on the CSE;

Company means the Corporation named at the top hereof and includes, unless the context otherwise requires, all of its subsidiaries or affiliates and successors according to law;

Consultant means a Person or Consultant Company, other than an Employee, Officer or Director that:

- i) provides on an ongoing bona fide basis, consulting, technical, managerial or like services to the Company or an Affiliate of the Company, other than services provided in relation to a Distribution;
- ii) provides the services under a written contract between the Company or an Affiliate and the Person or the Consultant Company;
- iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the business and affairs of the Company or an Affiliate of the Company; and
- iv) has a relationship with the Company or an Affiliate that enables the Person or Consultant Company to be knowledgeable about the business and affairs of the Company;

Consultant Company means for a Person consultant, a company or partnership of which the Person is an employee, shareholder or partner;

Directors means the directors of the Company as may be elected from time to time;

Disinterested Shareholder Approval means approval by a majority of the votes cast by all the Company's shareholders at a duly constituted shareholders' meeting, excluding votes attached to shares beneficially owned by Service Providers or their Associates;

Distribution has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Company from treasury;

Effective Date for an Option means the date of grant thereof by the Board;

Employee means:

- (a) a Person who is considered an employee under the Income Tax Act (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);
- (b) a Person who works full-time for the Company or its subsidiary 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
- (c) a Person who works for the Company or its subsidiary 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;

Exercise Price means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;

Expiry Date means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;

Insider means

- (i) an insider as defined in the CSE Policies or as defined in securities legislation applicable to the Company;
- (ii) an Associate of any person who is an Insider by virtue of §(i) above;

Investor Relations Activities has the meaning assigned by Policy 1.1 of the CSE Policies, and means generally any activities or communications that can reasonably be seen to be intended to or be primarily intended to promote the merits or awareness of or the purchase or sale of securities of the Company;

Listed Shares means the number of issued and outstanding shares of the Company that have been accepted for listing on the CSE, but excluding dilutive securities not yet converted into Listed Shares;

Management Company Employee means a Person employed by another Person or a corporation providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a corporation or Person engaged primarily in Investor Relations Activities;

Officer means a duly appointed senior officer of the Company;

Option means the right to purchase Common Shares granted hereunder to a Service Provider;

Option Commitment means the notice of grant of an Option delivered by the Company hereunder to a Service Provider and substantially in the form of Schedule A hereto;

Optioned Shares means Common Shares that may be issued in the future to a Service Provider upon the exercise of an Option;

Optionee means the recipient of an Option hereunder;

Outstanding Shares means at the relevant time, the number of outstanding Common Shares of the Company from time to time;

Participant means a Service Provider that becomes an Optionee;

Person means a company or an individual;

Plan means this Share Option Plan, the terms of which are set out herein or as may be amended;

Plan Shares means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in §2.2;

Regulatory Approval means the approval of the CSE and any other securities regulatory authority that may have lawful jurisdiction over the Plan and any Options issued hereunder;

Securities Act means the *Securities Act*, R.S.B.C. 1996, c. 418, as amended from time to time;

Service Provider means a Person who is a bona fide Director, Officer, Employee, Management Company Employee or Consultant, and also includes a company, of which 100% of the share capital is beneficially owned by one or more Person Service Providers;

Share Compensation Arrangement means any Option under this Plan but also includes any other stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to a Service Provider;

Shareholders Approval means approval by a majority of the votes cast by eligible shareholders at a duly constituted shareholders' meeting;

Other Words and Phrases

Words and Phrases used in this Plan but which are not defined in the Plan, but are defined in the CSE Policies, will have the meaning assigned to them in the CSE Policies.

Gender

Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

Other Words and Phrases

1.1 Words and Phrases used in this Plan but which are not defined in the Plan, but are defined in the CSE Policies, will have the meaning assigned to them in the CSE Policies.

Gender

1.2 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

ARTICLE 2 SHARE OPTION PLAN

Establishment of Share Option Plan

2.1 There is hereby established a Share Option Plan to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

Maximum Plan Shares

2.2 The Plan is a "rolling plan" such that aggregate number of Plan Shares which are subject to issuance pursuant to Options granted under this Plan shall be a maximum of 15% of the issued shares of the Company, on a non-diluted basis.

2.3 For greater certainty, as this Plan is a rolling plan, Options that are exercised, and Options that have been surrendered, terminated or expire without being exercised no longer represent Plan Shares reserved for issuance under this Plan and do not decrease the number of Plan Shares issuable under Section 2.2.

Eligibility

2.4 Options to purchase Common Shares may be granted hereunder to Service Providers from time to time by the Board. Service Providers that are corporate entities will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its shares, nor issue more of its shares (so as to indirectly transfer

the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the CSE and the Company is obtained.

Options Granted Under the Plan

2.5 All Options granted under the Plan will be evidenced by an Option Commitment in the form attached as Schedule A, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

2.6 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

Limitations on Issue

2.7 Subject to §2.9, the following restrictions on issuances of Options are applicable under the Plan:

(a) no Service Provider can be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the Listed Shares;

(b) no Options can be granted under the Plan if the Company is designated "Inactive" (as defined in CSE Policies) by the CSE;

(c) the aggregate number of Options granted to Service Providers conducting Investor Relations Activities in any 12-month period must not exceed 2% of the Listed Shares, calculated at the time of grant, without the prior consent of CSE; and

(d) the aggregate number of options granted to any one Consultant in any 12-month period must not exceed 2% of the Listed Shares, calculated at the time of grant, without the prior consent of CSE.

Options Not Exercised

2.8 In the event an Option granted under the Plan expires unexercised or is terminated by reason of dismissal of the Optionee for cause or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to the Plan and will be eligible for re-issue.

Powers of the Board

2.9 The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to

(a) allot Common Shares for issuance in connection with the exercise of Options;

(b) grant Options hereunder;

(c) subject to Regulatory Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the written consent of all Optionees, alter or impair any Option previously granted under the Plan unless as a result of a change in CSE Policies or the Company's tier classification thereunder;

(d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do; and

(e) may in its sole discretion amend this Plan (except for previously granted and outstanding Options) to reduce the benefits that may be granted to Service Providers (before a particular Option is granted) subject to the other terms hereof.

Terms or Amendments Requiring Disinterested Shareholder Approval

2.10 The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

(a) the Plan, together with all of the Company's previously established and outstanding stock option plans or grants, could result at any time in:

- (i) the aggregate number of shares reserved for issuance under stock options granted to Insiders exceeding 15% of the Listed Shares;
- (ii) the number of Optioned Shares issued to Insiders within a one-year period exceeding 15% of the Listed Shares; or,

(b) any reduction in the Exercise Price of an Option previously granted to an Insider.

ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS

Exercise Price

3.1 The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Plan, and cannot be less than the Discounted Market Price.

Term of Option

3.2 An Option can be exercisable for a maximum of 10 years from the Effective Date.

3.3 Notwithstanding the foregoing, in the event that the expiry of an Option falls within, or within two business days of the expiry of, a trading blackout period imposed by the Corporation (the "Blackout Period") in accordance with its "Insider Trading and Blackout Policy", the expiry of such Option shall be automatically extended to the 10th business day following the end of the Blackout period

Vesting of Options

3.4 Vesting of Options is otherwise at the discretion of the Board, and will generally be subject to:

(a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its subsidiaries and Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its subsidiary or affiliate during the vesting period; or

- (b) remaining as a Director of the Company or any of its subsidiaries or Affiliates during the vesting period.

Vesting of Options Granted for Investor Relations Activities

- (c) Options granted to Consultants conducting Investor Relations Activities will vest:
- (d) over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting; or
- (e) such longer vesting period as the Board may determine.

Variation of Vesting Periods

3.5 At the time an Option is granted which carries vesting provisions, the Board may vary such vesting provisions provided in §3.7 and §3.4(c), subject to Regulatory Approval.

Optionee Ceasing to be Director, Employee or Service Provider

3.6 No Option may be exercised after the Service Provider has left the employ/office or has been advised his services are no longer required or his service contract has expired, except as follows:

- (a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (b) Options granted to any Service Provider must expire within 90 days after the date the Optionee ceases to be employed with or provide services to the Company, but only to the extent that such Optionee was vested in the Option at the date the Optionee ceased to be so employed or to provide services to the Company;
- (c) Options granted to a Service Provider conducting Investor Relations Activities must expire within 30 days of the date the Optionee ceases to conduct such activities, but only to the extent that such Optionee was vested in the Option at the date the Optionee ceased to conduct such activities,
- (d) Options granted to an Optionee other than one conducting Investor Relations Activities must expire within 90 days after the Optionee ceases to be employed with or provide services to the Company, but only to the extent that such Optionee was vested in the Option at the date the Optionee ceased to be so employed or to provide services to the Company; and
- (e) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

Non Assignable

3.7 Subject to §3.10(a), all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

Adjustment of the Number of Optioned Shares

3.8 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

(a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration;

(b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;

(c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;

(d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this §3.12(d);

(e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this Section are cumulative;

(f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this §3.12(f), be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company; and

(g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this §3.12, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants in the city of the Company's principal executive office that the Company may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

ARTICLE 4
COMMITMENT AND EXERCISE PROCEDURES

Option Commitment

4.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof.

Manner of Exercise

4.2 An Optionee who wishes to exercise his Option may do so by delivering

(a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and

(b) cash or a certified cheque payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired.

(c) The Corporation shall have the power and the right to deduct or withhold, or require an optionee to remit to the Corporation, the required amount to satisfy federal, provincial and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of the Plan, including the grant or exercise of any option granted under the Plan. With respect to any required withholding, the Corporation shall have the irrevocable right to, and the optionee consents to, the Corporation setting off any amounts required to be withheld, in whole or in part, against amounts otherwise owing by the Corporation to the optionee (whether arising pursuant to the optionees's relationship as a director, officer, employee or consultant of the Corporation or otherwise), or may make such other arrangements that are satisfactory to the optionee and the Corporation. In addition, the Corporation may elect, in its sole discretion, to satisfy the withholding requirement, in whole or in part, by withholding such number of Shares issuable upon exercise of the option as it determines are required to be sold by the Corporation, as trustee, to satisfy any withholding obligation net of selling costs. The optionee consents to such sale and grants the Corporation an irrevocable power of attorney to effect the sale of such Shares issuable upon exercise of the options and acknowledges and agrees that the Corporation does not accept responsibility for the price obtained on the sale of such Share issuable upon exercise of the options

Delivery of Certificate and Hold Periods

4.3 As soon as practicable after receipt of the notice of exercise described in §4.2 and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue a certificate to the Optionee for the appropriate number of Optioned Shares. Such certificate issued will bear a restrictive legend stipulating any resale restrictions for such period as may be prescribed by securities law, by any regulatory authority or the CSE.

ARTICLE 5
GENERAL

Employment and Services

5.1 Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee will be voluntary.

No Representation or Warranty

5.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common shares issuable thereunder or the tax consequences to a Service Provider. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of such Participant and not the Company.

Interpretation

5.3 The Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

Amendment of the Plan

5.4 The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate the Plan with respect to all Common Shares in respect of Options which have not yet been granted hereunder. Any amendment to any provision of the Plan will be subject to any necessary Regulatory Approvals.

SCHEDULE A

SHARE OPTION PLAN

OPTION COMMITMENT

Notice is hereby given that, effective this _____ day of _____, _____ (the "Effective Date") **Sprout AI Inc.** (the "Company") has granted to _____ (the "Service Provider"), an Option to acquire _____ Common Shares ("Optioned Shares") up to 5:00 p.m. MST on the _____ day of _____, _____ (the "Expiry Date") at a Exercise Price of Cdn.\$ _____ per share.

Optioned Shares will vest and may be exercised as follows:

___ In accordance with the vesting provisions set out in Schedule B of the Share Option Plan the "Plan")

or

___ As follows:

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Company's Plan, the terms and conditions of which are hereby incorporated herein.

To exercise your Option, deliver a written notice specifying the number of Optioned Shares you wish to acquire, together with cash or a certified cheque payable to the Company for the aggregate Exercise Price, to the Company. A certificate for the Optioned Shares so acquired will be issued by the transfer agent as soon as practicable thereafter and will bear a minimum four-month non-transferability legend from the date of this Option Commitment.

The Company and the Service Provider represent that the Service Provider under the terms and conditions of the Plan is a bona fide [Employee/Director/Consultant/Contractor] of the Company, entitled to receive Options under CSE Policies.

The Service Provider also acknowledges and consents to the collection and use of Personal Information (as defined in the Policies of the CSE) by both the Company and the CSE as more particularly set out in the Acknowledgement - Personal Information in use by the CSE on the date of this Share Option Plan.

SPROUT AI INC..

Authorized Signatory

◆ **SIGNATURE OF OPTIONEE**

SCHEDULE B
SHARE OPTION PLAN
VESTING SCHEDULE

1. Options granted pursuant to the Plan to Directors, Officers and all Employees and Consultants employed or retained by the Company at the time the Option is granted will vest as follows:
 - (a) 1/3 of the total number of Options granted will vest immediately after the date of grant;
 - (b) a further 1/3 of the total number of Options granted will vest one year after the date of grant; and
 - (c) the remaining 1/3 of the total number of Options granted will vest twenty four months after the date of grant.
2. Options granted to Consultants retained by the Company pursuant to a short term contract or for a specific project with a finite term, will be subject to such vesting provisions determined by the Board of Directors of the Company at the time the Option Commitment is made, subject to Regulatory Approval.
3. Options granted to Service Providers involved in Investor Relations Activities shall vest in accordance with Section 3.8 of the Plan.

SCHEDULE C
SHARE OPTION PLAN
CERTIFICATE
("Certificate")

TO: Sprout AI Inc. (the "Company")

RE: Options of the Company (the "Options") granted pursuant to the Option Commitment (as defined in the Share Option Plan) dated_____

The undersigned hereby acknowledges and agrees as follows:

- a) It is a Service Provider as defined in Section 1.2 of the Share Option Plan.
- b) It is a corporation and hereby undertakes not to effect or permit any transfers of ownership or option of any of its shares, nor issue more shares (so as to indirectly transfer the benefits of the Options), as long as such Options remain outstanding, unless written permission of the CSE and the Company is obtained.

DATED the____ day of ____, ____.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the date first written above.

("Name of Signatory")

("Signature")

APPENDIX "C"

Restricted Share Unit Plan

SPROUT AI INC. RESTRICTED SHARE UNIT AWARD PLAN

1. Background and Purpose of Plan

This document sets out the terms and conditions of the restricted share unit award plan (the "**Plan**") of Sprout AI Inc. ("**Sprout**") dated as of July 5, 2021 (the "**Effective Date**"). This Plan governs the grant of Restricted Awards to Eligible Participants (as each is defined below).

The principal purposes of this Plan are to: (i) attract and retain qualified Eligible Participants that Sprout requires; (ii) promote a proprietary interest in Sprout by such Eligible Participants and to encourage such Eligible Participants to remain in the employ or service of Sprout and put forth maximum efforts for the success of the business of Sprout; and (iii) focus Eligible Participants on Sprout's operating and financial performance and long-term return.

2. Definitions

As used in this Plan, the following words and phrases shall have the meanings indicated:

- (a) "**Affiliate**" of any Person means another Person that would be considered to be an affiliate of such first mentioned Person for the purposes of National Instrument 45-106 – *Prospectus and Registration Exemptions*;
- (b) "**Aggregate Insider Limit**" has the meaning set forth in Section 4 hereof;
- (c) "**Associate**" has the meaning ascribed thereto by the *Securities Act* (Alberta) as from time to time amended, supplemented or re-enacted;
- (d) "**Black-Out Period**" means the period when, pursuant to any policies of Sprout, any securities of Sprout may not be traded by certain persons as designated by Sprout, including any Grantee;
- (e) "**Board**" means the board of directors of Sprout as it may be constituted from time

to time;

- (f) **"Cessation Date"** subject to Section 6(f)(v) hereof, means the date that is the earlier of:
- (i) the date of the Grantee's termination or resignation, as the case may be for any reason whatsoever; or
 - (ii) the date that the Grantee ceases to be in the active performance of the usual and customary day-to-day duties of the Grantee's employment position or function;
- regardless of whether adequate or proper advance notice of termination or resignation shall have been provided in respect of such cessation of being an Eligible Participant;
- (g) **"Common Shares"** means common shares of Sprout;
- (h) **"Convertible Securities"** means any securities convertible or exchangeable into Common Shares or carrying the right or obligation to acquire Common Shares;
- (i) **"Dividend"** means any dividend paid by Sprout in respect of the Common Shares, whether in the form of cash, Common Shares or other securities or property, expressed as an amount per Common Share;
- (j) **"Dividend Payment Date"** means any date that a Dividend is paid;
- (k) **"Dividend Record Date"** means the applicable record date in respect of any Dividend used to determine the shareholders of Sprout entitled to receive such Dividend;
- (l) **"Eligible Participant"** has the meaning set forth in Section 4 hereof;
- (m) **"Exchange"** means the Canadian Securities Exchange or such other stock exchange on which the Common Shares are then listed and posted for trading, from time to time;
- (n) **"Expiry Date"** means, with respect to any Restricted Award, the date specified in the applicable Restricted Award Confirmation, if any, as the date on which the Restricted Award will be terminated and cancelled, provided that if no such date is specified in the Restricted Award Confirmation or the specified date is later

than December 31 of the third (3rd) calendar year following the end of the applicable Service Year, then "**Expiry Date**" means December 31 of the third (3rd) calendar year following the end of the applicable Service Year;;

(o) "**Fair Market Value**" means, as at any date, the weighted average of the prices at which the Common Shares traded on the Exchange for the five (5) trading days on which the Common Shares traded on such exchange immediately preceding such date;

(p) "**Fundamental Change**" means:

(i) any one of the following transactions:

(A) Sprout merges, consolidates, amalgamates, is arranged or reconstitutes with or into, or enters into any similar business combination or transaction with, any Person that is neither an Affiliate of Sprout nor a Related Party pursuant to a statutory procedure or otherwise;

(B) all outstanding Common Shares are transferred, assigned, conveyed, sold or exchanged by the holders thereof in a single transaction, including pursuant to a Take-Over Bid, or in a series of related transactions, to a Person that is neither an Affiliate of Sprout nor a Related Party; or

(C) Sprout sells, leases or exchanges all, or substantially all, of its assets to a Person that is neither an Affiliate of Sprout nor a Related Party;

and in the case of any such transaction described in the immediately preceding clauses (A) to (C), the individuals who served as directors of Sprout immediately before the consummation of such transaction cease to constitute at least a majority of the members of the board of directors of the surviving or acquiring Person, immediately following completion of such transaction;

(ii) the purchase or acquisition, of any Common Shares or Convertible Securities by a Holder:

(A) without the approval or consent of the Board, which results in the Holder beneficially owning, or exercising control or direction over, Common Shares or Convertible Securities such that, assuming only the conversion of Common Securities beneficially owned or over

which control or direction is exercised by the Holder, the Holder would beneficially own, or exercise control or direction over, Common Shares carrying the right to cast more than fifty percent (50%) of the votes attaching to all Common Shares; or

- (B) with the approval or consent of the Board, which results in the Holder beneficially owning, or exercising control or direction over, Common Shares or Convertible Securities such that, assuming only the conversion of Convertible Securities beneficially owned or over which control or direction is exercised by the Holder, the Holder would beneficially own, or exercise control or direction over, Common Shares carrying the right to cast more than fifty percent (50%) of the votes attaching to all Common Shares;
- (iii) Sprout is wound-up, liquidated or dissolved; or
- (iv) the passing by the Board of a resolution, effective immediately prior to the completion of a transaction, that such transaction, upon completion, would result in both an event comparable to an event set forth in this definition, as determined by the Board, acting reasonably, and a change in the Person or Persons that are able to elect a majority of the board of directors;
- (q) **"Good Reason"** means any materially adverse change by Sprout without the agreement of an Eligible Participant, in any of his/her duties, powers or rights with respect to Sprout or his/her salary or title with Sprout, such that immediately after such change, or series of changes, the responsibilities and status of such Eligible Participant with Sprout, taken as a whole, are fundamentally diminished compared to those assigned to the Eligible Participant with Sprout immediately prior to such change, or any other reason that would be considered to amount to constructive dismissal by a Court of competent jurisdiction in Alberta;
- (r) **"Governmental Authority"** means any:
 - (i) multi-national, national, provincial, state, regional, municipal, local or other government or any governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau ministry or agency, domestic or foreign;
 - (ii) subdivision, agent, commission, board or authority of any of the foregoing;
 - (iii) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under, or for the account of, any of the foregoing; or

- (iv) stock exchange;
- (s) **"Grant Date"** means, with respect to a particular grant of any Restricted Award, the date determined by the Board as the "Grant Date";
- (t) **"Grantee"** has the meaning set forth in Section 4 hereof;
- (u) **"Holder"** means a person, a group of persons or persons acting jointly or in concert, or persons associated or affiliated, within the meaning of MI 62-104, with any such person, group of persons or any of such persons acting jointly or in concert;
- (v) **"Individual Limit"** has the meaning set forth in Section 4 hereof;
- (w) **"Insider"** means:
 - (i) an insider as defined in the *Securities Act (Alberta)* as from time to time amended, supplemented or re-enacted; and
 - (ii) an Associate of any person who is an insider by virtue of Section 2(w)(i);
- (x) **"Maximum Payout Amount"** has the meaning set forth in Section 5(b) hereof;
- (y) **"MI 62-104"** means Multilateral Instrument 62-104 – *Take Over Bids and Issuer Bids*, as amended or replaced from time to time;
- (z) **"Sprout"** means Sprout Inc. and includes any subsidiaries of Sprout, as appropriate;
- (aa) **"Payout Amount"** means in respect of each Restricted Award, on the Vesting Date the amount determined by multiplying the Fair Market Value of one (1) Common Share on the Settlement Date;
- (bb) **"Person"** includes an individual, body corporate with or without share capital, partnership, joint venture, entity, unincorporated association, syndicate, firm, sole proprietorship, trust, pension fund, union, board, tribunal, Governmental Authority and the heirs, beneficiaries, executors, legal representatives or administrators of an individual;
- (cc) **"Related Party"** means: (i) any director, officer or employee of Sprout; (ii) a trustee or other fiduciary holding securities under an employee benefit plan of Sprout; (iii)

any partner, owner, officer, director, employee or Affiliate of any of the foregoing; or (iv) any shareholder of Sprout who owns or controls over ten percent (10%) of the issued and outstanding Common Shares (calculated on a non-diluted basis);

(dd) **"Restricted Award Confirmation"** has the meaning set forth in Section 6 hereof;

(ee) **"Restricted Award"** means a restricted award granted pursuant to this Plan;

(ff) **"Service Provider"** means a person or company engaged, or proposed to be engaged, by Sprout to provide services for an initial, renewable or extended period of twelve

(12) months or more;

(gg) **"Service Year"** has the meaning ascribed thereto in Section 3(e).

(hh) **"Settlement Date"** means, with respect to any Restricted Award, the date the Payout Amount is determined in respect of a Restricted Award in accordance with Section 6(b) hereof or as otherwise determined in accordance with the provisions of this Plan;

(ii) **"Share Compensation Arrangement"** means: (i) a stock option plan for the benefit of employees, Insiders, Service Providers or any one of such groups; (ii) individual stock options granted to employees, Insiders or Service Providers if not granted pursuant to a plan previously approved by Sprout's securityholders; (iii) stock purchase plans where Sprout provides financial assistance or where Sprout matches a whole or a portion of the securities being purchased; (iv) stock appreciation rights involving issuances of securities from treasury; (v) any other compensation or incentive mechanism involving the issuance or potential issuance of securities of Sprout; and

(vi) security purchases from treasury by an employee, Insider or Service Provider which is financially assisted by Sprout by any means whatsoever. For greater certainty, arrangements which do not involve the issuance from treasury, or potential issuance from treasury, of securities of Sprout are not Share Compensation Arrangements;

(jj) **"Successor"** has the meaning set forth in Section 10 hereof;

(kk) "**Take-Over Bid**" means a take-over bid (as defined in MI 62-104), which is not exempt from the take-over bid requirements of Part 4 of MI 62-104 (or its replacement or successor provisions) made for the Common Shares, with or without the approval or consent of the Board, pursuant to which, if the Take-Over Bid is successful, will result in a Holder beneficially owning, or exercising control or direction over, Common Shares or Convertible Securities of Sprout such that, assuming only the conversion of the Convertible Securities beneficially owned or over which control or direction is exercised by the Holder, the Holder would beneficially own, or exercise control or direction over, Common Shares that have the right to cast more than fifty percent (50%) of the votes attached to all Common Shares; and

(ll) "**Vesting Date**" has the meaning set forth in Section 6(a) hereof.

3. Administration

(a) **Administered by the Board** - This Plan shall be administered by the Board.

(b) **Powers and Duties of Board** - The Board shall have the authority in its sole discretion, subject to and not inconsistent with the express provisions of this Plan, to administer this Plan and to exercise all the powers and authorities either specifically granted to it under this Plan or necessary or advisable in the administration of this Plan, including, without limitation:

- (i) the authority to make grants of Restricted Awards;
- (ii) to determine the Fair Market Value of the Common Shares on any date;
- (iii) to determine the Eligible Participants to whom, and the time or times at which, Restricted Awards shall be granted;
- (iv) to determine the Payout Amount at any time;
- (v) to determine whether any vesting criteria shall apply to any particular Restricted Award and, if so, to determine such vesting criteria and whether such vesting criteria has been satisfied;
- (vi) to determine the Settlement Dates in respect of any Restricted Awards;
- (vii) to prescribe, amend and rescind rules and regulations relating to this Plan;
- (viii) to interpret this Plan;
- (ix) to determine the terms and provisions of Restricted Award Confirmations

(which need not be identical) entered into in connection with Restricted Awards; and

- (x) to make all other determinations deemed necessary or advisable for the administration of this Plan.

- (c) **Delegation** - The Board may delegate to any committee of the Board, one or more of its members, or one or more agents, such powers and duties in respect of this Plan as it may deem advisable, and the Board or any committee, or person to whom it has delegated such powers and duties as aforesaid may employ one or more persons to render advice with respect to any responsibility the Board or such committee or person may have under this Plan. In the event that the Board appoints a committee of the Board to administer this Plan, all references in this Plan to the Board will be deemed to be references to such committee of the Board, as applicable.

- (d) **Grant Discretion** - For greater certainty and without limiting the discretion conferred on the Board pursuant to this Section 3, the Board's decision to approve the grant of Restricted Awards in any year shall not require the Board to approve the grant of

Restricted Awards to any Grantee in any other year; nor shall the Board's decision with respect to the number of Restricted Awards granted or terms and conditions of Restricted Awards in any year require it to approve the grant of Restricted Awards of the same or similar number of Restricted Awards granted or with the same or similar terms and conditions to any Grantee in any other year. The Board shall not be precluded from approving the grant of Restricted Awards to any Grantee solely because such Grantee may previously have been granted Restricted Awards under this Plan or any other similar compensation arrangement of Sprout. No Eligible Participant has any claim or right to be granted Restricted Awards.

- (e) The calendar year in respect of which the Restricted Awards are granted is referred to herein as the "**Service Year**". In all cases, the Restricted Awards shall be in addition to, and not in substitution for or in lieu of, ordinary salary and wages or consulting fees received by an Eligible Participant in respect of his or her services to Sprout during the Service Year.

4. Eligibility and Restricted Award Determination

- (a) Restricted Awards may be granted only to persons who are directors, officers, employees, consultants or other Service Providers of Sprout ("**Eligible Participants**"); provided, however, that the participation of an Eligible Participant in this

Plan is voluntary. In determining the Eligible Participants to whom Restricted Awards are granted (each, a "**Grantee**") and the number of Restricted Awards under each grant, the Board may take into account such factors as it shall determine in its sole discretion.

- (b) The maximum number of Common Shares that may be issued from treasury of Sprout to any Grantee under this Plan, at any time, shall be one percent (1%) of the number of issued and outstanding Common Shares (on a non-diluted basis) unless disinterested shareholder approval is obtained (the "**Individual Limit**").
- (c) The maximum number of Common Shares issuable from treasury of Sprout to Insiders as a whole under this Plan, at any time, shall be five percent (**5%**) of the number of issued and outstanding Common Shares (on a non-diluted basis), unless disinterested shareholder approval is obtained (the "**Aggregate Insider Limit**").
- (d) The maximum number of Common Shares that may be issued from treasury of Sprout to Insiders as a whole under this Plan within a one (1) year period shall be two percent (2%) of the number of issued and outstanding Common Shares (on a non-diluted basis), unless issued under an employee incentive plan.
- (e) The maximum number of common of shares issuable under all equity compensation plans of Sprout, cannot exceed 10% of the number of issued and outstanding Common Shares (on a non-diluted basis), unless disinterested shareholder approval is obtained.

5. Common Shares Subject to this Plan

- (a) Restricted Awards may be granted in respect of authorized and unissued Common Shares. Following the expiration, cancellation or other termination of any Restricted Awards under this Plan, a number of Common Shares equal to the number of Restricted Awards or rights so expired, cancelled or terminated shall automatically become available for issuance in respect of Restricted Awards that may subsequently be granted under this Plan. No fractional Common Shares may be issued under this Plan.
- (b) The Board may determine in its sole discretion whether a maximum Payout Amount (the "**Maximum Payment Amount**") in respect of any Restricted Award shall apply to such Restricted Award. The Payout Amount to be paid out on the Payment Date may not exceed the Maximum Payment Amount unless otherwise determined by the Board.

6. Terms and Conditions of Grants of Restricted Awards

Each Restricted Award granted under this Plan shall be subject to the terms and conditions of this Plan and evidenced by a written agreement between Sprout and the Grantee or an award letter or other confirmation of such grant from Sprout to the Grantee (a "**Restricted Award Confirmation**") which shall comply with the following terms and conditions (with such other terms and conditions as the Board, in its sole discretion, shall establish):

- (a) **Vesting of Restricted Awards** - Restricted Awards granted pursuant to this Plan shall, unless otherwise determined by the Board or as specifically set out herein, vest as to one-third (1/3) of the granted Restricted Awards on each of the first and second anniversaries of the Grant Date, and the remaining one-third (1/3) shall vest on the earlier of: (i) the third anniversary of the Grant Date, and (ii) December 15 of the third calendar year following the Service Year in respect of which the Restricted Awards were granted (in each case, the "**Vesting Date**") and, subject to Section 6(b) hereof, become subject to payment. Subject to Section 6(b) hereof and any other conditions that may be imposed on the payment of the Payout Amount of a Restricted Award at the time of grant of such Restricted Award, upon the Vesting Date in respect of each Restricted Award, the Grantee shall then be entitled to receive the Payout Amount in respect of such Restricted Awards.

- (b) **Settlement Date of Restricted Awards** – Subject to Section 6(f) hereof, the Settlement Dates in respect of Restricted Awards issued pursuant to this Plan shall be as determined by the Board, in its sole discretion, at the time of grant, provided that:
 - (i) unless otherwise determined by the Board at the time of grant, the Settlement Date shall be the Vesting Date; and

 - (ii) where a Settlement Date of a Restricted Award occurs on a date when a Grantee is subject to a Black-Out Period or within six (6) trading days of the expiry of such Black-Out Period,
 - (A) such Settlement Date shall be extended to a date which is six (6) business days following the end of such Black-Out Period, unless such extension would cause the Settlement Date to extend beyond the Expiry Date, in which case the Settlement Date shall remain on the Expiry Date,

- (B) the Fair Market Value utilized in determining the Payout Amount of such Restricted Award in respect of such Settlement Date shall be the lesser of the Fair Market Value determined based on: (1) the five (5) trading days immediately prior to the commencement of such Black- Out Period; and (2) the five (5) trading days immediately prior to the Expiry Date, and
 - (C) notwithstanding Section 6(c), payment in respect of such Restricted Awards shall only be made in cash.
- (c) ***Payment in Respect of Restricted Awards*** - On the Settlement Date (or as soon as reasonably practicable following the Settlement Date; provided the payment must not occur later than the Expiry Date), Sprout shall, at its sole and absolute discretion, have the option of settling the Payout Amount payable in respect of a Restricted Award by any of the following methods, or by a combination of such methods:
- (i) payment in cash; or
 - (ii) payment in Common Shares acquired by Sprout on the Exchange; or
 - (iii) if approved by the Board, payment in Common Shares issued from the treasury of Sprout (subject to any required approval of the Exchange and, if required by the policies of the Exchange, the shareholders of Sprout).

With respect to any Restricted Awards, Sprout shall not determine whether the payment method shall take the form of cash or Common Shares, or a combination thereof, until the Settlement Date, or some reasonable time prior thereto. The Grantee shall not have any right to demand to be paid in, or receive, Common Shares in respect of the Payout Amount underlying a Restricted Award, at any time. Notwithstanding any election by Sprout to settle any Payout Amount, or portion thereof, in Common Shares, Sprout reserves the right to change its election in respect thereof at any time up until payment is actually made, and the Grantee shall not have the right, at any time, to enforce settlement in the form of Common Shares.

Where Sprout elects to pay any amounts pursuant to a Restricted Award by acquiring Common Shares on the Exchange, or by Sprout issuing Common Shares from treasury, the number of Common Shares to be delivered shall be equal to the nominal number of Common Shares underlying the Restricted Award (adjusted in accordance with the definition of the Payout Amount, as applicable) and if the determination of the number of Common Shares to be

delivered to a Grantee in respect of a particular Settlement Date would result in the issuance of a fractional Common Share, the number of Common Shares deliverable on the Settlement Date shall be rounded down to the next whole number of Common Shares. No certificates representing fractional

Common Shares shall be delivered pursuant to this Plan, nor shall any cash amount be paid at any time, in lieu of any such fractional interest.

- (d) ***Other Terms of Restricted Awards*** - Except as otherwise provided herein, and subject to the terms hereof, the number of Restricted Awards subject to each grant, the expiration date of each Restricted Award, the Vesting Dates and Settlement Dates with respect to each grant of Restricted Awards, and other terms and conditions relating to each such Restricted Award shall be determined by the Board in its sole discretion. The Board may, subject to receipt of all required regulatory and stock exchange approvals, on or subsequent to the time of granting a Restricted Award, permit the vesting of all, or any portion of, an unvested Restricted Award then outstanding and granted to the Grantee under this Plan, in which event all such unvested Restricted Awards then outstanding and granted to the Grantee shall be deemed to be immediately vested and the Grantee shall be entitled to receive the Payout Amount in respect of such Restricted Award.
- (e) ***Expiry Date*** - Notwithstanding any other provision of this Plan, Restricted Awards granted hereunder shall terminate, no longer entitle the Grantee to receive the Payout Amount and be of no further force and effect after the Expiry Date.
- (f) ***Termination of Relationship as an Eligible Participant*** - Unless otherwise determined by the Board, or unless otherwise provided in a Restricted Award Confirmation pertaining to a particular Restricted Award, or any written employment or consulting agreement governing a Grantee's role as an Eligible Participant, or in any retirement policy of Sprout applicable to a Grantee, the following provisions shall apply in the event that a Grantee ceases to be an Eligible Participant:
 - (i) ***Termination*** – (A) If a Grantee ceases to be an Eligible Participant because of voluntary resignation or termination for cause of such Grantee, effective as of the Cessation Date all outstanding Restricted Award Confirmations under which Restricted Awards have been made to such Grantee in respect of the Payout Amount thereof for which the Vesting Date shall not have occurred on or before the Cessation Date shall be immediately terminated and all rights to receive payments thereunder shall be forfeited by the Grantee; (B) If a Grantee ceases to be an Eligible Participant because of the termination of the Grantee by Sprout for a

reason other than for cause, then for any Restricted Awards held by such Grantee with a Vesting Date that is within ninety (90) days following the Cessation Date the Vesting Date(s) and Settlement Date(s) for such Restricted Awards shall be the Cessation Date, and the Grantee shall be entitled to receive the Payout Amount of such Restricted Awards.

- (ii) *Death of a Grantee* – If a Grantee ceases to be an Eligible Participant because of such Grantee's death the Vesting Date(s) and Settlement Date(s) of any Restricted Awards held by such Grantee shall be deemed to be the date of death and the Grantee's personal or legal representative shall be entitled to receive the Payout Amount of such Restricted Awards following such Vesting Date.
- (iii) *Fundamental Change* – If a Fundamental Change occurs and if:
 - (A) a Grantee ceases to be an Eligible Participant (except if the resignation or termination for cause of such Grantee has caused such cessation) in connection with such Fundamental Change or within the six (6) months following a Fundamental Change, the Vesting Date(s) and Settlement Date(s) for all outstanding Restricted Awards held by the Grantee shall be the Cessation Date, and the Grantee shall be entitled to receive the Payout Amount of such Restricted Awards following such Vesting Date and Settlement Date; or
 - (B) within six (6) months following a Fundamental Change, the Grantee elects to terminate employment or service for an event or events which constitute Good Reason, the Vesting Date(s) and Settlement Date(s) for all outstanding Restricted Awards held by the Grantee shall be the Cessation Date, and the Grantee shall be entitled to receive the Payout Amount of such Restricted Awards following such Vesting Date and Settlement Date.
- (iv) *Extension of Expiration Period* – The Board may, in its sole discretion, determine that the dates for termination of Restricted Award Confirmations or Restricted Awards as set forth in Sections 6(f)(i), 6(f)(ii) and 6(f)(iii) hereof shall be extended, provided such extension shall not be past the Expiry Date.
- (v) *Change of Position* - Notwithstanding the foregoing, the right to receive a Payout Amount under any Restricted Awards shall not be affected by a change of position within or among Sprout, or any of its subsidiaries, so long as the Grantee continues to be an Eligible Participant.

- (vi) *Rights as a Shareholder* – Until and unless Common Shares have actually been issued in accordance with the terms of this Plan, the Grantee to whom a Restricted Award has been made shall not possess any incidents of ownership of such Common Shares including, for greater certainty and without limitation, the right to receive Dividends on such Common Shares and the right to exercise voting rights in respect of such Common Shares. Such Grantee shall only be considered a shareholder of Sprout in respect of such Common Shares when and if such issuance has been entered upon the records of the duly authorized transfer agent of Sprout.

- (vii) *Treatment of Non-Cash Dividends* – Subject to any required approvals, including the approval of the Exchange, in the case of a non-cash Dividend, including Common Shares or other securities or other property, the Board may, in its sole discretion, determine that this non-cash Dividend be provided to a Grantee on the same basis as a holder of a Common Share with the same Dividend Record Date and Dividend Payment Date. The Board may provide this non-cash Dividend to the Grantee in the same form as the non-cash distribution received by a holder of a Common Share or a cash equivalent amount determined in the sole discretion of the Board.

7. Effect of Certain Changes

In the event:

- (a) of any change in the Common Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise; or

- (b) that, as a result of any recapitalization, merger, consolidation or other transaction, the Common Shares are converted into, or exchangeable for, any other securities;

then, in any such case, the Board may make such adjustments to this Plan, to any Restricted Awards and to any Restricted Award Confirmations outstanding under this Plan as the Board may, in its sole discretion, consider appropriate in the circumstances (including changing the Common Shares covered by each Restricted Award into other securities on the same basis as Common Shares are converted into, or exchangeable for, such securities in any such transaction), subject to any required approvals, including the approval of the Exchange.

8. Withholding Taxes and Tax Treatment

When a Grantee or other person becomes entitled to receive a payment in respect of a Restricted Award, Sprout shall have the right to require the Grantee (or its beneficiaries) to remit to Sprout an amount sufficient to satisfy any withholding tax requirements relating thereto. Unless otherwise prohibited by the Board or by applicable law, satisfaction of the withholding tax obligation may be accomplished by any of the following methods or by a combination of such methods:

- (a) the tendering by the Grantee of a cash payment to Sprout in an amount equal to the total withholding tax obligation; or
- (b) where Sprout has elected to issue Common Shares to the Grantee, the withholding by Sprout from the Common Shares otherwise due to the Grantee, such number of Common Shares as it determines are required to be sold by Sprout, as trustee, to satisfy the total withholding tax obligation (net of selling costs). The Grantee consents to such sale and grants to Sprout an irrevocable power of attorney to effect the sale of such Common Shares and acknowledges and agrees that Sprout accepts no responsibility for the price obtained on the sale of such Common Shares; or
- (c) the withholding by Sprout, from any cash payment otherwise due to the Grantee (whether arising pursuant to the Grantee's relationship as an officer or employee of Sprout or as a result of the Grantee providing services to Sprout or otherwise) such amount of cash as is equal to the amount of the total withholding tax obligation;

provided, however, that the sum of any cash so paid or withheld and the net proceeds from the sale of any Common Shares so withheld is sufficient to satisfy the total withholding tax obligation.

Grantees (or their beneficiaries) shall be responsible for all taxes with respect to any Restricted Awards granted under this Plan. The Board and Sprout make no guarantees to any person

regarding the tax treatment of Restricted Awards or payments made under this Plan and none of Sprout nor any of its employees or representatives shall have any liability to a Grantee (or its beneficiaries) with respect thereto.

9. Non-Transferability

Subject to Section 6(f)(ii) hereof, the right to receive the Payout Amount pursuant to Restricted Awards granted to a Grantee may only be exercised by such Grantee personally or by the Grantee's estate. Except as otherwise provided in this Plan, no assignment, sale, transfer, pledge or charge of a Restricted Award, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Restricted Award whatsoever in any assignee or transferee except the estate of the Grantee and, immediately upon any assignment, sale, transfer, pledge or charge or attempt to assign, sell, transfer, pledge or charge, such Restricted Award shall terminate and be of no further force or effect.

10. Merger and Sale, etc.

If Sprout enters into any transaction or series of transactions, other than a transaction that is a Fundamental Change and to which Section 6(f)(iii) hereof applies, whereby Sprout or all or substantially all of the Common Shares or all or substantially all of Sprout' undertaking, property or assets become the property of any other trust, body corporate, partnership or other person (a "**Successor**") whether by way of take-over bid, acquisition, reorganization, consolidation, amalgamation, arrangement, arrangement, merger, transfer, sale or otherwise, then prior to or contemporaneously with the consummation of such transaction:

- (a) Sprout and the Successor shall execute such instruments and do such things as are necessary to establish that upon the consummation of such transaction the Successor will have assumed all the covenants and obligations of Sprout under this Plan and the Restricted Awards and Restricted Award Confirmations outstanding on consummation of such transaction in a manner that substantially preserves and does not impair the rights of the Grantees thereunder in any material respect (including the ability to receive shares, securities or other property of the Successor in lieu of Common Shares on the Payment Date(s) applicable to such Restricted Awards and adjusted appropriately to give effect to such transaction and which shares, securities or other property of the Successor the Grantee shall accept in lieu of Common Shares), and subject to compliance with this Section 10, any such Successor shall succeed to, and be substituted for, and may exercise every right and power of, Sprout under this Plan and such Restricted Award Confirmations with the same effect as though the Successor had been named as Sprout herein and therein and thereafter, Sprout shall be relieved of all obligations and covenants under this Plan and such Restricted Award Confirmations and the obligation of Sprout to the Grantees in respect of the Restricted Awards shall terminate and be at an end and the Grantees shall cease to have any further rights in respect thereof; or
- (b) if the Restricted Awards (and the covenants and obligations of Sprout under this Plan and the Restricted Award Confirmations outstanding on consummation of

such transaction) are not so assumed by the Successor, then the Payment Date for all Restricted Awards and underlying Payout Amount that has yet to be paid as of such time shall be the date which is immediately prior to the date upon which the transaction is consummated.

11. Amendment and Termination of Plan

Sprout may amend or discontinue this Plan or Restricted Awards granted under this Plan at any time by resolution of the Board, without the approval of the shareholders of Sprout, provided that any amendment to this Plan that requires approval of any stock exchange on which the Common Shares are listed for trading may not be made without approval of such stock exchange. In addition, no amendment to this Plan or Restricted Awards granted pursuant to this Plan may be made without the consent of the Grantee, if it adversely alters or impairs any Restricted Awards previously granted to such Grantee under this Plan; provided that any amendments to this Plan to allow for the Payout Amount of any Restricted Awards to be settled by the issuance of Common Shares, or to comply with the requirements of the Exchange, shall not be considered to adversely alter or impair any Restricted Awards previously granted under this Plan and all Grantees are deemed to have consented to such amendments.

12. Miscellaneous

- (a) **Effect of Headings** – The section and subsection headings contained herein are for convenience only and shall not affect the construction hereof.
- (b) **Compliance with Legal Requirements** – Sprout, in its sole discretion, may postpone the issuance or delivery of any Common Shares or the payment in cash that Sprout elects to issue or pay pursuant to any Restricted Award to such date as the Board may consider appropriate, and may require any Grantee to make such representations and furnish such information as it may consider appropriate in connection with the issuance or delivery of Common Shares or the payment in cash in compliance with applicable laws, rules and regulations, provided that the issuance of such Common Shares or the payment in cash shall occur on or before December 31 of the third calendar year following the calendar year in which the Restricted Awards in question were granted. Sprout shall not be required to qualify for resale pursuant to a prospectus or similar document any Common Shares that they elect to issue pursuant to this Plan, provided that, if required, Sprout shall notify the Exchange and any other appropriate regulatory bodies of the existence of this Plan and the granting of Restricted Awards hereunder in accordance with any such requirements.
- (c) **No Right to Continued Employment or Service** - Nothing in this Plan, or in any Restricted Award Confirmation entered into pursuant hereto, shall confer

upon any Grantee the right to continue in the employ or service of Sprout, to be entitled to any remuneration or benefits not set forth in this Plan or an Restricted Award Confirmation or to interfere with, or limit in any way, the right of Sprout to terminate a Grantee's employment or service arrangement with Sprout.

- (d) **Unfunded Plan** - This Plan shall be unfunded. Sprout shall not be required to segregate any assets that may at any time be represented by Common Shares, cash or rights thereto, nor shall this Plan be construed as providing for such segregation. Any liability or obligation of Sprout to any Grantee with respect to a Restricted Award under this Plan shall be based solely upon any contractual obligations that may be created by this Plan and any Restricted Award Confirmation, and no such liability or obligation of Sprout shall be deemed to be secured by any pledge or other encumbrance on any property of Sprout. Neither Sprout nor the Board shall be required to give any security or bond for the performance of any obligation that may be created by this Plan.
- (e) **Grantee Information** - Each Grantee shall provide Sprout with all information (including personal information) required by Sprout in order to administer this Plan. Each Grantee acknowledges that information required by Sprout in order to administer this Plan may be disclosed to the Board or their appointed administrators and other third parties in connection with the administration of this Plan. In addition, each Grantee acknowledges that personal information relating to the Grantee may be required to be disclosed to the Exchange, securities regulatory authorities and other regulatory or governmental bodies. Each Grantee consents to such disclosure and authorizes Sprout to make such disclosure on the Grantee's behalf.
- (f) **Gender** - Whenever used herein words importing the masculine gender shall include the feminine and neuter genders and vice versa.
- (g) **Exchange Approval Required for Issuance of Common Shares from Treasury** – Notwithstanding anything provided herein, the issuance of any Common Shares from treasury in respect of any Restricted Awards granted herein shall be subject to and shall not be made unless approved by the Exchange (and, if required, any other stock exchange on which the Common Shares are then listed) and approved by shareholders of Sprout in accordance with the requirements of the Exchange. For greater certainty, prior to receipt of such approval, Sprout shall only be permitted to pay the Payout Amount in respect of any Restricted Awards in cash or by the payment in Common Shares acquired by Sprout on the Exchange.
- (h) **Rights as a Shareholder** – Until and unless Common Shares have actually been issued in accordance with the terms of this Plan, the Grantee to whom a

Restricted Award has been made shall not possess any incidents of ownership of such Common Shares including, for greater certainty and without limitation, the right to receive Dividends on such Common Shares and the right to exercise voting rights in respect of such Common Shares. Such Grantee shall only be considered a shareholder in respect of Common Shares when and if such issuance has been entered upon the records of the duly authorized transfer agent of Sprout.

- (i) **Clawback Policy Applicable** - Any clawback policy implemented by Sprout after the effective date of this Plan shall apply to grants of Restricted Awards (including Restricted Awards granted prior to the adoption or implementation of such clawback policy) and the payment of Restricted Awards under this Plan in accordance with the terms of such clawback policy.

13. Governing Law

This Plan will be governed by and construed in accordance with the laws of the Province of Alberta.

14. Effective Date

This Plan shall be effective on the 18th day of November, 2022.