

**GRAPH BLOCKCHAIN INC.**

(formerly, Reg Technologies Inc.)

**Annual General and Special Meeting**

**to be held on November 4, 2020**

**Notice of Annual General and Special Meeting**

**and**

**Information Circular**

**October 5, 2020**

**GRAPH BLOCKCHAIN INC**  
4711 Yonge Street, Suite 1000  
Toronto, Ontario M2N 6K8

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

**NOTICE IS HEREBY GIVEN** that an annual general and special meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares (“**Common Shares**”) of Graph Blockchain Inc. (the “**Company**”) will be held virtually via WebEx at Event Number 132 175 0828 (Password: Graph2020) (<https://mcmillan.webex.com/mcmillan/onstage/g.php?MTID=ecaca953524450826a53032cdc2f7c982>) at 2:00 p.m. (Toronto time) on November 4, 2020 for the following purposes:

1. to receive the consolidated financial statements of the Company together with the auditor’s report thereon for the fiscal years ended April 30, 2019 and April 30, 2020;
2. to consider and, if deemed advisable, to pass an ordinary resolution fixing the number of directors at five (5) and electing the directors of the Company for the ensuing year;
3. to appoint MNP LLP, as the auditors of the Company for the ensuing year and to authorize the directors of the Company to fix their remuneration;
4. to consider, and if deemed advisable, to pass a special resolution to approve and confirm the Company’s stock option plan;
5. to consider and, if deemed advisable, pass, with or without variation, a special resolution authorizing the board of directors to consolidate the common shares of the Company on the basis of one (1) new common share for up to ten (10) old common shares, and amend the Company’s articles accordingly;
6. to consider and, if deemed advisable, to pass a special resolution to approve an amendment to the articles of the Company to change its name to “BluStem Inc.” or such other name as may be determined by the board of directors of the Company; and
7. to transact such other business as may properly be brought before the Meeting or any adjournment(s) or postponement(s) thereof.

An Information Circular accompanies this Notice. The Information Circular contains details of matters to be considered at the Meeting. No other matters are contemplated, however any permitted amendment to or variation of any matter identified in this Notice may properly be considered at the Meeting. The Meeting may also consider the transaction of such other business as may properly come before the Meeting or any adjournment thereof.

Out of an abundance of caution and to proactively deal with the impact of the coronavirus (COVID-19) pandemic, and to mitigate risks to the health and safety of our shareholders, employees and other stakeholders, we will hold our Meeting in a virtual only format. In order to join the Meeting, please register on or before Monday, November 2, 2020 at 2:00 a.m. EDT (Toronto time) at <https://mcmillan.webex.com/mcmillan/onstage/g.php?MTID=ecaca953524450826a53032cdc2f7c982>.

The specific details of the foregoing matters to be put before the Meeting are set forth in the management information circular (“**Circular**”) accompanying this Notice of Meeting.

Shareholders are invited to attend the Meeting. Registered shareholders who are unable to attend the Meeting are requested to read the Circular and the form of proxy which accompanies this notice and to complete, sign, date and deliver the form of proxy, together with the power of attorney or other authority, if any, under which it was signed (or a notarially certified copy thereof) to the Company’s transfer agent, Computershare Investors Services Inc. (“**Computershare**”), Proxy Department, 510 Burrard Street, 3<sup>rd</sup> Floor, Vancouver, British Columbia V6C 3B9, or by facsimile to 1-866-249-7775, or by telephone at 1-866-732-8683. Non-registered shareholders who receive the Circular and form of proxy through an intermediary must deliver the voting form provided in accordance with the instructions given by such intermediary. To be effective, proxies must be received by Computershare not later than Monday, November 2, 2020 at 2:00 p.m. EDT (Toronto time), or in the case of any adjournment of the Meeting not later than 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays, or any adjournment thereof.

**DATED** this 5<sup>th</sup> day of October, 2020.

**BY ORDER OF THE BOARD OF DIRECTORS**

*“Andrew Ryu”*

**Andrew Ryu**  
Chairman of the Board

**GRAPH BLOCKCHAIN INC**  
4711 Yonge Street, Suite 1000  
Toronto, Ontario M2N 6K8

**INFORMATION CIRCULAR**

**SOLICITATION OF PROXIES**

**This information circular (“Information Circular” or “Circular”) is furnished in connection with the solicitation of proxies by the management of Graph Blockchain Inc. (the “Company”) for use at the annual general and special meeting (the “Meeting”) of its shareholders to be held virtually on Wednesday, November 4, 2020 via WebEx Event No. 132 175 0828 (Password: Graph2020) (<https://mcmillan.webex.com/mcmillan/onstage/g.php?MTID=ecaca953524450826a53032cdc2f7c982>) at 2:00 p.m. (Toronto time) for the purposes set forth in the accompanying notice of the Meeting.**

In this Information Circular, references to the “Company”, “Graph”, “we” and “our” refer to Graph Blockchain Inc. “Common Shares” means the common shares in the capital of the Company. “Shareholders” means the holders of Common Shares. “Registered Shareholders” means Shareholders who hold Common Shares in their own name. “Beneficial Shareholders” means Shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

The Meeting will only be held virtually via WebEx at 2:00 p.m. (Toronto time) on November 4, 2020 and at any adjournments or postponements thereof for the purposes set forth in the Notice of Annual and Special Meeting of Shareholders (the “**Notice of Meeting**”) accompanying this Information Circular. Information contained herein is given as of October 5, 2020, unless otherwise specifically stated.

**GENERAL PROXY INFORMATION**

**Adjustments to the Meeting as a Result of COVID-19**

If you intend to attend at the Meeting, please register at the link provided above on or before Monday November 2, 2020 at 2:00 p.m. EDT (Toronto time). If you are not able to attend the Meeting, please read this Circular and the form of proxy and complete, sign, date and deliver the form of proxy, together with the power of attorney or other authority, if any, under which it was signed (or a notarially certified copy thereof) to the Company’s transfer agent, Computershare Investors Services Inc. (“**Computershare**”), Proxy Department, 510 Burrard Street, 3<sup>rd</sup> Floor, Vancouver, British Columbia V6c 3B9, or by facsimile to 1-866-249-7775, or by telephone at 1-866-732-8683. Non-registered shareholders who receive the Circular and form of proxy through an intermediary must deliver the voting form provided in accordance with the instructions given by such intermediary. To be effective, proxies must be received by Computershare not later than Monday, November 2, 2020 at 2:00 p.m. EDT (Toronto time), or in the case of any adjournment of the Meeting not later than 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays, or any adjournment thereof.

Please note that only registered shareholders and duly appointed proxyholders will be able to attend, participate and vote at the virtual Meeting by providing their full name. Voting at the Meeting will be conducted by roll call. You may join the Meeting via your smartphone, tablet or computer. Please ensure that you are connected to the internet at all times to be able to vote. On the day of the Meeting, you should

log into the Meeting by 1:45 p.m. EDT (Toronto time) to confirm your attendance with the scrutineer of the Meeting.

Non-registered shareholders who have not duly appointed themselves as proxyholders may also virtually attend as guests. Guests will be able to virtually attend and listen to the Meeting but will not be able to vote or ask questions during the Meeting. If your shares are held by your broker or you are otherwise a beneficial shareholder, please see the heading below entitled “Advice to Beneficial Shareholders” for information on how to vote.

### **Solicitation of Proxies**

Solicitation of proxies will be primarily by mail but may also be by telephone, facsimile or electronically by directors, officers and employees of the Company who will not be additionally compensated therefor. Brokers, nominees or other persons holding Common Shares in their names for others shall be reimbursed for their reasonable charges and expenses in forwarding proxies and proxy material to the beneficial owners of such Common Shares. The costs of soliciting proxies will be borne by the Company. We have arranged for intermediaries to forward the Notice of Meeting, this Information Circular, and the form of Proxy (collectively, the “**Meeting Materials**”) to Beneficial Shareholders and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

### **Appointment of Proxyholders**

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers and/or directors of the Company. **If you are a Shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting. You may do so by inserting the name of that other person in the blank space provided in the Proxy.**

**Non-registered shareholders desiring to appoint a person other than the person named on the voting instruction form** (of other instrument provided for the Meeting) to attend and act on his, her or its behalf at the Meeting may do so by following the instructions set out therein and delivering the required instrument by the deadlines set out above (or such earlier deadlines as may be set out in the voting instruction form or other instrument) to the party specified therein.

**Each Shareholder is entitled to appoint a person to represent such Shareholder at the Meeting, who need not be one of the persons named in the accompanying form of proxy.**

A proxy must be signed in writing or, subject to the means of electronic signature permitting a reliable determination that the document was created or communicated by or on behalf of the shareholder or the attorney, as the case may be, by electronic signature by the shareholder or an attorney who is authorized by a document that is signed in writing or by electronic signature or, if the shareholder is a body corporate, by an officer or attorney of the body corporate duly authorized. A proxy given pursuant to this solicitation may be revoked by written instrument, including another proxy bearing a later date, executed by the shareholder or by his, her, or its attorney authorized in writing, and deposited either at Computershare by fax within North America at 1-866-249-7775, by fax outside North America at 416-263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or at the head office of the Company 4711 Yonge Street, 10th Floor, Toronto, Ontario M2N 6K8 at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the chairman of such Meeting on the day of the Meeting, or adjournment thereof, or in any other manner permitted by law.

## Voting by Proxyholder

The persons 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 persons named therein with respect to:

- 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;
- any amendment to or variation of any matter identified therein; and
- any other matter that properly comes before the Meeting.

## Exercise of Discretion by Proxies

Common Shares represented by proxies will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if a shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the Common Shares represented by the Proxy will be voted accordingly. **Where no choice is specified, the Proxy will confer discretionary authority upon the persons named in the Proxy and will be voted for the matters described below in this 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 using one of the following methods:

- complete, date and sign the enclosed form of Proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, by fax outside North America at 416-263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery to the Company's head office at the address listed on the cover page of this Information Circular; or
- via Computershare's internet website [www.investorvote.com](http://www.investorvote.com). Registered Shareholders who choose this option must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the Proxy access number.

In each of the above cases Registered Shareholders must ensure the Proxy is received no later than 2:00 p.m. (Toronto time) on November 2, 2020 or two (2) business days preceding the date of any adjournment or postponement of the Meeting. Failure to complete or deposit a Proxy properly may result in its invalidation. The time limit for the deposit of Proxies may be waived by the Chairman of the Meeting at the Chairman's discretion without notice. **Please note that in order to vote your Common Shares in person at the Meeting, you must attend the Meeting virtually and register with the Scrutineer before the Meeting. If you have already submitted a Proxy, but choose to change your method of voting and attend the Meeting to vote, then you should register with the Scrutineer before the Meeting and inform the Scrutineer that your previously submitted Proxy is revoked and that you personally will vote your Common Shares at the Meeting.**

## Beneficial Shareholders

**The following information is of significant importance to Shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders should note the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of Company. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, that 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 that they own (called "**OBOs**" for "*Objecting Beneficial Owners*") and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" for "*Non-Objecting Beneficial Owners*").

Pursuant to National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") the Company distributes copies of the Meeting materials to The Canadian Depository for Securities Limited and intermediaries for onward distribution to Beneficial Shareholders. The Company does not send Meeting materials directly to Beneficial Shareholders. Intermediaries are required to forward the Meeting materials to all Beneficial Shareholders for whom they hold Common Shares unless such Beneficial Shareholders have waived the right to receive them.

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

The form of Proxy supplied to you as a Beneficial Shareholder by your broker will be similar to the Proxy provided to Registered Shareholders. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in Canada and in the United States. Broadridge mails a Voting Instruction Form ("**VIF**") in lieu of the Proxy provided by the Company. The VIF will name the same persons as the Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder), different from the persons designated in the VIF, to represent your Common Shares at the Meeting, and that person may be you. To exercise this right, insert the name of your desired representative (which may be you) in the blank space provided in the VIF. Once you have completed and signed your VIF, return it to Broadridge by mail or facsimile, or deliver your voting instructions to Broadridge by phone or via the internet, in accordance with Broadridge's instructions. Broadridge 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, it must be completed and returned to Broadridge, in accordance with Broadridge's instructions well in advance of the Meeting in order to: (a) have your Common Shares voted at the Meeting as per your instructions; or (b) have an alternate representative chosen by you duly appointed to attend and vote your Common Shares at the Meeting.**

## **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 that are residents of the United States 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.

The enforcement by Shareholders that are residents of the United States of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), as amended, certain of its directors and its executive officers are residents of Canada and all of its assets are located outside the United States. Shareholders that are residents of the United States may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

## **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:

- 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 duly authorized attorney, and by delivering the proxy bearing a later date to Computershare Investor Services, Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or any reconvening thereof, or
- 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.**

## **CURRENCY PRESENTATION**

Unless specified herein, all dollar amounts referenced in this Information Circular are in Canadian dollars and are referred to as "\$". The Company's consolidated annual financial statements for the years ended April 30, 2019 and April 30, 2020 are presented in Canadian dollars.

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

To the knowledge of the directors and executive officers of the Company, no director or executive officer of the Company, any proposed nominee for election as director of the Company, or any 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.

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

The board of directors (the “**Board**”) of the Company has fixed September 21, 2020 as the record date (“**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 virtually or complete, sign and deliver a Proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company was incorporated on October 6, 1982 under the name of “Reg Technologies Inc.” pursuant to the provisions of the BCBCA. The Common Shares were listed for trading on the Canadian Securities Exchange (the “**CSE**”) under the symbol “GBLC” on November 9, 2018. On November 6, 2018, the Company completed its acquisition of Graph Blockchain Limited through a reverse takeover, and changed the Company’s name to Graph Blockchain Inc.

The Company is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares. As at September 21, 2020, there were 162,837,878 Common Shares issued and outstanding, each without par value and each carrying the right to one vote. There are no preferred shares issued and outstanding. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, there are no persons or corporations who beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at the Record Date, other than Datametrex AI Limited (“**Datametrex**”), a technology-focused company listed on the TSX Venture Exchange (the “**TSXV**”). Andrew Ryu, the Chairman of the Board of Graph, is the Chairman of the Board of Datametrex. Paul Haber, a Director of the Board of Graph, is a Director of the Board of Datametrex. As at the Record Date, Datametrex owned beneficially 36,329,287 Common Shares representing approximately 22.31% of the issued and outstanding Common Shares.

## **ELECTION OF DIRECTORS**

The Board presently consists of three (3) directors. The Board proposes to increase the size of its board to five (5) directors, to be comprised of the following directors: Andrew Ryu, Paul Haber, Matthew Humphreys, Youngcho Lee, and John McMullen.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless a director’s office is vacated earlier in accordance with the provisions of the BCBCA, 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 table sets out the names of management’s three nominees for election as director, 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 last five years, 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, as at October 5, 2020.

<b>Name, Current Position with the Company and Province and Country of Residence</b>	<b>Period as a Director of the Company</b>	<b>Principal Occupation for the Previous Five Years<sup>(1)</sup></b>	<b>Common Shares Beneficially Owned Directly or Indirectly</b>
<b>Andrew Ryu</b> <sup>(1)</sup> <i>Chairman of the Board</i> Ontario, Canada	May 19, 2020	Chairman of Datametrex AI Limited and Interim CEO of the Company; Chairman and Chief Executive Officer of Datametrex Limited from September 2016 to October 2019; CEO of Loyalist Group Limited from 2009 to May 2015.	2,470,648 <sup>(2) (3)</sup>
<b>Paul Haber</b> <sup>(1)</sup> <i>Director</i> Ontario, Canada	May 19, 2020	Currently the Chairman/Managing Director and Owner of Blackbirch Capital Inc.; Chairman of Advantagewon Oil Corp since December 2017.	Nil <sup>(4)</sup>
<b>Matthew Humphreys</b> <sup>(1)</sup> <i>Director</i> Ontario, Canada	January 16, 2020	Chief Experience Officer at Diff Agency since 2016	Nil
<b>Youngcho Lee</b> <i>Director</i> British Columbia, Canada	N/A	Managing Director of Uhak.Com; Managing Director of Datametrex Korea	666,667
<b>John McMullen</b> <i>Director</i> Ontario, Canada	N/A	Currently Chief Executive Officer at ScreenPro Security Ltd.; Director of Datametrex AI Limited since 2019	Nil <sup>(5)</sup>

**Notes:**

- (1) Member of the Audit Committee. Paul Haber is the Chair of the Audit Committee.
- (2) Mr. Ryu beneficially owns share purchase warrants exercisable to purchase 831,665 Common Shares.
- (3) Mr. Ryu is a director of Datametrex AI Limited, which beneficially owns 36,329,287 Common Shares and is an Insider of the Company.
- (4) Mr. Haber beneficially owns stock options exercisable to purchase 3,000,000 Common Shares.
- (5) Mr. McMullen beneficially own stock options exercisable to purchase 1,500,000 Common Shares.

## **Biographies of Director Nominees**

### *Andrew Ryu, Chairman of the Board*

Mr. Ryu is a seasoned and experienced entrepreneur and operator in public and private companies with over 20 years of experience. Graduate of McMaster University and University of Toronto. He was previously the Chairman and Chief Executive Officer of the Company from September 2016 to October 2019. Prior to that, he was the Chief Executive Officer of Cozumo Inc. from July 2015 to June 2016 and the Chief Executive Officer of Loyalist Group Limited from February 2009 until May 2015.

### *Paul Haber, Director*

Mr. Haber has been involved in corporate finance and capital markets for over 20 years. He is both a Chartered Accountant and a Certified Public Accountant, with an Honours Bachelors of Arts Degree in Management from the University of Toronto. Mr. Haber was awarded his Chartered Director designation from the DeGroot School of Business in partnership with the Conference Board of Canada.

*Matt Humphreys, Director*

Mr. Humphreys has nearly 20 years of experience working in the digital space, consulting on a variety of topics including digital transformation, D2C commerce, conversion optimization, user experience and usability. Mr. Humphreys has a plethora of experience leading complex and multi-tiered projects in a wide range of industry verticals, all while building a culture of innovation and creativity within his teams.

Mr. Humphreys led the design of Canada's largest legal recreational Cannabis e-commerce site, Ontario Cannabis Store ([www.OCS.ca](http://www.OCS.ca)). This experience will be directly correlated to the development of Graph's e-commerce marketplace focused on the psychedelics industry. Mr. Humphreys will be working closely with the Company to optimize the website, store design, improving site speed, SEO and conversion optimization.

*Youngcho Lee, Director*

Mr. Lee has BA in Accounting and MBA from Hanyang University in South Korea. He worked in accounting, finance, and auditing department at LG Group- headquarter, overseeing all subsidiaries including LG Electronics, LG Construction, and LG Chemicals. He was responsible for management and consulting projects, specializing in M&A and restructuring. After leaving LG, he founded and operated an educational institution for 15 years in Vancouver After successful exit from education industry, he started mobile communications and IT mobile platform businesses in Vancouver and Toronto. He has extensive experience in management, restructuring, financial management, and sales & marketing strategy

*John McMullen, Director*

Mr. McMullen received an undergraduate degree from the University of Western Ontario. Starting in financial management in 1996, he has worked in the Canadian capital markets for over 20 years. Throughout his career he has seeded and launched numerous investment funds, private and public corporations raising over 50 million dollars globally to date. Mr. McMullen has advised and enabled companies to grow from his ability to connect and expand opportunities on a global platform.

**Penalties, Sanctions and Cease Trade Orders**

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

- was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- 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

- has 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 proposed director.

No proposed director of the Company has been subject to:

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

## **CORPORATE GOVERNANCE**

### **General**

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires issuers to disclose their corporate governance practices and National Policy 58-201 – *Corporate Governance Guidelines* provides guidance on corporate governance practices. This section sets out the Company’s approach to corporate governance and addresses the Company’s compliance with NI 58-101.

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the company’s shareholders. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

### **Board of Directors**

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the Board’s opinion, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board facilitates its independent supervision over management of the Company through meetings of the Board, and through frequent informal discussions among independent members of the Board. In addition, the Board has access to the Company’s external auditors, legal counsel, and to any of the Company’s officers. Andrew Ryu is the Chairman of the Board, the primary roles and responsibilities of the Chairman of the Board include: (a) chairing the Board and Shareholder meetings; (b) attending meetings of the committees of the Board if convenient; (c) planning and organizing Board activities including Board meeting agendas; and (d) serving as the spokesperson of the Board along with the executive officers of the Company. In addition, the following members of the Board are considered independent of the Company: Matthew Humphreys and Paul Haber.

### **Other Reporting Issuer Experience**

Certain members of the Board are currently serving on boards of directors of other reporting issuers as set out below:

Name	Name of Reporting Issuer	Exchange or Market
Paul Haber	Datametrex AI Limited	TSXV
	Chinapintza Mining Corp.	NEX
	XTM Inc.	CSE
Andrew Ryu	Datametrex AI Limited	TSXV

### **Orientation and Continuing Education**

No formal program currently exists for the orientation of new directors and existing directors provide orientation and education to new members on an informal and *ad hoc* basis. The Company encourages directors to attend, enroll or participate in courses and/or seminars dealing with financial literacy, corporate governance and related matters. Each director of the Company has the responsibility for ensuring that he maintains the skill and knowledge necessary to meet his obligations as a director. In addition, the Board's continuing education is derived from correspondence with the Company's legal counsel to remain up to date with developments in relevant corporate and securities law matters.

### **Ethical Business Conduct**

The Board is of the view that the fiduciary duties placed on individual directors pursuant to corporate legislation and the common law, and the conflict of interest provisions under corporate legislation which restricts an individual director's participation in decisions of the Board in which the director has an interest, are sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

### **Nomination of Directors**

The Board considers its size each year when it considers the number of directors to recommend for election at the annual meeting of Shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

### **Compensation**

The independent members of the Board review and determine the compensation of directors and officers. The Board meets at least annually to establish, administer and evaluate the compensation philosophy, policies and plans for directors and officers regarding director and executive compensation and to review the performance and determine the compensation of the executive officers, based on criteria including the Company's performance and accomplishment of long-term strategic objectives, each individual officer's performance and comparable compensation paid to similarly-situated officers in comparable companies.

### **Other Board Committees**

As of the date of this Circular, the Board has no standing committees other than the Audit Committee.

## Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management, and the strategic direction and processes of the Board on an ongoing basis.

### STATEMENT OF EXECUTIVE COMPENSATION

The following information is provided as required under *Statement of Executive Compensation – Venture Issuer*, Form 51-102F6V (the “F6V”), as such form is defined in National Instrument 51-102 *Continuous Disclosure Obligations* (“NI 51-102”) and relates to the Company’s years ended April 30, 2020.

References in the F6V to “**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, all share compensation, units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

All currency references in this section are expressed in Canadian dollars unless otherwise specified.

In this section “Named Executive Officer” (“NEO”) means any individual who, during the Company’s most recently completed financial year ended April 30, 2020 was:

- a. the chief executive officer (“CEO”) (or an individual who acted in a similar capacity);
- b. the chief financial officer (“CFO”) (or an individual who acted in a similar capacity);
- c. each of the three other most highly compensated executive officers of the Company or any of its subsidiaries or the three most highly compensated individuals acting in a similar capacity (except those whose total salary and bonus does not exceed \$150,000); and
- d. each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer nor a director of the Company or any of its subsidiaries, nor acting in a similar capacity, at the end of the Company’s fiscal year ended April 30, 2020.

### Director and NEO Compensation, Excluding Compensation Securities

The following table sets forth all annual and long-term compensation for services paid to or earned by each of the NEOs and directors during the Company’s year ended April 30, 2019 and April 30, 2020:

Table of compensation excluding compensation securities <sup>(6)</sup>							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Andrew Ryu, Interim CEO and Chairman <sup>(1)</sup>	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2019	\$67,800	\$Nil	\$Nil	\$Nil	\$Nil	\$67,800
Christian Scovenna, Former CEO <sup>(2)</sup>	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2019	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil

<b>Table of compensation excluding compensation securities<sup>(6)</sup></b>							
<b>Name and position</b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total Compensation (\$)</b>
Govinda Butcher, Former CEO <sup>(3)</sup>	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2019	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Jeffrey Stevens, Former CEO and Chairman <sup>(4)</sup>	2020	\$10,000	\$Nil	\$Nil	\$Nil	\$Nil	\$10,000
	2019	\$60,833	\$Nil	\$Nil	\$Nil	\$21,000	\$81,833
Peter Kim, Former CEO and Chairman <sup>(5)</sup>	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2019	\$209,167	\$Nil	\$Nil	\$Nil	\$111,733	\$320,900
Don Shim, CFO <sup>(6)</sup>	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2019	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Fiona Fitzmaurice, Former CFO and Corporate Secretary <sup>(7)</sup>	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2019	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Steve Kang, Former CFO <sup>(8)</sup>	2020	\$5,000	\$Nil	\$Nil	\$Nil	\$Nil	\$5,000
	2019	\$39,583	\$Nil	\$Nil	\$Nil	\$Nil	\$39,583
Matthew Humphreys, Director <sup>(9)</sup>	2020	\$5,000	\$Nil	\$Nil	\$Nil	\$Nil	\$5,000
Paul Haber, Director <sup>(10)</sup>	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Todd Shapiro, Former Director <sup>(11)</sup>	2020	\$18,819	\$Nil	\$Nil	\$Nil	\$Nil	\$18,819
	2019	\$28,847	\$Nil	\$Nil	\$Nil	\$Nil	\$28,847
Bernie Rice, Former Director <sup>(12)</sup>	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2019	\$79,589	\$Nil	\$Nil	\$Nil	\$Nil	\$79,589

**Notes:**

- (1) Andrew Ryu was appointed as the Interim CEO and Chairman on September 9, 2020 and May 19, 2020, respectively.
- (2) Christian Scovenna was appointed as President and COO on March 18, 2020 and subsequently appointed as CEO on May 19, 2020 and ceased being CEO on September 9, 2020.
- (3) Govinda Butcher was appointed as CEO and Chairman on January 13, 2020 and ceased being CEO and Chairman on May 19, 2020.
- (4) Jeffrey J. Stevens was appointed as Interim CEO and Chairman on February 15, 2019 and May 2, 2019 respectively, and ceased being the Interim CEO and Chairman on January 13, 2020.
- (5) Peter Kim was appointed as CEO on November 6, 2018 and ceased being the CEO on February 15, 2019.
- (6) Don Shim was appointed as CFO on September 1, 2020.
- (7) Fiona Fitzmaurice was appointed as CFO and Corporate Secretary on May 27, 2020 and ceased being the CFO and Corporate Secretary on September 1, 2020.
- (8) Steve Kang was appointed as CFO and Corporate Secretary on November 6, 2018 and ceased being the CFO and Corporate Secretary on May 27, 2020.
- (9) Matthew Humphreys was appointed as Director on January 16, 2020.
- (10) Paul Haber was appointed as Director on May 19, 2020.
- (11) Todd Shapiro was appointed as Director on November 6, 2018 and ceased being Director on September 18, 2019.
- (12) Bernie Rice was appointed as Director on November 13, 2018 and ceased being Director on August 16, 2019.

**Compensation Securities Granted to NEO's and Directors**

The following table discloses all compensation securities granted or issued to NEOs and directors of the Company during the year ended April 30, 2020.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Exercise of Compensation Securities by NEO's and Directors**

None of the NEOs or directors of the Company were granted any stock options during the financial year ended April 30, 2020.

Compensation Securities							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price of security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Stock Option Plans and Other Incentive Plans**

The Company currently does not have a stock option plan (the “**Stock Option Plan**”), but proposes to adopt a rolling stock option plan via special resolution. The Stock Option Plan is being established to provide incentives to directors, officers, employees and consultants of the Company (the “**Optionees**”). The purpose



of the Stock Option Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares. The Board is of the view that the Stock Option Plan provides the Company with the ability to attract and maintain the services of directors, executives, employees and other service providers. The Stock Option Plan is administered by the Board and options are granted at the discretion of the Board to eligible Optionees.

To be eligible to receive a grant of options under the Stock Option Plan, an Optionee must be a director, officer, employee, consultant or an employee of a company providing management or other services to the Company at the time the option is granted. Options may be granted only to an individual eligible, or to a non-individual that is wholly-owned by individuals eligible, for an option grant. If the option is granted to a non-individual, the non-individual will not permit any transfer of its securities, nor issue further securities, to any individual or other entity as long as the option remains in effect.

The Stock Option Plan is a 10% rolling plan and the total number of Common Shares issuable upon exercise of options under the Stock Option Plan cannot exceed 10% of the Company's issued and outstanding Common Shares on the date on which an option is granted, less Common Shares reserved for issuance on exercise of options then outstanding under the Stock Option Plan.

The Stock Option Plan is also subject to the following restrictions:

- (a) The Company must not grant options to any director, officer, employee, consultant, or consultant company (the "**Service Provider**") in any 12-month period if that grant would exceed 5% of the outstanding Common Shares of the Company being granted to Service Providers, unless the Company has obtained approval by a majority of the votes cast by all shareholders of the Company at a meeting of shareholders excluding votes attached to Common Shares beneficially owned by Insiders (as such term is defined in the BCBCA) of the Company and their associates ("**Disinterested Shareholder Approval**").
- (b) The aggregate number of options granted to a Service Provider conducting investor relations activities in any 12 month period must not exceed 2% of the outstanding Common Shares calculated at the date of the grant, without prior regulatory approval.
- (c) The Company must not grant an option to a consultant in any 12 month period that exceeds 2% of the outstanding Common Shares calculated at the date of the grant of the option.
- (d) The aggregate number of Common Shares reserved for issuance under options granted to Insiders must not exceed 10% of the outstanding Common Shares (if the Stock Option Plan is amended to reserve for issuance more than 10% of the outstanding Common Shares) unless the Company has obtained Disinterested Shareholder Approval to do so.
- (e) The number of Common Shares issued to Insiders upon exercise of options in any 12 month period must not exceed 10% of the outstanding Common Shares (if the Stock Option Plan is amended to reserve for issuance more than 10% of the outstanding Common Shares) unless the Company has obtained Disinterested Shareholder Approval to do so.

The following is a summary of the material terms of the Stock Option Plan:

- (a) persons who are Service Providers to the Company or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of options under the Stock Option Plan;

- (b) all options granted under the Stock Option Plan expire on a date not later than 10 years after the issuance of such options. However, should the expiry date for an option fall within a trading Blackout Period (as defined in the Stock Option Plan, generally meaning circumstances where sensitive negotiations or other like information is not yet public), within 10 business days following the expiration of a Blackout Period;
- (c) for options granted to Service Providers, the Company must ensure that the proposed Optionee is a bona fide Service Provider of the Company or its affiliates;
- (d) an option granted to any Service Provider will expire within 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the Company, but only to the extent that such option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
- (e) if an Optionee dies, any vested option held by him or her 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;
- (f) 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;
- (g) the exercise price of each option will be set by the Board on the effective date of the option and will not be less than the greater of the closing market price of underlying securities on: (i) the trading day prior to the date of the grant of the stock options; and (ii) the date of the grant of the stock options;
- (h) vesting of options shall be at the discretion of the Board, and will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Company or its 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 affiliates during the vesting period; or (ii) the Service Provider remaining as a director of the Company or its affiliates during the vesting period;
- (i) in the event of a take-over bid being made to the shareholders generally, immediately upon receipt of the notice of the take-over bid, the Company shall notify each Optionee currently holding any options, of the full particulars of the take-over bid, and all outstanding options may vest, notwithstanding the vesting terms contained in the Stock Option Plan or any vesting requirements subject to regulatory approval; and
- (j) the Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Stock Option Plan with respect to all Common Shares reserved under the Stock Option Plan in respect of options which have not yet been granted.

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

Except as disclosed in this Information Circular, the Company does not have any employment, consulting or management agreements or arrangements with any of the Company's current directors or NEOs.

### *Consulting Arrangement*

The Company entered into a consulting agreement with Mr. Don Shim, the Chief Financial Officer of the Company, commencing September 1, 2020 for a monthly fee of \$2,000. There are no change of control, bonus, or termination provisions in this agreement.

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

### *Introduction*

The Oversight and Description of Director and Named Executive Officer Compensation section of this Circular sets out the objectives of the Company's executive compensation arrangements, the Company's executive compensation philosophy and the application of this philosophy to the Company's executive compensation arrangements.

When determining the compensation arrangements for the Named Executive Officers and directors, the Board considers the objectives of: (i) retaining an executive critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and shareholders of the Company; and (iv) rewarding performance, both on an individual basis and with respect to the business in general.

### *Benchmarking*

In determining the compensation level for each executive, the Board looks at factors such as the relative complexity of the executive's role within the organization, the executive's performance and potential for future advancement, the compensation paid by other companies in the same industry as the Company, and pay equity considerations.

### *Elements of Compensation*

The compensation paid to the Named Executive Officers and directors in any year consists of three (3) primary components:

1. base salary;
2. long-term incentives in the form of stock options granted under the Stock Option Plan; and
3. incentive bonuses.

The Company believes that making a significant portion of the Named Executive Officers' and directors' compensation based on a base salary, long-term incentives and incentive bonuses supports the Company's executive compensation philosophy, as these forms of compensation allow those most accountable for the Company's long-term success to acquire and hold the Company's shares. The key features of these three primary components of compensation are discussed below:

#### 1. Base Salary

Base salary recognizes the value of an individual to the Company based on his or her role, skill, performance, contributions, leadership and potential. It is critical in attracting and retaining executive talent in the markets in which the Company competes for talent. Base salaries for the Named Executive Officers and directors are reviewed annually. Any change in the base salary of a Named Executive Officer or a director is generally determined by an assessment of such executive's performance, a consideration of

competitive compensation levels in companies similar to the Company and a review of the performance of the Company as a whole and the role such executive officer played in such corporate performance.

## 2. Stock Option Awards

The Company provides long-term incentives to the Named Executive Officers and directors in the form of stock options as part of the its overall executive compensation strategy (for a description of the material terms of the Stock Option Plan, see “*Re-approval of the Stock Option Plan*” above). The Board believes that stock option grants serve the Company’s executive compensation philosophy in several ways: they help attract, retain, and motivate talent; they align the interests of the Named Executive Officers and directors with those of the shareholders by linking a specific portion of the officer’s total pay opportunity to share price; and they provide long-term accountability for Named Executive Officers and directors.

## 3. Incentive Bonuses

Any bonuses paid to the Named Executive Officers and directors are allocated on an individual basis related to the review by the Board of the work planned during the year and the work achieved during the year, including work related to administration, financing, shareholder relations and overall performance. The bonuses are paid to reward work done above the base level of expectations.

The Company does not have any policies which permit or prohibit a Named Executive Officer or director to purchase financial instruments.

## Pension Disclosure

The Company does not have a pension plan that provides for payments or benefits to directors or NEOs at, following, or in connection with retirement.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The following table sets out information concerning the number and price of securities to be issued under equity compensation plans to employees and others as at April 30, 2020.

Plan Category	Number of Common Shares 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 Common Shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	Nil	Nil	Nil
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
<b>Total</b>	Nil	Nil	Nil

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, officers or employees of the Company, nor any proposed nominee for election as a director of the Company, nor any associate of any one of them, nor any former directors, officers or employees is

or was indebted, directly or indirectly, to the Company or its subsidiaries at any time since the beginning of the financial period ended April 30, 2020.

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

To the knowledge of management of the Company, other than as disclosed in this Information Circular, no informed person or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

### **APPOINTMENT OF AUDITOR**

MNP LLP, Chartered Professional Accountants, located at 111 Richmond Street W, Suite 300, Toronto, Ontario, Canada M5H 2G4 was appointed auditor of the Company in connection with its reverse takeover transaction dated November 7, 2018 with Reg Technologies Inc.

### **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

The Company is a venture issuer as defined under National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) and each venture issuer is required to disclose annually in its information circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth below.

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

A copy of the Company's Audit Committee Charter is attached as Schedule “A” hereto. The Audit Committee Chart was adopted by the Board on December 17, 2018 and the actions and decisions of the Audit Committee have been governed by the Audit Committee Charter since its adoption.

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

The current Audit Committee members are Paul Haber (Chair), Andrew Ryu and Matthew Humphreys. Paul Haber and Matthew Humphreys are considered “independent” members of the Audit Committee and Andrew Ryu is not considered an “independent” member as he serving as interim-Chief Executive Officer of the Company, within the meaning of NI 52-110. All members of the Audit Committee are “financially literate” within the meaning of NI 52-110.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the Board's reasonable opinion, interfere with the exercise of a member's independent judgement.

A member of the Audit Committee is considered financially literate if he or she has the ability to read and understand a set of financial statements presenting a breadth and level of complexity of accounting issues generally comparable to the breadth and complexity of issues one can reasonably expect to be raised by the Company.

## **Relevant Education and Experience**

Each member of the Company's Audit Committee has adequate education and experience relevant to their performance as an Audit Committee member and, in particular, the requisite education and experience that provides the member with:

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

See "*Election of Directors - Biographies of Director Nominees*" above, and in particular the biographies of each Audit Committee member, for more information concerning each Audit Committee member's education and experience.

## **Audit Committee Oversight**

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

## **Reliance on Certain Exemptions**

The Company's auditor, MNP LLP, Chartered Professional Accountants, has not provided any material non-audit services. At no time since the commencement of the Company's two most recently completed financial years has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-Audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

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

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

## **External Auditor Service Fees**

The Audit Committee has reviewed the nature and amount of the non-audit services provided by MNP LLP to ensure auditor independence in the financial periods ended April 30, 2020 and April 30, 2019. Fees incurred with MNP LLP for audit and non-audit services for the fiscal period ending April 30, 2020 and April 30, 2019, are outlined in the following table:

Nature of Services	Fees Paid to Auditor in Year Ended April 30, 2020	Fees Paid to Auditor in Year Ended April 30, 2019
Audit Fees <sup>(1)</sup>	\$102,774	\$163,229
Audit-Related Fees <sup>(2)</sup>	\$Nil	\$36,307
Tax Fees <sup>(3)</sup>	\$Nil	\$Nil
All Other Fees <sup>(4)</sup>	\$Nil	\$Nil
Total	\$102,774	\$199,536

**Notes:**

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

**Exemption**

The Company is a “venture issuer” as defined in NI 52-110 and is relying on the exemptions in Part 6.1 (*Reporting Obligations*) of NI 52-110.

**MANAGEMENT CONTRACTS**

Except as disclosed in this Information Circular, there are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company. See “*Statement of Executive Compensation – Employment, Consulting and Management Agreements*”.

**PARTICULARS OF MATTERS TO BE ACTED UPON**

**1. Receipt of Financial Statements**

The annual consolidated financial statements of the Company together with the auditor’s report thereon for the fiscal years ended April 30, 2019 and April 30, 2020 will be tabled at the Meeting.

**2. Election of Directors**

At the Meeting, Shareholders will be asked to vote on an ordinary resolutions to elect the proposed directors set forth in “*Election of Directors*”.

**In the absence of instruction to the contrary, the persons designated by management in the Proxy intend to vote “For” the proposed directors set forth in “*Election of Directors*”.**

**3. Appointment of Auditor**

At the Meeting, Shareholders will be asked to vote on the following ordinary resolution:

**“BE IT RESOLVED THAT, MNP LLP, Chartered Accountant, be appointed as auditor of the Company until the close of the next annual general meeting and that the directors of the Company are hereby authorized to fix the remuneration of the auditor.”**

**In the absence of instruction to the contrary, the persons designated by management in the Proxy intend to vote “For” the preceding resolution.**

#### **4. Approval of Stock Option Plan**

At the Meeting, Shareholders will be asked to vote on the following special resolution:

**“BE IT RESOLVED THAT**, as a special resolution, that the Stock Option Plan is hereby confirmed, and approved as the stock option plan of the Company.

**In the absence of instruction to the contrary, the persons designated by management in the Proxy intend to vote “For” the preceding resolution. In order for the vote to be effective, the special resolution must be approved by the affirmative vote of not less than 66 and 2/3% of the votes cast at the Meeting for this resolution.**

#### **5. Approval of Name Change**

The Board is proposing to change the name of the Company to, “BluStem Inc.”. Management is recommending that the name of the Company be changed from “Graph Blockchain Inc.” to “BluStem Inc.” or such other name as may be selected by the Board.

At the Meeting, Shareholders will be asked to vote on the following special resolution:

**“BE IT RESOLVED THAT**, as a special resolution:

1. the articles of the Company be amended to change the name of the Company from “Graph Blockchain Inc.” to “BluStem Inc.”, or such other name as may be selected by the Board;
2. any one officer or director of the Company, alone, be and he or she is hereby, authorized and empowered, acting for, in the name of and on behalf of the Company, to do all things and execute all instruments determined necessary or desirable to give effect to this special resolution including, without limitation, to execute (under the corporate seal of the Company or otherwise) and deliver articles of amendment of the Company, the execution of any such instrument or the doing of any such other act or thing being conclusive evidence of such determination; and
3. the directors of the Company, in their sole and complete discretion, may act upon this resolution to effect the name change, or if deemed appropriate and without any further approval from the shareholders of the Company, may choose not to act upon this resolution notwithstanding shareholder approval of the name change and are authorized to revoke this resolution in their sole discretion at any time prior to the endorsement of a certificate of amendment of articles in respect of the name change.”

**In the absence of instruction to the contrary, the persons designated by management in the Proxy intend to vote “For” the preceding resolution. In order for the vote to be effective, the special resolution must be approved by the affirmative vote of not less than 66 and 2/3% of the votes cast at the Meeting for this resolution.**



## 6. Approval of Share Consolidation

The Board proposes to reduce the number of Common Shares of the Company. In order to increase its flexibility with respect to potential business transactions, including any equity financings, if determined by the Company to be necessary. Shareholders are being asked to consider and, if thought fit, to pass the special resolution authorizing the Board, in its sole discretion, to consolidate the Common Shares on the basis of one (1) new Common Share for up to ten (10) old Common Shares (the “**Consolidation**”) and amending the Company’s articles accordingly. Notwithstanding approval of the Consolidation by shareholders, the Board of Directors may, in its sole discretion, revoke this special resolution, and abandon the Consolidation without further approval or action by or prior notice to shareholders.

Prior to making any amendment to effect the Consolidation, the Company shall first be required to obtain any and all applicable regulatory and relevant approvals from the CSE. The Board believes shareholder approval of a maximum potential consolidation ratio (rather than a single consolidation ratio) of one (1) post-Consolidation Common Share for up to ten (10) pre-Consolidation Common Shares provides the Board with flexibility to achieve the desired results of the Consolidation. If this special resolution is approved, the Consolidation will be implemented, if at all, only upon a determination by the Board that the Consolidation is in the best interests of the Company and its shareholders at that time. In connection with any determination to implement a Consolidation, the Board will set the timing for such a Consolidation and select the specific ratio from within the range for a ratio set forth in the special resolution.

### *Certain Risks Associated with the Consolidation*

There can be no assurance that the total market capitalization of the Common Shares (the aggregate value of all Common Shares at the then market price) immediately after the Consolidation will be equal to or greater than the total market capitalization immediately before the Consolidation. In addition, there can be no assurance that the per-share market price of the Common Shares following the Consolidation will be higher than the per share market price immediately before the Consolidation or equal or exceed the direct arithmetical result of the Consolidation. In addition, a decline in the market price of the Common Shares after the Consolidation may result in a greater percentage decline than would occur in the absence of a Consolidation and the liquidity of the Common Shares could be adversely affected. There can be no assurance that, if the Consolidation is implemented, the margin terms associated with the purchase of Common Shares will improve or that the Company will be successful in receiving increased attention from institutional investors.

### *Principal Effects of the Consolidation*

As of September 21, 2020, the Company had 162,837,878 Common Shares issued and outstanding. Following the completion of the proposed Consolidation, the number of Common Shares of the Company issued and outstanding will depend on the ratio selected by the Company’s Board. The following table sets out the appropriate number of Common Shares that would be outstanding as a result of the Consolidation at the ratios suggested below.

**Table – Consolidation Ratio**

<b>Consolidation Ratio</b>	<b>Approximate Number of Outstanding Common Shares (Post-Consolidation)<sup>(1)</sup></b>
1 for 10	16,283,788

1 for 9	18,093,098
1 for 8	20,354,735
1 for 7	23,262,554
1 for 6	27,139,646
1 for 5	32,567,576
1 for 4	40,709,469
1 for 3	54,279,292
1 for 2	81,418,939

**Notes:**

1. Based on the outstanding number of Common Shares as at September 21, 2020, being 162,837,878. All numbers rounded to the nearest whole share.

*Tax Effect*

The Consolidation will not give rise to a capital gain or loss under the *Income Tax Act* (Canada) for a shareholder who holds such Common Shares as capital property. The adjusted cost base to the shareholder of the new Common Shares immediately after the Consolidation will be equal to the aggregate adjusted cost base to the shareholder of the old Common Shares immediately before the Consolidation.

*Notice of Consolidation and Letter of Transmittal*

If the Company effects the Consolidation, a letter of transmittal will be mailed to the shareholders. This letter of transmittal which will need to be duly completed and submitted by any shareholder wishing to receive share certificates representing the post-Consolidation Common Shares to which he, she or it is entitled if the Company completes the Consolidation. This letter of transmittal can be used for the purpose of surrendering certificates representing the currently outstanding Common Shares to the Company's registrar and transfer agent in exchange for new share certificates representing whole post-Consolidation Common Shares of the Company. After the Consolidation, current issued share certificates representing pre-Consolidation Common Shares of the Company will: (i) not constitute good delivery for the purposes of trades of post-Consolidation Common Shares; and (ii) be deemed for all purposes to represent the number of post-Consolidation Common Shares to which the shareholder is entitled as a result of the Consolidation. No delivery of a new certificate to a shareholder will be made until the shareholder has surrendered his, her or its current issued certificates.

**No letter of transmittal will be sent until the Company announces by press release that the Consolidation will become effective. The press release will contain instructions as to when the existing share certificates and the letter of transmittal are to be mailed to shareholders and sent to Computershare, the Company's registrar and transfer agent Computershare Investors Services Inc., Proxy Department, 510 Burrard Street, 3<sup>rd</sup> Floor, Vancouver, British Columbia V6C 3B.**

*Fractional Shares*

No fractional common shares of the Company will be issued upon the Consolidation. All fractions of post-Consolidation shares will be rounded to the next lowest whole number if the first decimal place is less than five and rounded to the next highest whole number if the first decimal place is five or greater.

### *Percentage Shareholdings*

The Consolidation will not affect any shareholder's percentage ownership in the Company, even though such ownership will be represented by a smaller number of Common Shares. Instead, the Consolidation will reduce proportionately the number of Common Shares held by all shareholders.

### *Implementation*

The implementation of the special resolution is conditional upon the Company obtaining the necessary regulatory consents. The special resolution provides that the Board is authorized, in its sole discretion, to determine not to proceed with the proposed Consolidation, without further approval of the Company's shareholders. In particular, the Board of Directors may determine not to present the special resolution to the Meeting or, if the special resolution is presented to the Meeting and approved, may determine after the meeting not to proceed with completion of the proposed Consolidation and filing the articles of amendment. If the Board does not implement the Consolidation within 12 months of the Meeting, the authority granted by the special resolution to implement the Consolidation on these terms would lapse and be of no further force or effect.

### *Effect on Non-registered Shareholders*

Non-registered shareholders holding their Common Shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have different procedures for processing the Consolidation than those that will be put in place by the Company for registered shareholders. If you hold your Common Shares with such a bank, broker or other nominee and if you have any questions in this regard, you are encouraged to contact your nominee.

At the Meeting, the shareholders will be asked to pass a special resolution, with or without amendment, to approve the Consolidation. The following is the text of the resolution to be considered by the shareholders at the meeting:

#### **“BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. The Company be and is hereby authorized to consolidate the issued and outstanding Common Shares in the capital of the Company on the basis of one (1) new Common Share for up to every ten (10) Common Shares presently issued and outstanding (the “**Consolidation**”) and amend the Company's Articles accordingly;
2. any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, prepare and file Articles of Amendment for the Company to effect the Consolidation or make any changes required by the CSE or applicable securities regulatory authorities; and
3. notwithstanding the passing of this special resolution by the shareholders of the Company, the directors of the Company are hereby authorized and empowered without further notice to or approval of the shareholders of the Company not to proceed with the Consolidation or to revoke this resolution at any time prior to the Consolidation becoming effective.”

The foregoing special resolution must be approved by a two-thirds majority of the votes cast at the Meeting by the holders of Common Shares voting in person or by proxy. **The Board believes the passing of the**

**above special resolution is in the best interests of the Company and recommends that the holders of Common Shares vote FOR the resolution. Unless otherwise directed, it is the intention of the persons designated in the enclosed form of proxy to vote FOR the special resolution approving the Consolidation.**

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is contained in the Company's audited annual consolidated financial statements and management's discussion and analysis for the years ended April 30, 2019 and April 30, 2020, together with the auditor's reports thereon.

Additional information relating to the Company and a copy of the financial statements may be obtained under the Company's profile at [www.sedar.com](http://www.sedar.com) or upon request from the Company at 4711 Yonge Street, Suite 1000, Toronto, Ontario, M2N 6K8 Canada. The Company may require payment of a reasonable charge from any person or company who is not a security holder of the Company, requesting a copy of any such document.

#### **OTHER MATTERS**

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this information circular.

The contents of this information circular and its distribution to Shareholders have been approved by the Board of the Company.

**DATED** this 5<sup>th</sup> day of October, 2020.

**BY ORDER OF THE BOARD**

*"Andrew Ryu"*

**Andrew Ryu**  
Chairman of the Board

## SCHEDULE "A"

### AUDIT COMMITTEE CHARTER

#### GRAPH BLOCKCHAIN INC. (the "Company")

### AUDIT COMMITTEE CHARTER

#### 1. Mandate

The audit committee will assist the board of directors (the "**Board**") in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the audit committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each audit committee member must obtain an understanding of the principal responsibilities of audit committee membership as well and the Company's business, operations and risks.

#### 2. Composition

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Company. The audit committee will consist of a minimum of three directors.

##### 2.1 *Independence*

A majority of the members of the audit committee must not be officers, employees or control persons of the Company.

##### 2.2 *Expertise of Committee Members*

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the audit committee must have accounting or related financial management expertise. The Board shall interpret the qualifications of financial literacy and financial management expertise in its business judgment and shall conclude whether a director meets these qualifications.

#### 3. Meetings

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Company's Chief Financial Officer and external auditors in separate executive sessions.

#### 4. Roles and Responsibilities

The audit committee shall fulfill the following roles and discharge the following responsibilities:

#### 4.1 *External Audit*

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

- (a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;
- (b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;
- (d) review and recommend to the Board the compensation to be paid to the external auditors; and
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

#### 4.2 *Internal Control*

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the audit committee shall:

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and
- (b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

#### 4.3 *Financial Reporting*

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

##### *General*

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and
- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

##### *Annual Financial Statements*

- (a) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- (b) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and
- (c) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

*Interim Financial Statements*

- (a) review and approve the interim financial statements prior to their release to the public; and
- (b) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

*Release of Financial Information*

- (a) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

*4.4 Non-Audit Services*

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

*Delegation of Authority*

- (a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

*De-Minimis Non-Audit Services*

- (a) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:
  - (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or
  - (ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

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

(a) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

- (i) the pre-approval policies and procedures are detailed as to the particular service;
- (ii) the audit committee is informed of each non-audit service; and
- (iii) the procedures do not include delegation of the audit committee's responsibilities to management.

#### *4.5 Other Responsibilities*

The audit committee shall:

- (a) establish procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal accounting controls, or auditing matters;
- (b) establish procedures for the confidential, anonymous submission by employees of the company of concerns regarding questionable accounting or auditing matters;
- (c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;
- (d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- (e) perform other oversight functions as requested by the Board; and
- (f) review and update this Charter and receive approval of changes to this Charter from the Board.

#### *4.6 Reporting Responsibilities*

The audit committee shall regularly update the Board about audit committee activities and make appropriate recommendations.

### **5. Resources and Authority of the Audit Committee**

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the audit committee; and
- (c) communicate directly with the internal and external auditors.



## **6. Guidance – Roles & Responsibilities**

The following guidance is intended to provide the audit committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

### *6.1 Internal Control*

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;
- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and
- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

### *6.2 Financial Reporting*

#### *General*

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and
- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and
- (c) understand industry best practices and the Company's adoption of them.

#### *Annual Financial Statements*

- (a) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Company reports or trades its shares;
- (b) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (c) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
- (d) consider management's handling of proposed audit adjustments identified by the external auditors; and
- (e) ensure that the external auditors communicate all required matters to the committee.

### *Interim Financial Statements*

- (a) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;
- (b) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and
- (c) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:
  - (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
  - (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financial statements are consistent with changes in the company's operations and financing practices;
  - (iii) generally accepted accounting principles have been consistently applied;
  - (iv) there are any actual or proposed changes in accounting or financial reporting practices;
  - (v) there are any significant or unusual events or transactions;
  - (vi) the Company's financial and operating controls are functioning effectively;
  - (vii) the Company has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and
  - (viii) the interim financial statements contain adequate and appropriate disclosures.

### *6.3 Compliance with Laws and Regulations*

- (a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";
- (b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and
- (c) review the findings of any examinations by securities regulatory authorities and stock exchanges.

### *6.4 Other Responsibilities*

- (a) review, with the Company's counsel, any legal matters that could have a significant impact on the Company's financial statements.