

## MAPLE LEAF GREEN WORLD INC.

### INFORMATION CIRCULAR FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF THE HOLDERS OF COMMON SHARES TO BE HELD ON DECEMBER 30, 2022

(As at November 18, 2022, unless indicated otherwise)

#### Solicitation of Proxies

This Information Circular is furnished in connection with the solicitation of proxies by the management of the Company to be used at the Annual General and Special Meeting (the "Meeting") of the Company's shareholders ("Shareholders") to be held on December 30, 2022 and at all adjournments of the Meeting. The information in this Information Circular is as of November 18, 2022, unless otherwise noted. Solicitations of proxies will be primarily by mail, subject to the use of the Notice and Access Provisions in relation to the delivery of the Information Circular, but may also be by written publication, in person or by telephone, fax, email or oral communication by directors, officers, employees or agents of the Company. All costs of the solicitation for the Meeting will be borne by the Company.

#### Appointment of Proxyholder and Voting by Proxy

Accompanying this Information Circular is a form of proxy for holders of Common Shares. The persons named in the enclosed form of proxy are directors and officers of the Company. A Shareholder desiring to appoint a proxyholder other than the persons designated (who need not be a Shareholder) to represent such Shareholder at a Meeting, may do so either by inserting the name of the Shareholder appointee in the blank space provided in the form of proxy or by completing another form of proxy and, in either case, sending or delivering the completed proxy to the offices of Odyssey Trust Company, Attention: Proxy Department, 350, 300 – 5 Avenue SW, Calgary, Alberta, T2P 3C4. The form of proxy must be received by Odyssey by 5:00 p.m. (Calgary time) on Wednesday, December 28, 2022 or, if the Meeting is adjourned, 48 hours (excluding Saturdays and holidays) before the beginning of any adjournment of the Meeting. Failure to deposit a form of proxy shall result in its invalidation.

A shareholder entitled to vote at the Meeting may, by means of a properly executed and deposited proxy, appoint a proxyholder or one or more alternate proxyholders, who need not be shareholders of the Company, to attend and act at the Meeting for the shareholder and on the shareholder's behalf.

Shareholders are encouraged not to attend the Meeting in person and vote on the matters before the Meeting by proxy, or join by Google Meet video call link <https://meet.google.com/hhs-ieyh-yyp>, or join the Meeting by teleconference by dialing 1-289-348-7002, participant access code: 733 518 041#

#### Record Date

Any shareholder of record at the close of business on November 18, 2022 (the "Record Date") who either personally attends the Meeting or who has submitted a properly executed and deposited form of proxy in the manner and subject to the provisions described above and which has not been revoked shall be entitled to vote or to have his or her shares voted at the Meeting.

#### Signature of Proxy

The form of proxy must be executed by the Shareholder or his or her attorney authorized in writing, or if the Shareholder is a Company, the form of proxy should be signed in its corporate name under its corporate seal by an authorized officer whose title should be indicated. A proxy signed by a person acting as attorney or in some other representative capacity should reflect such person's capacity following his or her signature and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has been previously filed with the Company).

#### Voting of Proxies

The persons named in the accompanying form of proxy will vote the Shares in respect of which they are appointed in accordance with the direction of the Shareholder appointing them. In the absence of such direction, the Shares will be voted FOR the approval of the matters to be considered at the Meeting.

#### Exercise of Discretion of Proxy

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the accompanying Notice of Meeting and this Information Circular and with respect to other matters that may properly come before the Meeting. At the date of this Information Circular, management of Company knows of no amendments, variations, or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting. If other matters do properly come before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote such proxy in their best judgment.

#### Beneficial Holders of Shares

The information set forth in this section is provided to beneficial holders of shares of the Company who do not hold their shares in their own name ("Beneficial Shareholders"). Beneficial Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of shares can be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases those shares will not be registered in the Beneficial

Shareholder's name on the records of the Company. Such shares will more likely be registered under the name of the Beneficial Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominees for many Canadian brokerage firms). Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, the broker/nominees are prohibited from voting shares for their clients. The Company does not know for whose benefit the shares registered in the name of CDS & Co. are held.

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

### **Notice and Access**

The Notice and Access Provisions are a mechanism which allows reporting issuers other than investment funds to choose to deliver proxy-related materials to registered holders and beneficial owners of securities by posting such materials on a non-SEDAR website (usually the reporting issuer's website and sometimes the transfer agent's website) rather than delivering such materials by mail. The Notice and Access Provisions can be used to deliver materials for both special and general meetings. Reporting issuers may still choose to continue to deliver such materials by mail, and beneficial owners will be entitled to request delivery of a paper copy of the information circular at the reporting issuer's expense. The use of the Notice and Access Provisions reduces paper waste and mailing costs to the issuer.

Beneficial Shareholders may request paper copies of the meeting materials be sent to them by postal delivery at no cost. Requests for meeting material may be made up to one year from the date the Information Circular was filed on SEDAR, online at [www.ProxyVote.com](http://www.ProxyVote.com) or by telephone at 1-877-907-7643 and entering the 16-digit control number located on the voting instruction form and following the instructions provided. If you are a Registered Holder and you do not have a 12-digit control number, please call toll-free at 1-800-474-7493 (English) or 1-800-474-7501 (French) to receive a paper copy of the Information Circular. Requests should be received at least 5 business days in advance of the proxy deposit date and time set out in the accompanying proxy or voting instruction form in order to receive the meeting materials in advance of such date and the meeting date.

### **Notice to Shareholders in the United States**

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act* of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

### **Revocation of Proxies**

A registered shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing, including a proxy bearing a later date, executed by the registered shareholder or by his attorney authorized in writing or, if the registered shareholder is a Company, under its corporate seal or by an officer or attorney thereof duly authorized. The instrument revoking the proxy must be deposited at the registered office of the Company, at Suite 203, 1222 - 11th Ave SW, Calgary, Alberta T3C 0M4 at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the Corporate Compliance Officer of the Company or the chairman of the Meeting prior to the time of voting at the Meeting. Only registered shareholders have the right to revoke a proxy. Beneficial Shareholders who wish to change their vote must arrange for their respective intermediaries to revoke the proxy on their behalf.

### **Voting Securities and Principal Holders of Voting Securities**

As at November 18, 2022, there were 36,729,894 Common Shares issued and outstanding, each carrying the right to one vote. A quorum for the transaction of business at the Meeting will be present if there are not less than two persons present at the Meeting holding or representing by proxy not less than five percent (5%) of the Shares entitled to be voted at the Meeting.

To the knowledge of the directors and executive officers of Company, there is no person or Company which beneficially owns or controls or directs, directly or indirectly, Shares carrying more than ten percent (10%) of the voting rights attached to the issued and outstanding Common Shares of the Company which may be voted on at the Meeting.

As of November 18, 2022, the directors and officers of Company, as a group, beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of approximately 3,026,974 Shares, representing approximately 8.24% of the outstanding Shares.

### **Shareholder Resolutions**

The Board has acted in accordance with all past shareholder resolutions.

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

Other than as disclosed below or elsewhere in this Circular, none of the persons who have been directors or executive officers of the Company at any time since the beginning of the Company's last completed financial year, no proposed nominee for election as a director of the Company, and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

### ELECTION OF DIRECTORS

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the Business Corporations Act (Alberta) ("BCA"), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following disclosure sets out the names of management's nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment (for the five preceding years for new director nominees), the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction.

Name, Province or State and Country of Residence and Position with the Company <sup>(1)</sup>	Principal Occupation or Employment for the Last Five Years <sup>(1)</sup>	Director Since	Number and % of Common Shares held in the Company <sup>(5)</sup>
Raymond Lai <sup>(2)(3)</sup> Calgary, Alberta, Canada President, CEO and Director	President and CEO of the Company.	April, 2007	490,050 <sup>(6)</sup> 1.33% <sup>(5)</sup>
Terence Lam <sup>(3)</sup> Calgary, Alberta, Canada CFO and Director	CFO and Corporate Secretary of Company.	March 2012	326,333 <sup>(7)</sup> 0.89% <sup>(5)</sup>
Thomas West, <sup>(2)(3)(4)</sup> Calgary, Alberta, Canada Independent Director	CEO of Imola Operations (Autumn) Ltd.	January 2021	19,444 0.05% <sup>(5)</sup>
Andrew Wang <sup>(2)(3)(4)</sup> Calgary, Alberta, Canada Independent Director	Mechanical Engineer, Application Engineer	January 2021	277,778 0.76% <sup>(5)</sup>
Winston Gao <sup>(3)(4)</sup> St. Catherines, Ontario, Canada Vice-President Finance	Food Safety, Quality Assurance Manager	September 2022	1,913,669 5.21% <sup>(5)</sup>
	TOTAL		3,026,974 8.24% <sup>(5)</sup>

#### Notes:

- (1) The information as to province or state and country of residence and principal occupation has been furnished by the respective directors and executive officers individually.
- (2) Member of the Audit Committee.
- (3) Member of the Nominating and Corporate Governance Committee
- (4) Member of the Compensation Committee
- (5) Based on the 36,729,894 Shares issued and outstanding as of the date hereof.
- (6) In addition to the Shares Mr. Lai holds 358,333 Stock Options.
- (7) In addition to the Shares, Mr. Lam holds 66,667 Stock Options and 107,627 Warrants.

### Biographies of Directors

#### Raymond Lai

Mr. Lai received a B.Com from the University of Calgary in 1975. He has been a registered member of the Certified Management Accountant Society for over 25 years. Mr. Lai has been a successful key executive for public companies in the manufacturing and mining industries for over 10 years and has been instrumental in securing public and private corporate financing both domestically and internationally.

#### Terence Lam

Mr. Lam is a member of the Public Business Accountant Association of Alberta. Prior to spending 9 years in public accounting practice, Mr. Lam owned and managed a wholesale business for 6 years and a retail business for 5 years. Mr. Lam has worked with employees, financial institutions, suppliers, and accountants to understand what is required for a sound business culture. Mr. Lam prides himself on having a practical approach to meeting objectives, a good work ethic and is focused on building successful businesses with proven results.

#### Thomas West

Mr. West joins the Board with over 25 years of executive leadership experience. Mr. West is currently the CEO of Imola Operations (Autumn) Ltd., a private oil and gas company with operations in Central Alberta. His career includes a technical background with extensive experience in business development, marketing, and corporate financial modeling. Mr. West is resourceful, engaging and a collaborative leader who has deep experience in executing growth strategies.

### Andrew Wang

Mr. Wang is a Mechanical Engineer with a comprehensive background in design and management in the industry. Mr. Wang has excellent communication, interpersonal, problem-solving, and organizational skills. Proven success developing, planning, troubleshooting, and delivering engineering designs by collaborating with clients and vendors, ensuring client goals and objectives are achieved.

### Winston Gao

Mr. Gao joins Company with over 18 years of Senior and leadership roles in agriculture, food safety, quality assurance, and food science & technology. Mr. Gao has extensive experience in real estate, investments, corporate strategy, negotiations, public relations, and communications. His distinguished career includes a Masters in Food Safety and Quality Assurance, Masters in Microbiology, and Bachelors in Plant Pathology. Mr. Gao is fluent in Mandarin; Cantonese; and English and is well known in the Chinese community in Ontario. He has also successfully negotiated with foreign government officials on trade access and regulatory compliance.

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

Proxies received in favour of management will be voted for the election of the above-named nominees, unless the shareholder has specified in the proxy that the shares are to be withheld from voting in respect thereof. Management does not contemplate that any of the nominees will be unable to serve as a director of the company for the ensuing year, however, if a nominee is for any reason unavailable to serve as a director of the company at or prior to the meeting or any adjournment thereof, proxies in favour of management will be voted in favour of the remaining nominees and may be voted for the election of any person or persons in place of any nominees unable to serve at the discretion of the persons named in the enclosed form of proxy.

## CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

No director or NEO of the Company is, as at the date of this Information Circular, or was, within ten years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company), that (a) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days, or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director or NEO of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company (a) is, as at the date of this Information Circular, or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

No director, or NEO of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

## CONFLICTS OF INTEREST

To the best of the Company's knowledge, except as otherwise noted in this Information Circular, there are no existing or potential conflicts of interest among the Company, its directors, officers, or other members of management of the Company except that certain of the directors, officers and other members of management serve as directors, officers and members of management of other public companies and therefore it is possible that a conflict may arise between their duties as a director, officer or member of management of such other companies and their duties as a director, officer or member of management of the Company.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' or officers' conflicts of interest or in respect of any breaches of duty to any of its directors and officers. All such conflicts must be disclosed by such directors or officers in accordance with the BCA.

## COMMITTEES OF THE BOARD

The Board reconstituted its standing committees as of January 13, 2022, whose members are as follows:

Board Committee	Committee Members	Status
Audit Committee	Andrew Wang (Chair) Thomas West Raymond Lai	Independent Independent President and CEO
Nominating and Corporate Governance Committee	Raymond Lai (Chair) Andrew Wang Terence Lam	President and CEO Independent CFO
Compensation Committee	Raymond Lai (Chair) Andrew Wang Winston Gao	President and CEO Independent Independent

## ORIENTATION AND CONTINUING EDUCATION

The Board will ensure that new members are provided access to senior management to discuss the current business strategy of the Company. The Board will also encourage new members to meet individually with current Board members to discuss historical information.

## ETHICAL BUSINESS CONDUCT

The Board will encourage ethical business conduct by ensuring that all members are experienced in leading corporations with ethical business standards.

## NOMINATION OF DIRECTORS

The Nominating and Corporate Governance Committee will meet with prospective nominees to ensure compatibility with current members for the Board for approval.

## COMPENSATION

The Compensation Program will be developed and determined by the Compensation Committee. See “Statement of Executive Compensation”.

## OTHER BOARD COMMITTEES

The Board will not have any standing committees other than the Audit Committee, Nominating and Corporate Governance, and Compensation.

## ASSESSMENTS

The Board does not expect to have a formal process where the Board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. The Corporate Governance and Compensation Committees will review the attendance and performance of the committees and individual directors on an informal basis.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the Company's equity compensation plans under which equity securities are authorized for issuance as at December 31, 2021, the end of the most recently completed financial year.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
The Stock Option Plan and Warrants <sup>(1)(2)</sup>	1,126,493	\$1.98	3,131,032
Equity compensation plans not approved by security holders	N/A	N/A	N/A
<b>Total<sup>(1)(2)</sup></b>	<b>1,126,493</b>	<b>N/A</b>	<b>3,131,032</b>

Notes:

- (1) The Option Plan is a “rolling” stock option plan which reserves for issuance a maximum of 10% of the issued and outstanding Common Shares at the time of the Option grant. As of December 31, 2021, 541,667 Common Shares were issued and outstanding.
- (2) As of the date of this Information Circular 584,826 Warrants with exercise price of \$0.48 per share are outstanding with an expiry date of July 21, 2023.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

NONE

## STATEMENT OF EXECUTIVE COMPENSATION

Set out below is the Statement of Executive Compensation for the Company for the financial year ended December 31, 2021 and 2020, which is presented in accordance with National Instrument Form 51-102F6V (“NI 51-102F6V”). The Company’s executive compensation program is available to the “Named Executive Officers” or “NEOs” of the Company which is defined by applicable securities legislation to mean each of the following individuals, namely: (i) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer (the “CEO”), including an individual performing functions similar to a chief executive officer; (ii) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (the “CFO”), including an individual performing functions similar to a chief financial officer; (iii) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (i) and (ii) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(f) of NI 51-102F6V for that financial year; and (iv) each individual who would be a named executive officer under paragraph (iii) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

### Compensation, Excluding Compensation Securities

The following table provides compensation information for the financial years ended December 31, 2021, 2020 in respect of the Named Executive Officers, being Raymond Lai, President and CEO and Terence Lam, CFO, of the Company.

Table of Compensation Excluding Compensation Securities							
Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonuses (\$)	Committee or meeting fees (\$)	Value of perquisites (\$) <sup>(1)</sup>	Value of all other compensation (\$)	Total compensation (\$)
Raymond Lai, President, CEO & Director <sup>(2)</sup>	2021	120,000	Nil	Nil	Nil	Nil	120,000
	2020	120,000	Nil	Nil	Nil	Nil	120,000
Terence Lam, CFO, Corporate Secretary & Director <sup>(3)</sup>	2021	60,000	Nil	Nil	Nil	Nil	60,000
	2020	60,000	Nil	Nil	Nil	Nil	60,000
Andrew Wang, P.Eng. Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Thomas West, Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Winston Gao, Director <sup>(4)</sup>	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) None of the Named Executive Officers or directors received perquisites that are not generally available to all employees that in aggregate are greater than: (i) \$15,000, if the NEO or director’s total salary for the financial year is \$150,000 or less; (ii) 10% of the NEO or director’s salary for the financial year, if the NEO or director’s total salary for the financial year is greater than \$150,000 but less than \$500,000; or (iii) \$50,000, if the NEO or director’s total salary for the financial year is \$500,000 or greater.
- (2) All compensation paid by the Company to Mr. Lai was in respect of his position as an officer of the Company.
- (3) All compensation paid by the Company to Mr. Lam was in respect of his position as an officer of the Company.
- (4) Mr. Gao was appointed director of the Company in September 2022

All NEOs are consultants of the Company and no external management company employed or retained one or more individuals acting as a NEO or director of the Company where the Company has entered into an understanding, arrangement, or agreement with the external management company to provide executive management services to the Company, directly or indirectly.

### Outstanding Share-based Awards and Option-based Awards

The following table sets out all option-based awards and share-based awards outstanding as at December 31, 2021, for each NEO:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Raymond Lai Director & CEO	358,333	3.60	Jan 31, 2023	Nil	Nil	Nil	Nil
Terence Lam Director & CFO	66,667	3.60	Jan 31, 2023	Nil	Nil	Nil	Nil

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

The following table sets out the value earned under incentive plans during the year ended December 31, 2021, for each NEO:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Raymond Lai Director & CEO	Nil	Nil	Nil
Terence Lam Director & CFO	Nil	Nil	Nil

### **Stock Option Plans and Other Incentive Plan**

The directors of the Company adopted a stock option plan (the “Option Plan”), on November 1, 2022 which will be subject to approval at the Meeting and every three (3) years thereafter. The Option Plan provides that the board of directors of the Company (the “Board”) may from time to time, in its discretion, and in accordance with the requirements of the CSE, grant to directors, officers, employees, or other Services Providers, as defined in the Option Plan, of the Company or its subsidiaries (each a “Participant”), non-transferable Options, provided that the number of Common Shares reserved for issuance will not exceed 10% (on a non-diluted basis) of the issued and outstanding Common Shares at any time. In connection with the foregoing: (a) the aggregate number of Common Shares reserved for issuance pursuant to Options granted to any one Participant in any 12 month period, and pursuant to other share compensation arrangements, may not exceed 5% of the issued and outstanding Common Shares (on a non-diluted basis); (b) the aggregate number of Common Shares reserved for issuance pursuant to Options granted to Insiders (as defined in the Option Plan) and pursuant to other share compensation arrangements may not exceed 10% of the issued and outstanding Common Shares (on a non-diluted basis), unless disinterested shareholder approval is obtained; (c) the number of Common Shares issued to Insiders pursuant to the Plan and other share compensation arrangements within a 12 month period may not exceed 10% of the outstanding Common Shares (on a non-diluted basis), unless disinterested shareholder approval is obtained; (d) the number of Common Shares issued to any one Insider and such Insider’s associates within a 12 month period pursuant to the Option Plan and other share compensation arrangements may not exceed 5% of the outstanding Common Shares (on a non-diluted basis), unless disinterested shareholder approval is obtained; (e) the number of Common Shares issued to any one Consultant within a one year period may not exceed 2% of the outstanding Common Shares (on a non-diluted basis) at the date of grant; and (f) the number of Common Shares issued to a person conducting Investor Relations Activities (as defined in the Option Plan), as defined in the corporate finance manual or policies of the Exchange may not exceed, in the aggregate, 2% (on a non-diluted basis) of the outstanding Common Shares.

Subject to the terms of the applicable Option agreement, in the event of the Participant ceasing to be a director, officer, employee or Consultant of the Company or a subsidiary for any reason other than death, including the resignation or retirement of the Participant and the termination by the Company or a Subsidiary of the employment of the Participant, prior to the Expiry Time, such Option may be exercised as to such of the Common Shares in respect of which the Option has not previously been exercised (and as the Participant would have been entitled to exercise) at any time up to and including (but not after) the earlier of the expiry time of such Option and a date that is 90 days following the effective date of such resignation or retirement or a date that is 90 days following the date notice of termination of employment is given by the Company or a subsidiary, or 30 days if the Consultant is an individual engaged in Investor Relations Activities as defined by the Exchange, subject to such shorter period as may be otherwise specified in an Option agreement, whether such termination is with or without reasonable notice, after which date the Option shall forthwith expire and terminate and be of no further force or effect whatsoever. In the event of termination for cause, such Option shall expire and terminate immediately at the time of delivery of notice of termination of employment for cause to the Participant by the Company or a subsidiary and shall be of no further force or effect whatsoever as to the Common Shares in respect of which an Option has not previously been exercised.

The exercise price and term of the Options shall be determined by the Board at the time any Option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Exchange. The Option Plan prohibits the Company from granting Options with a term longer than 10 years. Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, or that no vesting restriction shall exist. Notwithstanding anything else contained in the Option Plan, if the expiry date for an Option occurs within the three business day period prior to the period of time when, pursuant to any policies of the Company, securities of the Company may not be traded by certain persons as designated by the Company, including any holder of an Option, the Expiry Time of all such Options shall be extended for a period of seven business days following the end of the Black-Out Period (or such longer period as permitted by the Exchange and approved by the Board).

### **EMPLOYMENT, CONSULTING, AND MANAGEMENT AGREEMENTS**

The material terms of each agreement under which compensation was provided during the year ended December 31, 2021 or is payable in respect of services provided to the Company by each NEO or director, is set out below.

#### Raymond Lai – President, CEO and Director

Mr. Lai entered into an Executive Agreement with Company effective as of January 1, 2017, whereby Mr. Lai, in his capacity as CEO, receives a monthly compensation of \$10,000 and a six-week paid vacation. In the event of termination without cause or if there is a change of control of the Company, Mr. Lai will be entitled to 12 months’ salary.

## Terence Lam – Corporate Compliance Officer and Director

Mr. Lam entered into a Management and Administrative Agreement with Company effective as of January 1, 2018, whereby Mr. Lam, in his capacity as Corporate Compliance Officer, receives a monthly compensation of \$5,000 and contains no provisions concerning change of control, severance, termination, or constructive dismissal.

Other than as disclosed herein, there are no contracts, agreements, plans, or arrangements that provide for payments to a NEO or director at, following, or in connection with any termination (whether voluntary, involuntary, or constructive), resignation, retirement, a change in control of the Company, or a change in a NEO's or director's responsibilities.

### **Oversight and Description of Director and Named Executive Officer Compensation**

The objectives of the Company's executive compensation policy are to attract and retain individuals of high calibre to serve as officers of the Company, to motivate their performance in order to achieve the Company's strategic objectives, and to align the interests of executive officers with the long-term interests of the shareholders of the Company.

The Company's process with respect to executive compensation is not based on any formal criteria or analysis; however, in determining compensation, the Board will ensure that compensation is internally equitable and competitive when compared with similar businesses. When determining compensation of the Company's executives, the Board takes into account the limited resources of the Company and certain general principles including:

- i. fair and competitive compensation should be commensurate with an individual's experience and expertise in order to attract and retain qualified executives;
- ii. the financial interests of the executives must be aligned with those of the shareholders of the Company; and
- iii. Option grants are an appropriate tool to reward individual performance and contribute to the achievement of corporate performance and objectives.

### **Compensation of Directors**

The Compensation Committee of the Board (the "Compensation Committee"), through discussions without any formal objectives, criteria, or analysis, is responsible for all forms of compensation to be granted to the directors of the Company. The Compensation Committee's mandate includes reviewing and recommending to the Board director compensation proposals for approval by the Board. The level of compensation for directors is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and scope, and the availability of financial and other resources of the Company.

Non-executive directors do not currently receive directors' fees or fees for participation on Board committees. Long-term incentives in the form of Options are granted to non-executive directors from time to time, based on an existing complement of long term-incentives, corporate performance, and to be competitive with other companies of similar size and scope.

### **Compensation of NEOs**

The Compensation Committee is responsible for all forms of compensation to be paid to the CEO, and for reviewing the CEO's recommendations regarding compensation of the other NEOs of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position.

The key objectives of the Company's executive compensation program are: (i) recruiting and retaining executives critical to the success of Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and Company shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general. In order to achieve these objectives, the compensation paid to NEOs of Company consists of base salary and/or long-term incentives in the form of Options.

The Company's executive compensation program is designed to retain, encourage, compensate, and reward executives based on individual and corporate performance, both in the short- and in the long-term. Base salaries will be based on several factors enabling the Company to compete for and retain executives critical to the Company's long-term success. Share ownership opportunities through Options will be provided to align the interests of executive officers with the longer-term interests of shareholders.

In determining specific compensation amounts for executive officers, the Compensation Committee considers factors such as experience, individual performance, length of service, contribution towards the achievement of corporate objectives and positive exploration and development results, stock price, and compensation compared to other employment opportunities for executives.

### **Elements of NEO Compensation**

#### **Base Salary**

The Company's NEOs may receive base salaries. For the years ended December 31, 2021 and 2020 no base salary was paid to the CFO. The Compensation Committee reviews these salaries annually to ensure that they reflect each respective NEO's responsibilities, performance



and experience in fulfilling his role and is based on the executive officer's personal performance and expertise, contribution to the business of the Company, and the stage of development of the Company. In determining the base salary for each NEO, the Compensation Committee takes into consideration available market data for other companies of a similar size and nature, although a specific benchmark is not targeted and a formal peer group has not been established, and makes recommendations regarding the compensation of NEOs, for approval by the Board. The base fee salary of each executive is reviewed from time to time to ensure comparability and competitiveness with industry norms.

### **Long-Term Incentives**

Long-term incentive compensation for NEO's is provided through grants of Options pursuant to Option Plan. Option grants to executive officers are generally reviewed annually by the Board. The Compensation Committee will recommend the number of Options to be granted to the Company's executive officers, subject to approval by the Board. In establishing the number of Options to be granted to the NEOs, reference is made to the number of Options granted to officers of other publicly traded companies that, similar to the Company, as well as those of other publicly traded Canadian companies on a comparable size to that of the Company in respect of assets. The Board also considers previous grants of Options and the overall number of Options that are outstanding relative to the number of outstanding Common Shares in determining whether to make any new grants of Options and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience, and level of commitment of the NEO in determining the level of Option compensation.

### **Pension Disclosure**

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

### **AUDIT COMMITTEE**

The following information is provided in accordance with Form 52-110F2 under NI 52-11 – *Audit Committees* ("NI 52-110"). As of the date hereof, the Audit Committee is comprised of:

<b>Name of Director</b>	<b>Independent<sup>(1)</sup></b>	<b>Financially Literate</b>
<b>Raymond Lai</b>	Yes	Yes
<b>Thomas West,</b>	Yes	Yes
<b>Andrew Wang (Chair)</b>	Yes	Yes

Notes:

(1) As defined in NI 52-110.

### **The Audit Committee's Charter**

The text of the Company's Audit Committee Charter is set forth in Schedule "A" hereto.

### **Relevant Education and Experience**

Each director 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 estimates, accruals, and reserves; (c) experience in 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 issuer's financial statements, or experience actively supervising individuals engaged in such activities; and (d) an understanding of internal controls and procedures for financial reporting.

A general description of the education and experience of each Audit Committee member which is relevant to the performance of their responsibilities as an Audit Committee member is contained in their respective biographies under– "*Election of Directors*".

### **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**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in section 2.4 of NI-52-110, an exemption contained in subsection 6.1.1(4), 6.1.1(5) or 6.1.1(6) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

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

The Audit Committee Charter provides the Audit Committee with the duty to pre-approve all non-audit services to be provided to the Company by the external auditors unless otherwise provided for in NI 52-110.

### **External Auditor Service Fees (By Category)**

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years are set out below.

Financial Year Ending December 31	Audit Fees <sup>(1)(3)</sup>	Audit-Related Fees	Tax Fees <sup>(2)</sup>	All Other Fees
2021	\$4,000	Nil	Nil	Nil
2020	\$80,000	Nil	Nil	Nil

Notes:

- (1) Audit fees were for professional services rendered by the auditors for the audit of the Company's annual consolidated financial statements as well as services provided in connection with statutory and regulatory filings (exclusive of GST).
- (2) Tax fees were for tax compliance.
- (3) These fees only represent professional services rendered and do not include any out-of-pocket disbursements or fees associated with filings made on the Company's behalf. These additional costs are not material as compared to the total professional services fees for each year.

**Exemption**

As an issuer listed on the CSE, the Company currently relies on the exemption set forth in Section 6.1 of NI 52-110 pertaining to composition of the Audit Committee and reporting obligations under NI 52-110.

**PARTICULARS OF MATTERS TO BE ACTED UPON**

**REPORT AND FINANCIAL STATEMENTS**

The audited financial statements of the Company for the year ended December 31, 2021 and 2020 (the "Financial Statements") together with the Auditors Report will be presented to Shareholders at the Meeting. The Financial Statements, Auditor's Report, and management's discussion and analysis ("MD&A") for the financial year ended December 31, 2021 and 2020 are available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). The Notice of Annual General Meeting of Shareholders, Information Circular, Request for Financial Statements (NI 51-102) and form of Proxy will be available from the Transfer Agent.

**FIXING THE NUMBER OF DIRECTORS AND RE-ELECTION OF DIRECTORS**

At the Meeting, Shareholders will be asked to elect five (5) directors. Company's articles provide that the Board shall consist of a minimum of three and a maximum of eleven directors. By a resolution on November 1, 2022, the Board fixed the number of directors to be elected at the Meeting at five (5), each of whom will serve until the next annual meeting of Shareholders or until their respective successors are elected or appointed.

The five (5) nominees for election as directors of Company by Shareholders are Raymond Lai, Terence Lam, Andrew Wang, Thomas West, and Winston Gao.

**MANAGEMENT RECOMMENDS THE APPROVAL OF THE RESOLUTION TO SET THE NUMBER OF DIRECTORS OF THE COMPANY AT FIVE (5).**

The Company's articles permit the Board, between annual meetings of Shareholders, to appoint one or more additional directors (up to a maximum of one-third of the number of directors who held office at the expiration of the last annual meeting of Shareholders).

**RE-APPOINTMENT AND REMUNERATION OF AUDITORS**

Shareholders are being asked to re-appoint Rozek & Associates to act as Auditor of the Company until the next annual general meeting of shareholders and to authorize the Board to fix the remuneration. Proxies received in favour of management will be voted for the appointment of Rozek & Associates, as Auditor of the Company to hold office until the next annual meeting of shareholders and the authorization of the Directors to fix the Auditors' remuneration unless a shareholder has specified in the proxy that his or her shares are to be withheld from voting in respect of the appointment of Rozek & Associates who have been the auditors of the company since May 2022.

**MANAGEMENT RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE APPROVAL OF THE RE-APPOINTMENT OF ROZEK & ASSOCIATES AS THE AUDITOR FOR THE COMPANY FOR THE ENSUING YEAR AT A REMUNERATION TO BE FIXED BY THE BOARD.**

**RE-APPROVE EXISTING STOCK OPTION PLAN:**

The Company's current stock option plan (the "Option Plan") provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates, options to purchase shares, whereby the aggregate number of shares reserved for issuance, together with any other shares reserved for issuance under any other plan or agreement of the Company, shall not exceed ten (10%) percent of the total number of issued Company's Shares (calculated on a non-diluted basis) at the time an option is granted. As at the date of this Information Circular, the Company has 3,131,322 unexercised options issued and outstanding.

BE IT RESOLVED BY ORDINARY RESOLUTION THAT:

- (1) the Option Plan of the Company, be and the same is hereby ratified, confirmed and re-approved.
- (2) any director or officer be and is hereby authorized to amend the Option Plan should such amendments be required by applicable regulatory authorities; and
- (3) any one director or officer of the Company be and is hereby authorized and directed to do all such things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution.”

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#### **APPROVE POTENTIAL NAME CHANGE AND CHANGE OF BUSINESS OF THE COMPANY:**

While the Company is developing the hemp business for impending global acceptance and legalization, it is also exploring the option to increase shareholder value and to achieve long term financial stability by diversifying in other high valued industries. One of the industries the Company has recently invested funds in is tourism real estate in the Cayman Island. Pursuant to an agreement that the Company entered with a builder, the Company has an option to invest up to \$5 million in next 5 years. If the Company decide to go that route or take on another deemed profitable venture, it will be required to issue a “Change of Business” pursuant to the policies of the CSE. While the Company continues to develop its hemp project, it would also want to capitalize on additional profitable opportunities and would like to seek shareholder approval in advance for this matter.

#### **BE IT RESOLVED THAT:**

- (1) that the shareholders of the Company approve any possible effective name change and change in business of the Company to become a Holding Company with subsidiaries involved in different industry sector resulting from the Company’s decision to invest further into the real estate venture and other deemed profitable venture.
- (2) the Directors of the Company are authorized, in their sole and absolute discretion, to abandon or alter any portion of any proposed name change and change of business at any time without the further approval of the shareholders of the Company.
- (3) any one director or officer of the Company be and is hereby authorized and directed to do all such things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of these resolutions.”

**MANAGEMENT RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE APPROVAL OF THE POSSIBLE NAME CHANGE AND CHANGE OF BUSINESS WHICH ISSUE MIGHT OTHERWISE REQUIRE SHAREHOLDER APPROVAL PURSUANT TO THE POLICIES AND RULES OF THE CSE.**

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#### **OTHER BUSINESS**

Management is not aware of any other matters to come before the Meeting, other than those set out in the Notice of Meeting. If other matters come before the Meeting, it is the intention of the Management Designees to vote in respect of the same in accordance with their best judgment in such matters.

#### **CORPORATE GOVERNANCE DISCLOSURE**

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”) and National Policy 58-201 – *Corporate Governance Guidelines* (“NI 58-201”) require that if management of a venture issuer solicits proxies from its securityholders for the purpose of electing directors that certain prescribed disclosure respecting corporate governance matters be included in its management information circular.

Set out below is a description of the Company’s current corporate governance practices, relative to NI 51-101 and NP 51-201.

#### **Board of Directors**

The Board, which is responsible for supervising the management of the business and affairs of the Company, is currently comprised of five (5) directors. Following the Meeting it is anticipated that there will be five (5) directors, of which two (2) are independent, as such term is defined in NI 58-101 and NI 52-110. Each of Raymond Lai, Terence Lam and Winston Gao are not considered independent under Section 1.4 of NI 52-110 by virtue of them serving as executive officers of the Company.

The Board has plenary power to manage and supervise the management of the business and affairs of the Company and to act in the best interest of the Company. The Board is responsible for the overall stewardship of the Company and approves all significant decisions that affect the Company before they are implemented. The Board also considers their implementation and reviews the results.

#### **Directorships**

None of the directors of the Company serve as directors of any other reporting issuers (or the equivalent), as at the date hereof.

#### **Orientation and Continuing Education**

The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. The Company has not yet developed an official orientation or training program for new directors or a formal continuing education program for existing directors. Nevertheless, new directors will be provided, through discussions and meetings with other directors, officers

and employees, with a thorough description of the Company's business, properties, assets, operations and strategic plans and objectives. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

The Board has adopted several policies outlining the corporate governance policies of the Company (the "Governance Documents") including a Board of Directors Mandate; Compensation Committee Mandate; Compensation Committee Chair Position Description; Code of Business Conduct and Ethics (the "Code"); Insider Trading and Reporting Policy; Whistleblower Policy; and Disclosure Policy; and a charter for the Audit Committee. The Governance Documents are updated as the Company's business and policies change.

### **Ethical Business Conduct**

As part of its responsibility for the stewardship of the Company, the Board seeks to foster a culture of ethical conduct by requiring the Company to carry out its business in line with high business and moral standards and applicable legal and financial requirements. The Board has formalized this in a written Code adopted on April 18, 2017.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to employees, consultants, officers and directors to help them recognize and deal with ethical issues; promoting a culture of honesty, integrity and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

The Board takes steps to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or an employee or consultant of the Company has a material interest, which include ensuring that such individuals are familiar with the Code and, in particular, rules concerning reporting conflicts of interest and obtaining direction from the Board or a member of senior management of the Company regarding any potential conflicts of interest.

The Code provides specific guidelines and policies for dealing with situations that may be encountered in the workforce in order to promote an open and positive work environment. The Code details the Company's policies on confidentiality, fair dealing, safety and health, and business and governmental relations, among other things.

The Code allows directors, officers, employees and consultants who feel a violation has occurred to report the actual or potential compliance infraction to the CEO, CFO, or any other senior officer designated from time to time, on a confidential, anonymous basis.

### **Nomination of Directors**

The Company's management is continually in contact with individuals involved in the medical cannabis industry and public-sector resource issuers. From these sources, the Company has made numerous contacts and, in the event, that the Company is in a position to nominate any new directors, such individuals would be brought to the attention of the Board of Directors. The Company conducts due diligence, reference, and background checks on any suitable candidate. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required and a willingness to serve.

### **Compensation**

A discussion of the policies and practices of the Company in determining compensation is set forth above under the heading "*Statement of Executive Compensation*".

### **Assessments**

The Board does not formally review the contributions of individual directors; however, it believes that its current size facilitates informal discussion and evaluation of members' contributions within that framework. All directors and/or committee members are free to make suggestions for improvement of the practice of the Board and/or its committees at any time and are encouraged to do so.

### **ADDITIONAL INFORMATION**

The following documents filed with the securities commissions or similar regulatory authority in British Columbia, Alberta and Ontario are specifically incorporated by reference into, and form an integral part of, this information circular:

- The audited annual financial statements of the Company for the financial year ended December 31, 2021, and 2020, together with the report of the auditor thereon and the related management discussion and analysis, to be filed on SEDAR prior to the date of the meeting.

Copies of documents incorporated herein by reference may be obtained by a Shareholder upon request without charge from the Corporate Compliance Officer of the Company, at Suite 203, 1222 - 11th Ave SW, Calgary, Alberta T3C 0M4. These documents are also available through the Internet on SEDAR, which can be accessed at [www.sedar.com](http://www.sedar.com).

## SCHEDULE "A"

### MAPLE LEAF GREEN WORLD INC.

#### AUDIT COMMITTEE CHARTER

(Adopted by the Board of Directors on May 10, 2017)

#### A. PURPOSE

The overall purpose of the Audit Committee (the "Committee") is to ensure that the management of Maple Leaf Green World Inc. (the "Company") has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements of the Company and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of material facts. In particular the Committee must ensure compliance with National Instrument 52-110 – *Audit Committees* ("NI 52-110").

#### B. COMPOSITION, PROCEDURES AND ORGANIZATION

1. Unless exempt from the requirements of Part 3 of NI 52-110, the Committee shall consist of at least three members of the Board of Directors (the "Board"), all of whom shall be "independent", as that term is defined in NI 52-110 ("venture issuers" are exempt from the requirements of Part 3 of NI 52-110.)
2. Unless exempt from the requirements of Part 3 of NI 52-110, all members of the Committee shall be "financially literate", as that term is defined in NI 52-110 ("venture issuers" are exempt from the requirements of Part 3 of NI 52-110.)
3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
4. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair from among their number.
5. Unless exempt from the requirements of Part 3 of NI 52-110, the secretary of the Committee shall be selected by the Committee and shall be "financially literate" unless otherwise determined by the Committee. (Venture issuers are exempt from the requirements of Part 3 of NI 52-110.)
6. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
7. The Committee shall have access to such officers and employees of the Company and to the Company's internal and external auditors, and to such information respecting the Company, as it considers necessary or advisable in order to perform its duties and responsibilities.
8. The Committee shall be entitled to engage independent counsel and other advisors as it considers necessary to carry out its duties and to set and pay the compensation for any such advisors.
9. Meetings of the Committee shall be conducted as follows:
  - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
  - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee;
  - (c) the following management representatives shall be invited to attend all meetings, except executive sessions and private sessions with the external auditors:
    - Chief Executive Officer;
  - (d) other management representatives shall be invited to attend as necessary.
10. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may directly contact any employee in the Company as it deems necessary, any employee may bring before the Committee any matter involving questionable, illegal, or improper financial practices or transactions.

#### C. DUTIES AND RESPONSIBILITIES

1. The overall duties and responsibilities of the Committee shall be as follows:

- (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements;
  - (b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;
  - (c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
2. to report regularly to the Board on the fulfilment of its duties and responsibilities.
3. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
- (a) to recommend to the Board a firm of external auditors to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company and to verify the independence of such external auditors;
  - (b) to review and recommend to the Board the scope and timing of the audit and other related services rendered by the external auditors and the compensation therefor;
  - (c) review the audit plan of the external auditors prior to the commencement of the audit;
  - (d) to directly oversee the work of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting;
  - (e) to review with the external auditors, upon completion of their audit:
    - (i) contents of their report;
    - (ii) scope and quality of the audit work performed;
    - (iii) adequacy of the Company's financial and auditing personnel;
    - (iv) co-operation received from the Company's personnel during the audit;
    - (v) internal resources used;
    - (vi) significant transactions outside of the normal business of the Company;
    - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
    - (viii) the non-audit services provided by the external auditors;
  - (f) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles;
  - (g) to pre-approve all non-audit services to be provided to the Company by the external auditors unless otherwise provided for in NI 52-110;
  - (h) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management;
  - (i) to review the Company's financial statements, MD&A and press releases announcing annual and interim earnings before the Company publicly discloses the information;
  - (j) to ensure that procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in subsection (i) above, and periodically assess the adequacy of the procedures;
  - (k) to implement 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 employees of the Company of concerns regarding questionable accounting or auditing matters.
    - (iii) to review and approve the Company's hiring policies regarding partners, employees or former partners and employees of the present and former external auditors of the Company.
4. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:

- (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
  - (b) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
  - (c) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
5. The Committee is also charged with the responsibility to review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto and to:
- (a) review and approve the financial sections of:
    - (i) annual reports to shareholders;
    - (ii) annual information forms (if adopted);
    - (iii) prospectuses; and
    - (iv) other public reports requiring approval by the Board, and report to the Board with respect thereto;
  - (b) review regulatory filings and decisions as they relate to the Company's consolidated financial statements.
  - (c) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
  - (d) review and report on the integrity of the Company's consolidated financial statements.
  - (e) review the minutes of any audit committee meeting of subsidiary companies;
  - (f) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements.
  - (g) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of material facts; and develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of shareholders.