

HEMPCO FOOD AND FIBER INC.

Unit 112 – 5589 Byrne Road
Burnaby, BC V5J 3J1

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

TO BE HELD ON MAY 15, 2018

AND

INFORMATION CIRCULAR

April 6, 2018

This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this notice and information circular, you should immediately contact your advisor.

HEMPCO FOOD AND FIBER INC.

Unit 112 - 5589 Byrne Road

Burnaby, BC V5J 3J1

Telephone: (604) 684-2181

NOTICE OF ANNUAL GENERAL MEETING

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the annual general meeting (the "**Meeting**") of shareholders of Hempco Food and Fiber Inc. (the "**Company**") will be held at Clark Wilson LLP, 900-885 West Georgia Street, Vancouver, BC, V6C 3H1, on Tuesday, May 15, 2018, at the hour of 10:00 a.m. (Vancouver time) for the following purposes:

- (1) to receive the audited financial statements of the Company for the fiscal year ended August 31, 2017, and the accompanying report of the auditors thereon;
- (2) to set the number of directors of the Company at six;
- (3) to elect Angela Holmes, Joel Watson, Mary Lynn Bellamy-Willms, Allan Cleiren, Steve Dobler, and Diane Jang as directors of the Company;
- (4) to appoint Manning Elliott LLP as the auditors of the Company for the fiscal year ending August 31, 2018 at a remuneration to be fixed by the board of directors of the Company (the "**Board**");
- (5) to consider and, if thought fit, to pass an ordinary resolution to ratify, confirm and approve the Company's 2017 Stock Option Plan (modified), as described in the accompanying information circular (the "**Information Circular**"); and
- (6) to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

Record Date

The Company's board of directors has fixed **March 29, 2018** as the record date for the determination of shareholders entitled to notice of, and to vote at, the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the Information Circular.

Your VOTE is important

This notice is accompanied by a management information circular ("**Circular**") and either a form of proxy for registered shareholders or a voting instruction form for beneficial (ie. non-registered) shareholders. If previously requested, a copy of the Company's audited consolidated annual financial statements and management's discussion and analysis ("**MD&A**") for the year ended August 31, 2017 will also accompany this notice (collectively, the "**Meeting Materials**"). Copies of the Company's annual and/or interim financial statements and MD&A are also available under the Company's SEDAR profile at www.sedar.com, on the Company's website at <http://hempcocanada.com>, or by request made to John Ross, the Company's Chief Financial Officer at 1.647.291.4234 or by e-mail: info@hempcocanada.com

PLEASE READ THE CIRCULAR CAREFULLY BEFORE VOTING.

As described in the notice and access notification that the Company has mailed to its shareholders, the Company is using the notice and access method for delivering this notice and the Meeting Materials to its shareholders, which substantially reduces the paper used in printing this notice and the Meeting Materials, as well as printing and mailing costs. This notice and the Meeting Materials will be available on the Company's website at <http://hempcocanada.com> and under its SEDAR profile at www.sedar.com. The Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

If you will not be attending the meeting in person, you are requested to read, date and sign the accompanying proxy and deliver it to the Company's transfer agent, Computershare Investors Services Inc. ("**Computershare**"). If a shareholder does not deliver a proxy to Computershare, Attention: Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, by 10:00 a.m. (Pacific Time) on Friday, May 11, 2018 (or before 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment of the Meeting at which the proxy is to be used), then the shareholder will not be entitled to vote at the Meeting by proxy.

If you would like the Company to send you a paper copy of the Meeting Materials, please contact John Ross, its Chief Financial Officer, at 1.647.291.4234. or by e-mail: info@hempcocanada.com. In order for you to receive the Meeting Materials in advance of the proxy deposit deadline date and the date of the Meeting, the Company must receive requests for printed copies of the Meeting Materials at least seven business days in advance of the proxy deposit deadline date and time.

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

DATED at Vancouver, British Columbia, this 6th day of April, 2018.

By Order of the Board of Directors of

HEMPCO FOOD AND FIBER INC.

"Diane Jang"
Diane Jang
Chief Executive Officer and Director

HEMPCO FOOD AND FIBER INC.
Unit 112 – 5589 Byrne Road
Burnaby, BC V5J 3J1
Telephone: (604) 684-2181

INFORMATION CIRCULAR
April 6, 2018

INTRODUCTION

This information circular (this “**Information Circular**”) accompanies the notice of annual general meeting (the “**Notice**”) of Hempco Food and Fiber Inc. (the “**Company**”) and is furnished to shareholders holding common shares (each, a “**Share**”) of the Company in connection with the solicitation by the management of the Company of proxies to be voted at the annual general meeting (the “**Meeting**”) of the shareholders to be held at 10:00 a.m. (Vancouver time) on Tuesday, May 15, 2018 at 900-885 West Georgia Street, Vancouver, British Columbia or at any adjournment or postponement thereof.

Date and Currency

The date of this Information Circular is April 6, 2018. Unless otherwise stated, all amounts herein are in Canadian dollars.

The notice and access notification regarding the Meeting is being mailed to you on April 10, 2018 with a proxy or voting instruction form, in accordance with applicable laws.

Notice & Access Process

The Company is using the notice and access model (“**Notice and Access**”) provided under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* for the delivery of the Notice of Meeting, this Information Circular, the audited consolidated annual financial statements of the Company for the year ended August 31, 2017 and the accompanying management’s discussion and analysis thereon (collectively, the “**Meeting Materials**”) to its shareholders for the Meeting. The Company has adopted the Notice and Access delivery model in order to further its commitment to environmental sustainability and to reduce printing and mailing costs.

Under Notice and Access, instead of receiving printed copies of the Meeting Materials, shareholders receive a Notice and Access notification containing details regarding the date, location and purpose of the Meeting, as well as information on how they can access the Meeting Materials electronically. Shareholders with existing instructions on their account to receive printed materials will receive a printed copy of the Meeting Materials.

How to request printed Meeting Materials

Shareholders may request that paper copies of the Meeting Materials be sent to them by postal delivery at no cost to them up to one year from the date the Meeting Materials was filed on SEDAR.

Registered shareholders may make their request by contacting John Ross, the Company's Chief Financial Officer at 1.647.291.4234 or by e-mail: info@hempcocanada.com

Non-registered shareholders may make their request by contacting John Ross, the Company's Chief Financial Officer at 1.647.291.4234 or by e-mail: info@hempcocanada.com

To receive the Meeting Materials in advance of the proxy deposit deadline date and the date of the Meeting, the Company must receive requests for paper copies of the Meeting Materials at least seven (7)

business days in advance of the proxy deposit deadline date and time set out in the accompanying proxy or voting instruction form. The Meeting Materials will be sent to those shareholders who request a paper copy of the Meeting Materials within three (3) business days of their request if such requests are made before the Meeting. Those shareholders with existing instructions on their account to receive a paper copy of Meeting Materials will receive a paper copy of the Meeting Materials with this notification.

About the Meeting

Items of business

1. Receive the Company's audited consolidated annual financial statements for the financial year ended August 31, 2017 and the auditor's report thereon (see page 6). The Company's audited consolidated annual financial statements for the financial year ended August 31, 2017, and the auditor's report thereon are available on the Company's website at <http://hempcocanada.com/> and under its SEDAR profile at www.sedar.com.

2. **Fix the number of directors to be elected at the Meeting at six (see page 7).**

The Company's board of directors (the "Board") currently consists of eight directors and it proposes to fix the number of directors at six for the ensuing year.

3. **Elect six directors to the Company's Board to hold office for the ensuing year (see page 7).**

We have nominated the following individuals as directors for the ensuing year:

- **Diane Jang**
- **Angela Holmes**
- **Joel Watson**
- **Mary-Lynn Bellamy-Willms**
- **Allan Cleiren**
- **Steve Dobler**

Each of the above director nominees is well qualified to serve on the Company's Board and has expressed his or her willingness to do so. The Company's directors are elected for a one-year term, which expires at the end of its 2019 annual general meeting, unless the person ceases to be a director before then.

4. **Re-appoint Manning Elliott LLP ("Manning Elliott"), as the Company's independent auditor for the ensuing year and authorize its directors to set the auditor's pay (see page 14).**

The Company recommends that Manning Elliot be re-appointed as its independent auditor and serve until the end of its 2019 annual general meeting.

5. **Confirm the Company's stock option plan, as required annually by the policies of the TSX Venture Exchange (see page 18).**

As the Company has a "rolling" stock option plan, under the rules and policies of the TSX Venture Exchange (the "TSX-V"), it is required to ask its shareholders to approve its stock option plan on an annual basis, and it has recommended that its stock option plan be approved.

6. **Transact such other business that is properly brought before the Meeting. (page 22)**

The Company will also consider other matters that properly come before the Meeting. As of the date of this Circular, the Company is not aware of any other items of business to be considered at the Meeting, other than as set forth above.

PROXIES AND VOTING RIGHTS

Management Solicitation

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

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

Appointment of Proxy

Registered shareholders are entitled to vote at the Meeting. A shareholder is entitled to one vote for each Share that such shareholder held on the record date of March 29, 2018 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

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

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS. TO DO SO, THE SHAREHOLDER MUST STRIKE OUT THE PRINTED NAMES OF THE DESIGNATED PERSONS AND INSERT THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER MUST NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY, AND PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE MUST BRING PERSONAL IDENTIFICATION TO THE MEETING.

The Shareholder may vote by mail, by telephone or via the Internet by following the instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. The Chair of the Meeting, in his or her sole discretion, may accept completed forms of proxy on the day of the Meeting or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the shareholder who is giving it or by that shareholder's attorney-in-fact duly authorized by that shareholder in writing or, in the case of a

corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual shareholder or joint shareholders, or by an officer or attorney-in-fact for a corporate shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

Revocation of Proxies

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

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

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

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

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE NOMINEES OF THE COMPANY'S BOARD OF DIRECTORS FOR DIRECTORS AND AUDITOR OF THE COMPANY FOR THE ENSUING YEAR.

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

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

ADVICE TO BENEFICIAL SHAREHOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders are "non-registered" shareholders because the Shares they own are not registered in their

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

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

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

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

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

These Meeting Materials are being sent to both registered shareholders and Non-Registered Holders. If you are a Non-Registered Holder, and the Company or its agent has sent these materials directly to you, your name and address and information about the number of Shares you own have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding Shares on your behalf. The Company will not pay for the delivery of the Meeting Materials to objecting beneficial owners of Shares. Objecting beneficial owners will not receive the Meeting Materials unless their Intermediary assumes the cost of delivery.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Shares without par value. The Company is also authorized to issue an unlimited number of non-voting common shares, of which no shares have been issued, and an unlimited number of preferred shares, of which no preferred shares have been issued. As of the record date, determined by the Company's board of directors (the "Board") to be the close of business on March 29, 2018, a total of 60,280,486 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting. Only registered shareholders as of the record date on March 29, 2018 are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

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

Name of Shareholder	Number of Shares Beneficially Owned ⁽¹⁾	Percentage of Outstanding Shares ⁽²⁾
Aurora Cannabis Inc.	21,117,352 ⁽³⁾	35%
Angela Holmes	8,800,000 ⁽⁴⁾	15%
Charles Holmes	8,117,100 ⁽⁴⁾	14%

(1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at April 6, 2018, is based upon information furnished to the Company by the individual directors and reported [by](#) Computershare, our transfer agent.

(2) Based on 60,280,486 Shares issued and outstanding, on an undiluted basis, as of April 6, 2018. Options, warrants or other convertible securities currently exercisable or convertible, or exercisable or convertible within 60 days, are counted as outstanding for computing the percentage of the person holding such options, warrants or other convertible securities, but are not counted as outstanding for computing the percentage of any other person.

(3) Currently holds 21,117,352 shares. Aurora has an option to purchase 10,754,942 additional shares in total from Charles and Angela Holmes.

(4) Excludes 100,000 stock options, each of which is exercisable into one Share, that are exercisable within 60 days. Excludes 50,000 unvested stock options. Excludes the effect of the Aurora Cannabis Inc. option to purchase 10,754,942 shares in total from Charles and Angela Holmes.

RECEIPT OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS

The Company's audited consolidated annual financial statements for the financial year ended August 31, 2017, and the auditor's report thereon will be presented at the Meeting. A copy is available on the Company's website at <http://hempcocanada.com/investors/reports-and-financial-statements/> and under its SEDAR profile at www.sedar.com.

The audited consolidated annual financial statements, auditor's report thereon and management's discussion and analysis ("MD&A") for the financial year ended August 31, 2017 have been mailed to registered shareholders who have indicated that they wish to receive these documents.

NUMBER OF DIRECTORS

The Articles of the Company provide for the Board to be comprised of no fewer than three directors and no greater than a number as fixed or changed from time to time by majority approval of the shareholders.

At the Meeting, shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at six. An ordinary resolution needs to be passed by a simple majority of the votes cast by the shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Management recommends the approval of setting the number of directors of the Company at six.

ELECTION OF DIRECTORS

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

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

Name, Province and Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Periods which Nominee has Served as a Director	Number of Shares Owned ⁽¹⁾⁽²⁾
Diane Jang British Columbia, Canada <i>Chief Executive Officer and Director</i>	Ms. Jang has been the Chief Executive Officer of the Company since December 11, 2017 and was appointed to the Board on December 29, 2017; Director at Aurora Cannabis Inc., a medical cannabis company listed on the Toronto Stock Exchange, since November 13, 2017; Business Consultant; President, Sunrise Soya Foods Inc. from October 2015 to December 2016; General Manager, Dairy Alternatives, Earth's Own Food Company Inc. from May 2008 to 2015;	December 29, 2017 to present	16,667 ⁽⁴⁾ 0.0%
Angela Holmes ⁽³⁾ British Columbia, Canada <i>Chief Operating Officer and Director</i>	Ms. Holmes has been the Chief Operating Officer and a director of the Company since April 15, 2016, and the Chief Operating Officer of Dharma Distributors Ltd. since July 14, 2008.	April 15, 2016 to present	8,887,500 ⁽⁵⁾ 14.7%

Name, Province and Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Periods which Nominee has Served as a Director	Number of Shares Owned ⁽¹⁾⁽²⁾
Mary-Lynn Bellamy-Willms ⁽³⁾ British Columbia, Canada <i>Director</i>	Ms. Bellamy-Willms is a cofounder of Suburbia Studios Ltd., a marketing and communications company, and has been its Chief Executive Officer since February 1988.	April 15, 2016 to present	121,875 ⁽⁶⁾ 0.2%
Joel Watson British Columbia, Canada <i>Director</i>	Mr. Watson has been a Chartered Professional Accountant with Hay & Watson from 2001 to present.	February 23, 2017 to present	50,000 ⁽⁷⁾ 0.1%
Steve Dobler Alberta, Canada <i>Director</i>	Mr. Dobler has been the Director and President of Aurora Cannabis Inc., a medical cannabis company listed on the Toronto Stock Exchange, since December 9, 2014; He has been a Professional Engineer since 1990; Mr. Dobler has been the Vice President and part owner of Superior Safety Codes Inc., a safety code permitting company; President of ICC Enterprises Corp., an engineering firm, since May 2002.	October 5, 2017 to present	12,500 ⁽⁸⁾ 0.0%
Allan Cleiren ⁽³⁾ Alberta, Canada <i>Director</i>	Mr. Cleiren is a Chartered Professional Accountant (CPA, CA) ; He has been the COO of Aurora Cannabis Inc., a medical cannabis company listed on the Toronto Stock Exchange, since June 2017; Mr. Cleiren was the COO of Jardine Lloyd Thompson Canada Inc. from June 2016 to June 2017 and the Executive Vice-President (formerly CFO) of Universal Rail Systems Inc. from April 2012 to February 2016 and is currently a Director of this company since August 2016.	September 19, 2017 to present	25,000 ⁽⁹⁾ 0.1%

(1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at April 6, 2018, based upon information furnished to the Company by the individual directors.

(2) Based on 60,280,486 Shares issued and outstanding (on an undiluted basis) as of April 6, 2018. Options, warrants or other convertible securities currently exercisable or convertible, or exercisable or convertible within 60 days, are counted as outstanding for computing the percentage of the person holding such options, warrants or other convertible securities, but are not counted as outstanding for computing the percentage of any other person.

(3) Member of the audit committee

(4) Includes 16,667 vested stock options of 200,000 issued and outstanding, each of which is exercisable into one Share at a price of \$1.88 per Share until December 29, 2020.

(5) Includes 87,500 vested stock options of 150,000 issued and outstanding, each of which is exercisable into one Share at a price of \$0.40 per Share until April 15, 2019. Does not include the effect of an Aurora Cannabis Inc. option to purchase 5,377,471 shares.

(6) Includes 12,500 vested stock options of 75,000 issued and outstanding, each of which is exercisable into one Share at a price of \$0.40 per Share until April 15, 2019.

(7) Includes 50,000 vested stock options of 150,000 issued and outstanding, each of which is exercisable into one Share at a price of \$0.62 per Share until February 23, 2020.

(8) Includes 12,500 vested stock options of 150,000 issued and outstanding, each of which is exercisable into one Share at a price of \$0.60 per Share until October 5, 2020.

(9) Includes 25,000 vested stock options of 150,000 issued and outstanding, each of which is exercisable into one Share at a price of \$0.53 per Share until September 19, 2020.

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

Cease Trade Orders

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

- (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days 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.

Bankruptcies

No proposed director of the Company has within 10 years before the date of this Information Circular, become bankrupt; made a proposal under any legislation relating to bankruptcy or insolvency; 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.

Penalties and Sanctions

To the best of management's knowledge, no proposed director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purpose of this Information Circular:

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

"CEO" of the Company means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

"CFO" of the Company means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year; and

“Named Executive Officer” or “NEO” means each of the following individuals:

- (a) each individual who served as chief executive officer (“CEO”) of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as chief financial officer (“CFO”) of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year, and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets out details of all payments, grants, awards, gifts and benefits paid or awarded to each director and NEO in the two most recently completed financial years:

Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites ⁽¹⁾ (\$)	Value of all other compensation (\$)	Total compensation (\$)
Charles Holmes ⁽²⁾ <i>President and Director</i>	2017	100,000	Nil	Nil	Nil	Nil	100,000
	2016	100,000	Nil	Nil	Nil	Nil	100,000
Angela Holmes <i>COO and Director</i>	2017	100,000	Nil	Nil	Nil	Nil	100,000
	2016	100,000	Nil	Nil	Nil	Nil	100,000
John Ross ⁽³⁾ <i>CFO</i>	2017	29,250	Nil	Nil	Nil	Nil	29,250
	2016	N/A	N/A	N/A	N/A	N/A	N/A
Praveen Varshney ⁽⁴⁾ <i>Former CFO and Director</i>	2017	Nil	Nil	Nil	Nil	63,528 ⁽⁵⁾	63,528
	2016	Nil	Nil	Nil	Nil	9,750 ⁽⁵⁾	9,750
Mary-Lynn Bellamy-Willms <i>Director</i>	2017	Nil	Nil	Nil	Nil	138,554 ⁽⁶⁾	138,554
	2016	Nil	Nil	Nil	Nil	149,934 ⁽⁶⁾	149,934
Joel Watson ⁽⁷⁾ <i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	N/A	N/A	N/A	N/A	N/A	N/A
Donald Mosher ⁽⁸⁾ <i>Director</i>	2017	Nil	Nil	Nil	Nil	77,000 ⁽⁸⁾	77,000
	2016	Nil	Nil	Nil	Nil	Nil	Nil
James Longshore ⁽⁹⁾ <i>Former Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	N/A	N/A	N/A	N/A	N/A	N/A

Lorne Gertner ⁽¹⁰⁾ <i>Director</i>	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
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- (1) Perquisites include perquisites provided to a NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.
- (2) Mr. Holmes has been the President of the Company since December 11, 2017. Mr. Holmes will not be standing for election as a director at the Meeting.
- (3) Mr. Ross has been the CFO of the Company since February 23, 2017.
- (4) Mr. Varshney was the CFO of the Company from April 27, 2009 to April 15, 2016 and a director of the Company from March 5, 2007 to February 23, 2017.
- (5) Pursuant to an Administrative Services Agreement dated April 15, 2016, between the Company and Varshney Capital Corp. ("VCC"). VCC is a British Columbia private company in which Praveen Varshney, is a director. The one-year Agreement ended April 15, 2017.
- (6) Represents fees paid by the Company to Suburbia Studios Ltd. ("**Suburbia**"), a company of which Ms. Bellamy-Willms is the CEO, for strategic marketing and advertising services provided to the Company by Suburbia, pursuant to the terms of an agreement commencing effective June 1, 2015.
- (7) Mr. Watson has been director of the Company since February 23, 2017.
- (8) Represents fees paid for services as Vice President Business Development. The parties ceased this arrangement effective July 31, 2017. Mr. Mosher will not be standing for election as a director at the Meeting.
- (9) Mr. Longshore was a director of the Company from February 23, 2017 to May 5, 2017.
- (10) Mr. Gertner was a director of the Company from November 23, 2015 to February 23, 2017.

Stock Options and Other Compensation Securities

The only compensation securities issued by the Company to date are stock options. The following table sets out information regarding stock options issued by the Company to NEOs and directors in the financial year ended August 31, 2017:

Name and position	Type of compensation security	Number of stock options, and percentage of outstanding Shares ⁽¹⁾⁽²⁾	Date of grant	Exercise price (\$)	Closing price of Shares on date of grant (\$)	Closing price of Shares at year end (\$)	Expiry Date
John Ross <i>CFO</i>	Stock Options	100,000 0.3%	April 6, 2017	\$0.62	\$0.62	\$1.88	April 6, 2022
Joel Watson <i>Director</i>	Stock Options	150,000 0.4%	February 23, 2017	\$0.62	\$0.62	\$1.88	February 23, 2022

- (1) Each option is exercisable into one Share. The options set out in the table above represent all of the compensation securities issued to the NEOs and directors of the Company in the financial year ended August 31, 2017, being the last day of the Company's most recently completed financial year. All of the options vest in 12 equal instalments every three months.
- (2) Based on 34,509,888 Shares outstanding as at August 31, 2017, on an undiluted basis. As at March 29, 2018, 60,280,486 Shares were outstanding.

As at August 31, 2017, the NEOs held the following compensation securities:

- (a) Charles Holmes, the President and a director of the Company, owned an aggregate of 150,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of \$0.40 per Share until April 15, 2019;

- (b) Angela Holmes, the COO and a director of the Company, owned an aggregate of 150,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of \$0.40 per Share until April 15, 2019;
- (c) John Ross, the CFO of the Company, owned an aggregate of 100,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of \$0.62 per Share until April 6, 2022;
- (d) Praveen Varshney, the former CFO and director of the Company, owned an aggregate of Nil compensation securities;
- (e) Mary-Lynn Bellamy-Willms, a director of the Company, owned an aggregate of 150,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of \$0.40 per Share until April 15, 2019;
- (f) Joel Watson, a director of the Company, owned an aggregate of 150,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of \$0.62 per Share until February 22, 2022;
- (g) Donald Mosher, a former director of the Company, owned an aggregate of 250,000 compensation securities, comprised solely of stock options, of which 150,000 are exercisable into one Share at a price of \$0.40 per Share until April 15, 2019 and 100,000 are exercisable into one Share at a price of \$0.40 per Share until April 15, 2019;
- (h) James Longshore, a former director of the Company, owned an aggregate of Nil compensation securities; and
- (i) Lorne Gertner, a former director of the Company, owned an aggregate of Nil compensation securities.

Stock Option Plans and Other Incentive Plans

The Company's Stock Option Plan (the "Plan"), which it adopted on January 24, 2017, is a "rolling" stock option plan, whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed ten (10%) percent of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. The Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates, options to purchase Shares. As at the date hereof, there are 2,569,001 options outstanding under the Plan (4.3% of the Company's issued and outstanding Shares). The Plan was approved by the Shareholders at the Company's annual general and special meeting held on February 23, 2017.

For additional details regarding the terms of the Plan, see below under the heading "Particulars of Matters to be Acted Upon – Ratification of Stock Option Plan".

Employment, consulting and management agreements

Other than as set forth below or elsewhere in this Information Circular, the Company is not party to any formal, written employment, consulting or management agreements with any NEO or director.

The Company currently pays each of Charles Holmes and Angela Holmes consulting fees of \$100,000 per year for management services pursuant to unwritten agreements. The compensation paid to Mr. Holmes and Ms. Holmes is assessed from time to time by the Board, giving consideration to the financial circumstances of the Company.

Oversight and Description of Director and NEO Compensation

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and employees and consultants of the Company is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussion relating to compensation, and disclose their interest in and abstain from voting on compensation decision relating to them, as applicable, in accordance with applicable corporate legislation.

The overall objective of the Company's compensation strategy is to offer short, medium and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest calibre and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the chief executive officer, if any, in this regard. The Company currently has a short term compensation component in place, which includes the accrual and/or payment of salaries and/or management fees to NEOs, and a long-term compensation component in place, which may include the grant of stock options. The Company intends to further develop these compensation components. Although it has not to date, the Board may in the future consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is expected to be discretionary, depending on, among other factors, the financial performance of the Company and the position of the executive. The Board considers that the payment of such discretionary annual cash bonuses may satisfy the medium term compensation component.

The Company relies on Board discussion without a formal agenda for objectives, criteria and analysis, when determining executive compensation. There are currently no formal performance goals or similar conditions that must be satisfied in connection with the payment of executive compensation.

Pension Plan Benefits

The Company does not have any pension plans that provide for payments or benefits to the NEOs at, following, or in connection with retirement, including any defined benefits plan or any defined contribution plan. The Company does not have a deferred compensation plan with respect to any NEO.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

All options were granted by the Company under the Plan. The following table sets forth details with respect to the options granted under the Plan as at August 31, 2017, being the last day of the Company's most recently completed financial year:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ⁽²⁾
Equity compensation plans approved by security holders	2,342,000	\$0.45	1,108,989
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	2,342,000	\$0.45	1,108,989

- (1) The Company had no options, warrants or rights outstanding under any equity compensation plans other than the Plan as at August 31, 2017.
- (2) Based on 34,509,888 Shares outstanding as at August 31, 2017. On March 29, 2018, there were 60,280,486 Shares outstanding, which would significantly increase the number of securities remaining available for future issuance.

A copy of the Plan is attached to this Information Circular as Schedule "B". A copy of the Plan is also available for review at the office of Clark Wilson LLP, the registered offices of the Company, at Suite 800 – 885 West Georgia Street, Vancouver, BC, V6C 3H1, during normal business hours up to and including the date of the Meeting.

See "Particulars Of Matters To Be Acted Upon – Ratification of Stock Option Plan", below.

APPOINTMENT OF AUDITOR

It is proposed that Manning Elliott LLP ("**Manning Elliott**"), having an address at 11th Floor – 1050 West Pender Street, Vancouver, BC V6E 3S7, be appointed as auditor of the Company for the financial year ending August 31, 2018. Manning Elliott were appointed as the auditors of the Company on May 6, 2016.

At the Meeting, shareholders will be asked to vote for the appointment of Manning Elliott, to serve as auditor of the Company for the Company's fiscal year ending August 31, 2018 at a remuneration to be fixed by the Board.

Management recommends shareholders vote for the appointment of Manning Elliott as the Company's auditor for the Company's fiscal year ending August 31, 2018 at remuneration to be fixed by the Board.

AUDIT COMMITTEE DISCLOSURE

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

The Audit Committee Charter

The text of the audit committee charter (the "**Audit Committee Charter**") is attached as Schedule "A" to this Information Circular.

Composition of the Audit Committee

The Company's Audit Committee is currently comprised of three directors, consisting of Angela Holmes, Allan Cleiren and Mary Lynn Bellamy-Willms. Angela Holmes, the Company's COO, is not "independent" as defined in NI 52-110. Mary-Lynn Bellamy-Willms is not independent because, through her company, Suburbia Studios Ltd., she receives consulting fees from the Company for the provision of marketing and advertising services. Allan Cleiren is not independent as he is an Officer of Aurora Cannabis Inc., which owns sufficient shares to be considered to exert significant influence over the Company. The Company is exempt from the Audit Committee composition requirements in NI 52-110 which require all Audit Committee members to be independent. All of the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the

right at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.

Relevant Education and Experience

Mary-Lynn Bellamy-Willms

Ms. Bellamy-Willms has been the CEO of Suburbia Studios Ltd., a marketing and communications company, since February 1988. She is also the Founder and Board Chair of FunctionFox Systems Inc., an international SaaS company. In such position, she has obtained significant exposure to the preparation of financial statements.

Angela Holmes

Ms. Homes was a founding member of Hempco which started operations as Dharma Distributors. She has been involved in the day to day accounting for the enterprise since inception. Ms. Holmes has been the Chief Operating Officer and a director of the Company since April 15, 2016, and the Chief Operating Officer of Dharma Distributors Ltd. since July 14, 2008.

Allan Cleiren

Mr. Cleiren is a Chartered Professional Accountant (CPA, CA) with over 25 years of executive and financial management experience in private and public companies. His experience includes both operations and finance roles, including being a CFO for publicly traded and privately owned multidivisional companies. Allan was the Canadian COO for JLT, a large multinational insurance broker, worked for Price Waterhouse Coopers where he earned his Chartered Accountant designation and was engaged in audit and tax services, was Senior VP Operations and CFO for Afexa Life Science, Executive VP and formerly CFO for Universal Rail Systems. Mr. Cleiren is currently COO for Aurora Cannabis Inc.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

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

The company as a venture issuer is relying on the exemption available under Part 6 section 6.1 of NI 52-110. Venture issuers are exempt from the requirements of Part 3 under this section. Each member of the Audit Committee is not required to be independent under this exemption.

Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by, as applicable, the Board and the Audit Committee, on a case-by-case basis.

External Auditor Service Fees

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

The aggregate fees billed by the Company’s external auditor in the last two fiscal years, by category, are as follows:

Financial Year Ended August 31	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2017	\$85,000 ⁽¹⁾	Nil	6,000 ⁽¹⁾	Nil
2016	\$85,000 ⁽¹⁾	Nil	6,000 ⁽¹⁾	Nil

⁽¹⁾ Fees were paid to Manning Elliott LLP.

Exemption

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

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer, proposed nominee for election to the Board, or associate of any such person is, or at any time since the beginning of the Company’s most recently completed financial year has been, indebted to the Company or any of its subsidiaries.

No indebtedness of a current or former director, executive officer, proposed nominee for election to the Board, or associate of any such person is, or at any time since the beginning of the Company’s most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no: (a) director, proposed director or executive officer of the Company; (b) person who beneficially owns, directly or indirectly, Shares, or who exercises control or direction of Shares, or a combination of both, carrying more than 10% of the voting rights attached to the Shares outstanding (an “Insider”); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders of the Company, has had any material interest, direct or indirect, in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares where such

person will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of Shares.

MANAGEMENT CONTRACTS

Except as otherwise described in the Executive Compensation section, there were no management functions of the Company which were, to any substantial degree, performed by a person other than the directors or executive officers of the Company.

CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Company is required to disclose its corporate governance practices as follows:

Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board.

The Board currently consists of eight directors, being Diane Jang, Charles Holmes, Angela Holmes, Mary-Lynn Bellamy-Willms, Joel Watson, Don Mosher, Allan Cleiren, and Steve Dobler. Mr. Watson is "independent" in that he is independent and free from any interest and any business or other relationship which could or could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of the Company, other than the interests and relationships arising from being securityholders of the Company. Ms. Jang is the CEO, Mr. Holmes is the President, Ms. Holmes is the Chief Operating Officer, Don Mosher was engaged in 2017 as Vice President Corporate Development, May-Lynn Bellamy-Willms is the CEO of a company which was engaged to do contract work for the Company, and both Mr. Cleiren and Mr. Dobler are Officers of Aurora Cannabis Inc., which owns sufficient shares to be considered to exert significant influence over the Company. They are, therefore, not independent.

Directorships

Certain directors and proposed directors of the Company are currently also directors of other reporting issuers, as described in the table below:

Name of Director of the Company	Names of Other Reporting Issuers
Steve Dobler	Aurora Cannabis Inc. ⁽¹⁾
Diane Jang	Aurora Cannabis Inc. ⁽¹⁾

⁽¹⁾ Toronto Stock Exchange

Orientation and Continuing Education

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, show support for the Company's mission and strategic objectives, and a willingness to serve. Under the investor rights agreement, Aurora has nominated two directors to the Board.

Compensation

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees and consultants is reviewed, recommended and approved by the Board without reference to any specific formula or criteria.

Other Board Committees

The Board has no committees other than the Audit Committee.

Assessments

The Board monitors the adequacy of information given to directors, communications between the Board and management, and the strategic direction and processes of the Board and the Audit Committee.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, no proposed nominee for election as a director of the Company, nor any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors.

Directors, executive officers and proposed nominees for election as directors of the Company may be interested in the approval of the Plan, pursuant to which they may be granted stock options. See "Particulars of Matters to be Acted Upon - Adoption of 2017 Stock Option Plan", for more information.

PARTICULARS OF MATTERS TO BE ACTED UPON

Ratification of Stock Option Plan

The Plan is a "rolling" stock option plan, whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed 10% of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. As at the date hereof, there are 2,569,001 options outstanding under the Plan.

The Plan was approved by the Shareholders on February 23, 2017.

The TSXV requested two changes to the Plan. They are detailed as follows:

Section 3.8 of the 2017 stock option plan: Acceleration of Unvested Options. If there is a Change of Control, then all outstanding Options, whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise, shall be exercisable in full to enable the Optioned Shares subject to such Options to be issued and tendered to such bid.

Section 3.8 of the Plan: Acceleration of Unvested Options. If there is a Change of Control, then all outstanding Options, whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise, shall be exercisable in full to enable the Optioned Shares subject to such Options to be issued and tendered to such bid. Any acceleration of Exchange-imposed vesting requirements will require prior written approval of the Exchange.

Section 4.4 (b) of the 2017 stock option plan: If the Exercise Price of any Option granted hereunder is based on the Discounted Market Price (as defined in TSXV Policies) rather than the Market Price (as defined in TSXV Policies), all such Options and any Optioned Shares issuable upon exercise of such Options will be subject to a four month and one day hold period commencing on the Grant Date, and the certificates representing any Optioned Shares issued prior to the expiry of such hold period will bear a legend in substantially the following form:

Section 4.4(b) of the Plan All Options granted to insiders or if the Exercise Price of any Option granted hereunder is based on any discount to the Market Price (as defined in TSXV Policies) rather than the Market Price (as defined in TSXV Policies), all such Options and any Optioned Shares issuable upon exercise of such Options will be subject to a four month and one day hold period commencing on the Grant Date, and the certificates representing any Optioned Shares issued prior to the expiry of such hold period will bear a legend in substantially the following form:

The Plan is subject to the re-approval of the Company's shareholders and the TSXV, and the rules of the TSXV. At the Meeting, shareholders will be asked to ratify, confirm and approve the Plan. A copy of the Plan is attached to this Information Circular as Schedule "B".

The following information is intended as a brief description of the Plan and is qualified in its entirety by the full text of the Plan, a copy of which is attached as Schedule "B" to this Information Circular.

1. The Board shall establish the exercise price at the time each option is granted, subject to the following conditions:
 - (a) if the Shares are listed on the TSXV, the exercise price will not be less than the minimum prevailing price permitted by TSXV policies;
 - (b) if the Shares are not listed, posted and trading on any stock exchange or bulletin board, then the exercise price will be determined by the Board at the time of granting;
 - (c) if an option is granted within 90 days of a distribution by a prospectus by the Company, the exercise price will not be less than the price that is the greater of the minimum prevailing price permitted by TSXV policies and the per share price paid by public

investors for Shares acquired under the distribution by the prospectus, with the 90 day period beginning on the date a final receipt is issued for the prospectus; and

- (d) in all other cases, the exercise price shall be determined in accordance with the rules and regulations of any applicable regulatory bodies.
2. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, without having been exercised in full, the number of Shares in respect of the expired or terminated option shall again be available for a grant under the Plan.
 3. No option granted under the Plan may have an expiry date exceeding ten years from the date on which the option is granted (unless automatically extended as a result of a blackout period as described below).
 4. The expiry date of each option will be automatically extended if the expiry date falls within a period during which the Company prohibits optionees from exercising their options, provided that:
 - (a) the blackout period has been formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information (as defined in the policies of the TSXV). For greater certainty, in the absence of the Company formally imposing a blackout period, the expiry date of any options will not be automatically extended in any circumstances;
 - (b) the blackout period expires upon the general disclosure of the undisclosed Material Information and the expiry date of the affected options is extended to no later than ten (10) business days after the expiry of the blackout period; and
 - (c) the automatic extension will not be permitted where the optionee or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities.
 5. Options granted to any one individual in any 12 month period cannot exceed more than 5% of the issued Shares, unless the Company has obtained disinterested shareholder approval.
 6. Options granted to any one consultant in any 12 month period cannot exceed more than 2% of the issued Shares, without the prior consent of the TSXV.
 7. Options granted to all persons, in aggregate, conducting investor relations activities in any 12 month period cannot exceed more than 2% of the issued Shares, without the prior consent of the TSXV.
 8. Options issued to optionees performing investor relations activities will vest in stages over 12 months with no more than one quarter of the options vesting in any three month period.
 9. If a director, employee or consultant of the Company is terminated for cause, then any option granted to the option holder will terminate immediately upon the option holder ceasing to be a director, employee, or consultant of the Company by reason of termination for cause.
 10. If an option holder ceases to be a director, employee or consultant of the Company (other than by reason of death, disability or termination of services for cause), or if an optionee resigns, as the case may be, then any option granted to the holder that had vested and was exercisable on the date of termination will expire on the earlier of the expiry date and the date that is 90 days

following the date that the holder ceases to be a director, employee or service provider of the Company.

11. If the engagement of an option holder engaged in investor relations activities as a consultant is terminated for any reason other than cause, disability or death, any option granted to such holder that was exercisable and had vested on the date of termination will be exercisable until the earlier of the expiry date and the date that is 30 days after the effective date of the holder ceasing to be a consultant.
12. If an option holder dies, the holder's lawful personal representatives, heirs or executors may exercise any option granted to the holder that had vested and was exercisable on the date of death until the earlier of the expiry date and one year after the date of death of the holder.
13. If an option holder ceases to be a director, employee or consultant of the Company as a result of a disability, the holder may exercise any option granted to the holder that had vested and was exercisable on the date of disability until the earlier of the expiry date and one year after the date of disability.
14. Options granted to directors, employees or consultants will vest when granted unless determined by the Board on a case by case basis, other than options granted to consultants performing investor relations activities, which will vest in stages over 12 months with no more than one quarter of the options vesting in any three month period.
15. The 2017 Plan will be administered by the Board who will have the full authority and sole discretion to grant options under the Plan to any eligible party, including themselves.
16. Options granted under the Plan shall not be assignable or transferable by an option holder.
17. The Board may from time to time, subject to regulatory or shareholder approval, amend or revise the terms of the Plan.

The Plan provides that other terms and conditions may be attached to a particular option at the discretion of the Board.

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

"RESOLVED, as an ordinary resolution of the shareholders of Hempco Food and Fiber Inc. (the "**Company**"), that:

1. the Company's 2017 Stock Option Plan (the "**Plan**"), as described in the Company's information circular dated April 6, 2018, including the reservation for issuance under the Plan at any time of a maximum of 10% of the issued common shares of the Company, be and is hereby ratified, confirmed and approved, subject to the acceptance of the Plan by the TSX Venture Exchange (the "**TSXV**");
2. The board of directors of the Company be authorized in its absolute discretion to administer the Plan and amend or modify the Plan in accordance with its terms and conditions and with the policies of the TSXV; and
3. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents,

instruments and assurances as in his or her opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Plan required by the TSXV or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Plan.”

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

Management of the Company recommends that shareholders vote FOR the Plan Resolution at the Meeting.

ADDITIONAL INFORMATION

Additional information relating to the Company is available under the Company’s profile on SEDAR at www.sedar.com.

Financial information is provided in the Company’s audited financial statements and Management’s Discussion and Analysis (the “**MD&A**”), which are available under the Company’s profile on SEDAR. Shareholders may also contact the Company at its office by mail at Unit 112 – 5589 Byrne Road, Burnaby, BC V5J 3J1, to request copies of the Company’s financial statements and related MD&A.

OTHER MATTERS

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

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APPROVAL OF THE BOARD OF DIRECTORS

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

Dated at Vancouver, British Columbia as of April 6, 2018.

ON BEHALF OF THE BOARD

HEMPCO FOOD AND FIBER INC.

"Diane Jang"

Diane Jang

Chief Executive Officer and Director

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

HEMPCO FOOD AND FIBER INC. CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

1. PURPOSE

The Audit Committee (the "Committee") of **Hempco Food and Fiber Inc.** ("the Company") is a committee of the Board of Directors with the responsibility under the governing legislation of the Company to review the financial statements, accounting policies and reporting procedures of the Company.

The primary function of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to any governmental body or the public, the systems of internal controls of the Company regarding finance, accounting and legal compliance that management and the Board have established, and the auditing, accounting and financial reporting processes of the Company generally. Consistent with this function, the Committee should encourage continuous improvement of, and should foster adherence to, the policies, procedures and practices at all levels of the Company.

The primary duties and responsibilities of the Committee are to:

- Serve as an independent and objective party to monitor the financial reporting process and the system of internal controls of the Company.
- Monitor the independence and performance of the auditor of the Company (the "Auditor") and the internal audit function of the Company.
- Provide an open avenue of communication among the Auditor, financial and senior management and the Board of Directors.

The Committee will primarily fulfill these responsibilities by carrying out the activities set out in Section 4 of this Charter.

2. COMPOSITION

- The Committee shall be comprised of two or more directors as determined by the Board of Directors. The composition of the Committee shall adhere to all applicable corporate and securities laws and all requirements of the stock exchanges on which shares of the Company are listed.
- All members of the Committee shall have a working familiarity with basic finance and accounting practices, and at least one member of the Committee shall be a "*financial expert*" in accordance with applicable laws and all requirements of the stock exchanges on which shares of the Company are listed.
- Members of the Committee shall be elected by the Board at the meeting of the Board held immediately after the annual meeting of shareholders or such other times as shall be determined by the Board and shall serve until the next such meeting or until their successors shall be duly elected and qualified.

- Any member of the Committee may be removed or replaced at any time by the Board of Directors and shall cease to be a member of the Committee as soon as such member ceases to be a director. Subject to the foregoing, each member of the Committee shall hold such office until the next annual meeting of shareholders after his or her election as a member of the Committee.
- The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board of Directors may from time to time determine.

3. MEETINGS

- The Committee may appoint one of its members to act as Chairman of the Committee. The Chairman will appoint a secretary who will keep minutes of all meetings (the "Secretary"). The Secretary does not have to be a member of the Committee or a director and can be changed by written notice from the Chairman.
- No business may be transacted by the Committee except at a meeting at which a quorum of the Committee is present or by a consent resolution in writing signed by all members of the Committee. A majority of the members of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one half of the number of members plus one shall constitute a quorum.
- The Committee will meet as many times as is necessary to carry out its responsibilities, but in no event will the Committee meet less than four times a year. The Committee shall meet at least once annually with the Auditor. As part of its duty to foster open communication, the Committee should meet at least annually with management and the Auditor in separate executive sessions to discuss any matters that the Committee or each of these parties believe should be discussed privately. In addition, the Committee shall meet with the Auditor and management at least quarterly to review the financial statements of the Company.
- The time at which, and the place where, the meetings of the Committee shall be held, the calling of meetings and the procedure in all respects of such meetings shall be determined by the Chairman, unless otherwise provided for in the Articles of the Company or otherwise determined by resolution of the Board of Directors.
- The Committee may invite to, or require the attendance at, any meeting of the Committee, such officers and employees of the Company, legal counsel or other persons as it deems necessary in order to perform its duties and responsibilities. They should also be requested or required to attend meetings of the Committee and make presentations to the Committee as appropriate. Subject to the provisions of the governing legislation of the Company and applicable regulations the Chairman of the Committee may exercise the powers of the Committee in between meetings of the Committee. In such event, the Chairman shall immediately report to the members of the Committee and the actions or decisions taken in the name of the Committee shall be recorded in the proceedings of the Committee.

4. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties the Committee shall:

Documents/Reports Review

- Review and recommend for approval to the Board of Directors of the Company any revisions or updates to this Charter. This review should be done periodically, but at least annually, as conditions dictate.

- Review the interim un-audited quarterly financial statements and the annual audited financial statements, and the related press releases of the Company and report on them to the Board of Directors.
- Satisfy itself, on behalf of the Board of Directors, that the un-audited quarterly financial statements and annual audited financial statements of the Company are fairly presented both in accordance with generally accepted accounting principles and otherwise, and recommend to the Board of Directors whether the quarterly and annual financial statements should be approved.
- Satisfy itself, on behalf of the Board of Directors, that the information contained in the quarterly financial statements of the Company, annual report to shareholders and similar documentation required pursuant to the laws of Canada does not contain any untrue statement of any material fact or omit to state a material fact that is required or necessary to make a statement not misleading, in light of the circumstances under which it was made.
- Review any reports or other financial information of the Company submitted to any governmental body, or the public, including any certification, report, opinion or review rendered by the Auditor.
- Review, and if deemed advisable, approve all related party transactions as defined in the governing legislation of the Company.
- Have the right, for the purpose of performing their duties: (i) to inspect all the books and records of the Company and its subsidiaries; (ii) to discuss such accounts and records and any matters relating to the financial position of the Company with the officers and auditors of the Company and its subsidiaries and the Auditor; (iii) to commission reports or supplemental information relating to the financial information; (iv) to require the Auditor to attend any or every meeting of the Committee; and (v) to engage such independent counsel and other advisors as are necessary in the determination of the Committee.
- Permit the Board of Directors to refer to the Committee such matters and questions relating to the financial position of the Company and its affiliates or the reporting related to it as the Board of Directors may from time to time see fit.

Independent Auditor

- Be directly and solely responsible for the appointment, compensation, and oversight of the work of the Auditor of the Company upon shareholder approval of the appointment, with such Auditor being ultimately accountable to the shareholders, the Board and the Committee.
- Act as the Auditor's channel of direct communication to the Company. In this regard, the Committee shall, among other things, receive all reports from the Auditor of the Company, including timely reports of:
 1. all critical accounting policies and practices to be used;
 2. all alternative treatments of financial information within generally accepted accounting principles that have been discussed with the management of the Company, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Auditor of the Company; and
 3. other material written communications between the Auditor and the management of the Company, including, but not limited to, any management letter or schedule of unadjusted differences.

- Satisfy itself, on behalf of the Board of Directors that the Auditor is "*independent*" of management, within the meaning given to such term in the rules and pronouncements of the applicable regulatory authorities and professional governing bodies. In furtherance of the foregoing, the Committee shall request that the Auditor at least annually provide a formal written statement delineating all relationships between the Auditor and the Company, and request information from the Auditor and management to determine the presence or absence of a conflict of interest. The Committee shall actively engage the Auditor in a dialogue with respect to any disclosed relationships or services that may impact the objectivity and independence of the Auditor. The Committee shall take, or recommend that the full Board take, appropriate action to oversee the independence of the Auditor.
- Be responsible for pre-approving all audit and non-audit services provided by the Auditor; provided, however, that the Committee shall have the authority to delegate such responsibility to one or more of its members to the extent permitted under applicable law and stock exchange rules.
- Review the performance of the Auditor and make recommendations to the Board of Directors as to whether or not to continue to engage the Auditor.
- Determine and review the remuneration of the Auditor and any independent advisors (including independent counsel) to the Committee.
- Satisfy itself, on behalf of the Board of Directors, that the internal audit function has been effectively carried out and that any matter which the Auditor wishes to bring to the attention of the Board of Directors has been addressed and that there are no "*unresolved differences*" with the Auditor.

Financial Reporting Process and Risk Management

- Review the audit plan of the Auditor for the current year and review advice from the Auditor relating to management and internal controls and the responses of the Company to the suggestions made put forth.
- Monitor the internal accounting controls, informational gathering systems and management reporting on internal controls of the Company.
- Review with management and the Auditor the relevance and appropriateness of the accounting policies of the Company and review and approve all significant changes to such policies.
- Satisfy itself, on behalf of the Board of Directors, that the Company has implemented appropriate systems of internal control over financial reporting and the safeguarding of the assets of the Company and other "*risk management*" functions (including the identification of significant risks and the establishment of appropriate procedures to manage those risks and the monitoring of corporate performance in light of applicable risks) affecting the assets of the Company, management, financial and business operations and the health and safety of employees and that these systems are operating effectively.
- Review and approve the investment and treasury policies of the Company and monitor compliance with such policies.
- Establish procedures for the receipt and treatment of (i) complaints received by the Company regarding accounting, controls, or auditing matters and (ii) confidential, anonymous submissions by employees of the Company as to concerns regarding questionable accounting or auditing.

Legal and Regulatory Compliance

- Satisfy itself, on behalf of the Board of Directors, that all material statutory deductions have been withheld by the Company and remitted to the appropriate authorities.
- Without limiting its rights to engage counsel generally, review, with the principal legal external counsel of the Company, any legal matter that could have a significant impact on the financial statements of the Company.
- Satisfy itself, on behalf of the Board of Directors, that all regulatory compliance issues have been identified and addressed.

Budgets

- Assist the Board of Directors in the review and approval of operational, capital and other budgets proposed by management.

General

- Perform any other activities consistent with this Charter, the Articles of the Company and governing law, as the Committee or the Board of Directors deem necessary or appropriate.

SCHEDULE "B"

2017 STOCK OPTION PLAN

HEMPCO FOOD AND FIBER INC.
(the "Company")

2017 ROLLING STOCK OPTION PLAN

February 23, 2017

1. PURPOSE

The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that, if and so long as the Company's shares are listed on the TSXV (as defined herein), at the discretion of the Board (as defined herein), this Plan will at all times be in compliance with the TSXV Policies (as defined herein) and unless the Board determines otherwise, any inconsistencies between this Plan and the TSXV Policies whether due to inadvertence or changes in TSXV Policies will be resolved in favour of the TSXV Policies.

2. INTERPRETATION

2.1 Definitions

For the purposes of this Plan, the following terms have the respective meanings set forth below:

- (a) "**Affiliate**" has the same meaning ascribed to that term as set out in the TSXV Policies;
- (b) "**Associate**" has the same meaning as ascribed to that term as set out in the TSXV Policies;
- (c) "**Board**" means the board of directors of the Company or any committee thereof duly empowered or authorized to grant options under this Plan;
- (d) "**Change of Control**" means the occurrence of any one of the following events:
 - (i) there is a report filed with any securities commission or securities regulatory authority in Canada, disclosing that any offeror (as the term "offeror" is defined in Section 1.1 of Multilateral Instrument 62-104 *Take-Over Bids and Issuer Bids*) has acquired beneficial ownership of, or the power to exercise control or direction over, or securities convertible into, any shares of capital stock of any class of the Company carrying voting rights under all circumstances (the "**Voting Shares**"), that, together with the offeror's securities would constitute Voting Shares of the Company representing more than 50% of the total voting power attached to all Voting Shares of the Company then outstanding,
 - (ii) there is consummated any amalgamation, consolidation, statutory arrangement, merger, business combination or other similar transaction involving the Company: (1) in which the Company is not the continuing or surviving corporation, or (2) pursuant to which any Voting Shares of the Company would be reclassified, changed or converted into or exchanged for cash, securities or

other property, other than (in each case) an amalgamation, consolidation, statutory arrangement, merger, business combination or other similar transaction involving the Company in which the holders of the Voting Shares of the Company immediately prior to such amalgamation, consolidation, statutory arrangement, merger, business combination or other similar transaction have, directly or indirectly, more than 50% of the Voting Shares of the continuing or surviving corporation immediately after such transaction,

- (iii) any person or group of persons shall succeed in having a sufficient number of its nominees elected as directors of the Company such that such nominees, when added to any existing directors of the Company, will constitute a majority of the directors of the Company, or
- (iv) there is consummated a sale, transfer or disposition by the Company of all or substantially all of the assets of the Company,

provided that an event shall not constitute a Change of Control if its sole purpose is to change the jurisdiction of the Company's organization or to create a holding company, partnership or trust that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such event;

- (e) "**Common Shares**" means the common shares in the capital of the Company as constituted on the Grant Date, provided that, in the event of any adjustment pursuant to Section 4.9, "Common Shares" shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment;
- (f) "**Company**" means Hempco Food and Fiber Inc. and includes, unless the context otherwise requires, all of its subsidiaries or Affiliates and successors according to law;
- (g) "**Consultant**" means, in relation to the Company, an individual or Consultant Company, other than an Employee or a Director of the Company, that:
 - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to an Affiliate of the Company, other than services provided in relation to a Distribution,
 - (ii) provides the services under a written contract between the Company or the Affiliate and the individual or the Consultant Company,
 - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate of the Company, and
 - (iv) has a relationship with the Issuer or an Affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company;
- (h) "**Consultant Company**" means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;
- (i) "**Director**" has the same meaning ascribed to that term as set out in the TSXV Policies;

- (j) **“Disability”** means any disability with respect to an Optionee which the Board in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:
- (i) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries, or
 - (ii) acting as a director or officer of the Company or its subsidiaries,
- and **“Date of Disability”** means the effective date of the Disability as determined by the Board in its sole and unfettered discretion;
- (k) **“Disinterested Shareholder Approval”** means approval by a majority of the votes cast by all the Company’s shareholders at a duly constituted shareholders’ meeting, excluding votes attached to shares beneficially owned by Insiders, and their Associates, to whom Options may be granted under this Plan;
- (l) **“Distribution”** has the same meaning ascribed to that term as set out in the TSXV Policies;
- (m) **“Eligible Person”** means, from, time to time, any bona fide Director, Employee or Consultant of the Company or an Affiliate of the Company;
- (n) **“Employee”** has the same meaning ascribed to that term as set out in the TSXV Policies;
- (o) **“Exercise Price”** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;
- (p) **“Expiry Date”** means 5:00 p.m. (Vancouver time) on the day on which an Option expires as specified in the Option Agreement therefor or in accordance with the terms of this Plan;
- (q) **“Grant Date”** for an Option means the date of grant thereof by the Board, whether or not the grant is subject to any Regulatory Approval;
- (r) **“Insider”** means:
- (i) an insider as defined in the TSXV Policies or as defined in securities legislation applicable to the Company, and
 - (ii) an Associate of any person who is an Insider by virtue of Section 2.1(r)(i) above;
- (s) **“Investor Relations Activities”** has the same meaning ascribed to that term as set out in the TSXV Policies;
- (t) **“Management Company Employee”** has the same meaning ascribed to that term as set out in the TSXV Policies;
- (u) **“Notice of Exercise”** means a written notice in substantially the form attached as Exhibit A1 to 0 hereto or as Exhibit B1 to 0 hereto, as applicable;

- (v) **“Option”** means the right to purchase Common Shares granted hereunder to an Eligible Person;
 - (w) **“Option Agreement”** means the stock option agreement between the Company and an Eligible Person whereby the Company provides notice of grant of an Option to such Eligible Person substantially in the form of Schedule “A” hereto for Eligible Persons not engaged in Investor Relations Activities and substantially in the form of Schedule “B” hereto for Eligible Persons engaged in Investor Relations Activities;
 - (x) **“Optioned Shares”** means Common Shares that may be issued in the future to an Eligible Person upon the exercise of an Option;
 - (y) **“Optionee”** means the recipient of an Option hereunder, their heirs, executors and administrators;
 - (z) **“Person”** means a corporation or an individual;
 - (aa) **“Plan”** means this Stock Option Plan, the terms of which are set out herein or as may be amended and/or restated from time to time;
 - (bb) **“Plan Shares”** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in Section 3.2;
 - (cc) **“Regulatory Approval”** means the approval of the TSXV and any other securities regulatory authority that may have lawful jurisdiction over the Plan and any Options issued hereunder, as may be required;
 - (dd) **“Share Compensation Arrangement”** means any Option under this Plan but also includes any other stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guarantee or otherwise;
 - (ee) **“Tier 1 Issuer”** has the same meaning ascribed to that term as set out in the TSXV Policies;
 - (ff) **“Tier 2 Issuer”** has the same meaning ascribed to that term as set out in the TSXV Policies;
 - (gg) **“TSXV”** means the TSX Venture Exchange and any successor thereto; and
 - (hh) **“TSXV Policies”** means the rules and policies of the TSXV, as amended from time to time.
- 2.2 Currency. Unless otherwise indicated, all dollar amounts referred to in this Plan are in Canadian funds.
- 2.3 Gender. As used in this Plan and any Schedules hereto, words importing the masculine gender shall include the feminine and neuter genders and words importing the singular shall include the plural and vice versa, unless the context otherwise requires.

2.4 Interpretation. This Plan will be governed by and construed in accordance with the laws of the Province of British Columbia without giving effect to any choice or conflict of law provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

3. STOCK OPTION PLAN

3.1 Establishment of Plan. This Plan is hereby established to recognize contributions made by Eligible Persons and to create an incentive for their continuing assistance to the Company and its Affiliates.

3.2 Maximum Number of Plan Shares. Subject to adjustment as provided in this Plan, the aggregate number of Plan Shares reserved for issuance under the Plan, including any other Common Shares which may be issued pursuant to any other stock options granted by the Company outside of this Plan, shall not exceed ten percent (10%) of the total number of issued Common Shares of the Company (calculated on a non-diluted basis) at the time an Option is granted. The number of Optioned Shares granted under the Plan cannot exceed the number of Plan Shares.

3.3 Eligibility. Options to purchase Common Shares may be granted hereunder to Eligible Persons from time to time by the Board. If and when the Company's shares are listed on the TSXV, Eligible Persons that are corporate entities will be required to agree in writing not to effect or permit any transfer of ownership or option of any of its shares, nor issue more of its shares to any other individual or entity as long as such Options remain outstanding, unless the written permission of the TSXV and the Company is obtained. The Company represents that Eligible Persons who are granted Options will be bona fide Directors, Employees or Consultants of the Company or a subsidiary of the Company at the time of grant of such Options.

3.4 Options Granted Under the Plan. All Options granted under the Plan will be evidenced by an Option Agreement in substantially the form attached hereto as Schedule "A" (or such other form determined by the Board) in the case of Optionees not engaged in Investor Relations Activities or Schedule "B" (or such other form determined by the Board) in the case of Optionees engaged in Investor Relations Activities, as applicable, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

3.5 Terms Incorporated. Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Agreement made hereunder. In the event of any discrepancy between this Plan and an Option Agreement, the provisions of this Plan shall govern.

3.6 Limitations on Option Grants. If the Common Shares are listed on the TSXV, the following restrictions on the granting of Options are applicable under the Plan:

- (a) Individuals. The aggregate number of Optioned Shares that may be reserved for issuance pursuant to Options granted to any one individual must not exceed 5% of the issued Common Shares of the Company (determined as at the Grant Date) in a 12-month period, unless the Company has obtained Disinterested Shareholder Approval pursuant to Section 3.10(c).
- (b) Optionees Performing Investor Relations Activities. The aggregate number of Options granted to Eligible Persons engaged to provide Investor Relations Activities in a 12-month period must not exceed 2% of the issued Common Shares of the Company (determined as at the Grant Date) without the prior consent of TSXV.

- (c) Consultants. The aggregate number of Options granted to any one Consultant in a 12-month period must not exceed 2% of the issued Common Shares of the Company (determined as at the Grant Date) without the prior consent of TSXV.
- 3.7 Options Not Exercised. In the event an Option granted under the Plan expires unexercised, is terminated or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to the Plan and will be available again for an Option grant under this Plan.
- 3.8 Acceleration of Unvested Options. If there is a Change of Control, then all outstanding Options, whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise, shall be exercisable in full to enable the Optioned Shares subject to such Options to be issued and tendered to such bid. Any acceleration of Exchange-imposed vesting requirements will require prior written approval of the Exchange.
- 3.9 Powers of the Board. The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to:
- (a) allot Common Shares for issuance in connection with the exercise of Options;
 - (b) grant Options hereunder;
 - (c) subject to appropriate shareholder and Regulatory Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the written consent of all Optionees, alter or impair any Option previously granted under the Plan unless as a result of a change in TSXV Policies or the Company's tier classification thereunder;
 - (d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do; and
 - (e) may in its sole discretion amend this Plan (except for previously granted and outstanding Options) to reduce the benefits that may be granted to Eligible Persons (before a particular Option is granted) subject to the other terms hereof.
- 3.10 Terms Requiring Disinterested Shareholder Approval. If the Common Shares are listed on the TSXV and if required by the TSXV Policies, the Company must obtain Disinterested Shareholder Approval of Options if the Options, together with any other Share Compensation Arrangement, could result at any time in:
- (a) the number of shares reserved for issuance under stock options granted to Insiders exceeding 10% of the issued Common Shares of the Company;
 - (b) the grant to Insiders, within a 12-month period, of stock options exceeding 10% of the issued Common Shares of the Company; or

- (c) the issuance to any one Optionee, within a 12-month period, of a number of shares exceeding 5% of the issued Common Shares of the Company.

3.11 Effective Date of Plan. This Plan is effective as of the date first written above, subject to applicable Regulatory Approval and approval of the shareholders of the Company if required by the TSXV Policies.

4. TERMS AND CONDITIONS OF OPTIONS

4.1 Exercise Price. The Board shall establish the Exercise Price at the time each Option is granted, subject to the following conditions:

- (a) if the Common Shares are listed on the TSXV, then the Exercise Price for the Options granted will not be less than the Discounted Market Price (as defined in the TSXV Policies);
- (b) if the Common Shares are not listed, posted and trading on any stock exchange or quoted on any quotation system, then the Exercise Price for the Options granted will be determined by the Board at the time of granting;
- (c) if an option is granted within 90 days of a distribution by a prospectus by the Company, the exercise price will not be less than the price that is the greater of the Discounted Market Price (as defined in the TSXV policies) and the per Share price paid by public investors for Shares acquired under the distribution by the prospectus, with the 90 day period beginning on the date a final receipt is issued for the prospectus; and
- (d) in all other cases, the Exercise Price shall be determined in accordance with the rules and regulations of any applicable regulatory bodies.

The Exercise Price shall be subject to adjustment in accordance with the provisions of Section 4.9.

4.2 Term of Option. The Board shall establish the Expiry Date for each Option at the time such Option is granted, subject to the following conditions:

- (a) the Option will expire upon the occurrence of any event set out in Section 4.8 and at the time period set out therein; and
- (b) the Expiry Date cannot be longer than the maximum exercise period as determined by the TSXV Policies, which is currently 10 years.

4.3 Automatic Extension of Term of Option. The Expiry Date will be automatically extended if the Expiry Date falls within a blackout period during which the Company prohibits Optionees from exercising their Options, provided that:

- (a) the blackout period has been formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information (as defined in the policies of the TSXV). For greater certainty, in the absence of the Company formally imposing a blackout period, the expiry date of any options will not be automatically extended in any circumstances;

- (b) the blackout period expires upon the general disclosure of the undisclosed Material Information and the expiry date of the affected options is extended to no later than ten (10) business days after the expiry of the blackout period; and
- (c) the automatic extension will not be permitted where the Optionee or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities.

4.4 Hold Period.

- (a) If required by applicable securities laws, any Optioned Shares will be subject to a hold period expiring on the date that is four months and a day after the Grant Date, and the certificates representing any Optioned Shares issued prior to the expiry of such hold period will bear a legend in substantially the following form:

"UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITIES REPRESENTED HEREBY MUST NOT TRADE THE SECURITIES BEFORE [INSERT THE DATE THAT IS FOUR MONTHS AND ONE DAY AFTER THE DATE OF GRANT]"

- (b) All Options granted to insiders or if the Exercise Price of any Option granted hereunder is based on any discount to the Market Price (as defined in TSXV Policies) rather than the Market Price (as defined in TSXV Policies), all such Options and any Optioned Shares issuable upon exercise of such Options will be subject to a four month and one day hold period commencing on the Grant Date, and the certificates representing any Optioned Shares issued prior to the expiry of such hold period will bear a legend in substantially the following form:

"WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [INSERT THE DATE THAT IS 4 MONTHS AND ONE DAY AFTER THE DATE OF GRANT]."

4.5 Vesting of Options.

- (a) No Option shall be exercisable until it has vested. The Board shall establish a vesting period or periods at the time each Option is granted to Eligible Persons, provided that Options granted to Eligible Persons performing Investor Relations Activities are required to vest in stages over at least 12 months with no more than one quarter of the Options vesting in any three month period.
- (b) If no vesting schedule is specified at the time of grant and the Optionee is not performing Investor Relations Activities, the Option shall vest immediately.

4.6 Non Assignable. Subject to Section 4.9(e), all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

4.7 Option Amendment.

- (a) Exercise Price. The Board may amend the Exercise Price of any Options provided that, subject to Section 4.1, and if the Common Shares are traded on the TSXV, the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of:
- (i) the Grant Date;
 - (ii) the date the Company's shares commenced trading on the TSXV; or
 - (iii) the date of the last amendment of the Exercise Price.
- (b) Disinterested Shareholder Approval. If the Common Shares are listed on the TSXV, any proposed reduction in the exercise price of Options for Optionees that are Insiders will be subject to TSXV Policies, including Disinterested Shareholder Approval.
- (c) Term. The term of an Option cannot be extended so that the effective term of the Option exceeds ten (10) years in total, or such other period as prescribed by the TSXV Policies. If the Common Shares are traded on the TSXV, an option must be outstanding for at least one year before the Company can extend its term and the TSXV treats any extension of the length of the term of the Option as a grant of a new Option, which must comply with pricing and other requirements of this Plan.
- (d) TSXV Approval. If the Common Shares of the Company are listed on the TSXV, any proposed amendment to the terms of an Option must be approved by the TSXV prior to the exercise of such Option as amended.

4.8 Termination of Option. Unless the Board determines otherwise, the Options will terminate in the following circumstances:

- (a) Termination of Services For Cause. If the engagement of the Optionee as a Director, Employee or Consultant is terminated for cause (as determined by common law), any Option granted hereunder to such Optionee shall terminate and cease to be exercisable immediately upon the Optionee ceasing to be a Director, Employee or Consultant by reason of termination for cause.
- (b) Termination of Services Without Cause or Upon by Resignation. If the engagement of the Optionee as a Director, Employee or Consultant of the Company is terminated for any reason other than cause (as determined by common law), disability or death, or if such Director, Employee, or Consultant resigns, as the case may be, the Optionee may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the date of termination until the date that is the earlier of (i) the Expiry Date, and (ii) the date that is 90 days after the effective date of the Optionee ceasing to be a Director, Employee or Consultant for that other reason.
- (c) Termination of Investor Relations Services. If the engagement of the Optionee as a Consultant performing Investor Relations services is terminated for any reason other than cause (as determined by common law), disability or death, the Optionee may

exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the date of termination until the date that is the earlier of (i) the Expiry Date, and (ii) the date that is 30 days after the effective date of the Optionee ceasing to be a Director, Employee or Consultant for that other reason.

- (d) Death. If the Optionee dies, the Optionee's lawful personal representatives, heirs or executors may exercise any Option granted hereunder to the Optionee to the extent such Option was exercisable and had vested on the date of death until the earlier of (i) the Expiry Date, and (ii) one year after the date of death of such Optionee.
- (e) Disability. If the Optionee ceases to be an Eligible Person, due to his Disability, or, in the case of an Optionee that is a company, the Disability of the person who provides management or consulting services to the Company or to an Affiliate of the Company, the Optionee may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the Date of Disability until the earlier of (i) the Expiry Date, and (ii) the date that is one year after the Date of Disability.
- (f) Changes in Status of Eligible Person. If the Optionee ceases to be one type of Eligible Person but concurrently is or becomes one or more other type of Eligible Person, the Option will not terminate but will continue in full force and effect and the Optionee may exercise the Option until the earlier of (i) the Expiry Date, and (ii) the applicable date set forth in Sections 4.8(a) to 4.8(e) above where the Optionee ceases to be any type of Eligible Person. If the Optionee is an Employee, the Option will not be affected by any change of the Optionee's employment where the Optionee continues to be employed by the Company or an Affiliate of the Company.

4.9 Adjustment of the Number of Optioned Shares. The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

- (a) Following the date an Option is granted, the exercise price for and the number of Optioned Shares which are subject to an Option will be adjusted, with respect to the then unexercised portion thereof, in the events and in accordance with the provisions and rules set out in this Section 4.9, with the intent that the rights of Optionees under their Options are, to the extent possible, preserved and maintained notwithstanding the occurrence of such events. Any dispute that arises at any time with respect to any adjustment pursuant to such provisions and rules will be conclusively determined by the Board, and any such determination will be binding on the Company, the Optionee and all other affected parties.
- (b) If there is a change in the outstanding Common Shares by reason of any share consolidation or split, reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger or combination, or any other change to, event affecting, exchange of or corporate change or transaction affecting the Common Shares, the Board shall make, as it shall deem advisable and subject to the requisite approval of the relevant regulatory authorities, appropriate substitution and/or adjustment in:
 - (i) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to this Plan;
 - (ii) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Options, and in the exercise price for such shares or other securities or property; and

- (iii) the vesting of any Options, including the accelerated vesting thereof on conditions the Board deems advisable, and if the Company undertakes an arrangement or is amalgamated, merged or combined with another corporation, the Board shall make such provision for the protection of the rights of Optionees as it shall deem advisable.
- (c) If the outstanding Common Shares are changed into or exchanged for a different number of shares or into or for other securities of the Company or securities of another Company or entity, in a manner other than as specified in Section 4.9(b), then the Board, in its sole discretion, may make such adjustment to the securities to be issued pursuant to any exercise of the Option and the exercise price to be paid for each such security following such event as the Board in its sole and absolute discretion determines to be equitable to give effect to the principle described in Section 4.9(a), and such adjustments shall be effective and binding upon the Company and the Optionee for all purposes.
- (d) No adjustment provided in this Section 4.9 shall require the Company to issue a fractional share and the total adjustment with respect to each Option shall be limited accordingly.
- (e) The grant or existence of an Option shall not in any way limit or restrict the right or power of the Company to effect adjustments, reclassifications, reorganizations, arrangements or changes of its capital or business structure, or to amalgamate, merge, consolidate, dissolve or liquidate, or to sell or transfer all or any part of its business or assets.

5. COMMITMENT AND EXERCISE PROCEDURES

- 5.1 Option Agreement. Upon grant of an Option hereunder, an authorized director or officer of the Company will deliver to the Optionee an Option Agreement detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof.
- 5.2 Manner of Exercise. An Optionee who wishes to exercise his Option, in its entirety or any portion thereof, may do so by delivering:
 - (a) a Notice of Exercise to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and
 - (b) cash, a certified cheque or a bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired.
- 5.3 Subsequent Exercises. If an Optionee exercises only a portion of the total number of his Options, then the Optionee may, from time to time, subsequently exercise all or part of the remaining Options until the Expiry Date.
- 5.4 Delivery of Certificate and Hold Periods. As soon as practicable after receipt of the Notice of Exercise described in Section 5.2 and payment in full for the Optioned Shares being received by the Company, the Company will or will direct its transfer agent to issue a certificate to the Optionee for the appropriate number of Optioned Shares. Such certificate issued will bear a legend stipulating any resale restrictions required under applicable securities laws and TSXV Policies.

- 5.5 Withholding. The Company may withhold from any amount payable to an Optionee, either under this Plan or otherwise, such amount as it reasonably believes is necessary to enable the Company to comply with the applicable requirements of any federal, provincial, local or foreign law, or any administrative policy of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to options ("**Withholding Obligations**"). The Company may also satisfy any liability for any such Withholding Obligations, on such terms and conditions as the Company may determine in its discretion, by:
- (a) requiring an Optionee, as a condition to the exercise of any Options, to make such arrangements as the Company may require so that the Company can satisfy such Withholding Obligations including, without limitation, requiring the Optionee to remit to the Company in advance, or reimburse the Company for, any such Withholding Obligations; or
 - (b) selling on the Optionee's behalf, or requiring the Optionee to sell, any Optioned Shares acquired by the Optionee under the Plan, or retaining any amount which would otherwise be payable to the Optionee in connection with any such sale.

6. AMENDMENTS

- 6.1 Amendment of the Plan. The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate the Plan with respect to all Common Shares in respect of Options which have not yet been granted hereunder. Any amendment to any provision of the Plan will be subject to shareholder approval, if applicable, and any necessary Regulatory Approvals. If this Plan is suspended or terminated, the provisions of this Plan and any administrative guidelines, rules and regulations relating to this Plan shall continue in effect for the duration of such time as any Option remains outstanding.
- 6.2 Amendment of Outstanding Options. The Board may amend any Option with the consent of the affected Optionee and the TSXV, if required, including any shareholder approval required by the TSXV. For greater certainty, Disinterested Shareholder Approval is required by the TSXV for any reduction in the exercise price of an Option if the Participant is an Insider at the time of the proposed amendment.
- 6.3 Amendment Subject to Approval. If the amendment of an Option requires shareholder or Regulatory Approval, such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are given.

7. GENERAL

- 7.1 Exclusion from Severance Allowance, Retirement Allowance or Termination Settlement. If the Optionee retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Optioned Shares, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.
- 7.2 Employment and Services. Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.

- 7.3 No Rights as Shareholder. Nothing contained in this Plan nor in any Option granted thereunder shall be deemed to give any Optionee any interest or title in or to any Common Shares of the Company or any rights as a shareholder of the Company or any other legal or equitable right against the Company whatsoever other than as set forth in this Plan and pursuant to the exercise of any Option in accordance with the provisions of the Plan and the Option Agreement.
- 7.4 No Representation or Warranty. The Company makes no representation or warranty as to the future market value of Optioned Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Optioned Shares issuable thereunder or the tax consequences to a Optionee. Compliance with applicable securities laws as to the disclosure and resale obligations of each Optionee is the responsibility of such Optionee and not the Company.
- 7.5 Other Arrangements. Nothing contained herein shall prevent the Board from adopting other or additional compensation arrangements, subject to any required approval.
- 7.6 No Fettering of Discretion. The awarding of Options under this Plan is a matter to be determined solely in the discretion of the Board. This Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issue of any Common Shares or any other securities in the capital of the Company or any of its Affiliates other than as specifically provided for in this Plan.

**SCHEDULE A
STOCK OPTION AGREEMENT
(Non-Investor Relations)**

THIS STOCK OPTION AGREEMENT (this "Agreement") is made as of the ____ day of _____, 20__.

BETWEEN:

HEMPCO FOOD AND FIBER INC., a company having an address at Unit 112 - 5589 Byrne Road, Burnaby, BC V5J 3J1

(the "Company")

AND:

◆, of ◆

(the "Optionee")

WHEREAS:

A. The Company's board of directors (the "Board") has approved and adopted an incentive stock option plan (the "Plan") dated for reference February 23, 2017, as may be amended or restated from time to time, whereby the Board is authorized to grant Options (as defined herein) to Eligible Persons to acquire up to a maximum of 10% of the number of issued and outstanding common shares in the capital stock of the Company at the time of grant;

B. The Optionee provides services to the Company as a ◆[director/officer/consultant] of ◆[the Company] OR [a subsidiary of the Company] (the "Services"); and

C. The Company wishes to grant the Options to the Optionee as an incentive for the continued provision of the Services;

THIS AGREEMENT WITNESSES that in consideration of other good and valuable consideration (the receipt and sufficiency whereof is hereby acknowledged), it is hereby agreed by and between the Company and the Optionee (together, the "Parties") as follows:

1. In this Agreement, the following terms shall have the following meanings:

- (a) "Date of Grant" means the date of this Agreement;
- (b) "Exercise Payment" means the amount of money equal to the Exercise Price multiplied by the number of Optioned Shares specified in the Notice of Exercise;
- (c) "Exercise Price" means ◆ per Optioned Share;
- (d) "Expiry Date" means the date which is ◆ years after the Date of Grant;
- (e) "Notice of Exercise" means a notice in writing addressed to the Company at its address first recited (or such other address of the Company as may from time to time be notified to the Optionee in writing), substantially in the form attached as Exhibit A1 hereto, which notice shall specify therein the number of Optioned Shares in respect of which the Options are being exercised;

- (f) "Options" means the irrevocable right and option to purchase, from time to time, all, or any part of the Optioned Shares granted to the Optionee by the Company pursuant to Section 3 of this Agreement;
 - (g) "Optioned Shares" means the Shares subject to the Options;
 - (h) "Personal Information" means any information about the Optionee contained in this Agreement or as required to be disclosed about the Optionee by the Company to the TSXV or any securities regulatory authority for any purpose, including those purposes set out in Exhibit A2 attached hereto.
 - (i) "Securities" means, collectively, the Options and the Optioned Shares;
 - (j) "Shareholders" means holders of record of the Shares; and
 - (k) "Shares" means the common shares in the capital of the Company.
2. All capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Plan.
 3. The Company hereby grants to the Optionee, subject to the terms and conditions hereinafter set forth, Options to purchase a total of ♦ Optioned Shares at the Exercise Price.
 4. Unless accelerated at the discretion of the Board within the rules and regulations of any applicable regulatory bodies, the Options shall vest as follows ♦[revise as applicable]:
 - (a) ♦[provide] on the Date of Grant;
 - (b) ♦[provide] on the first anniversary of the Date of Grant; and
 - (c) ♦[provide] on the second anniversary of the Date of Grant.
 5. The Options shall, at 5:00 p.m. (Vancouver time) on the Expiry Date, forthwith expire and be of no further force or effect whatsoever.
 6. Subject to the provisions hereof, the Options shall be exercisable in whole or in part (at any time and from time to time as aforesaid) by the Optionee or his personal representative giving a Notice of Exercise together with the Exercise Payment by cash, certified cheque or bank draft, made payable to the Company.
 7. Upon the exercise of all or any part of the Options and upon receipt by the Company of the Exercise Payment, the Company shall cause to be delivered to the Optionee or his personal representative, within ten (10) days following receipt by the Company of the Notice of Exercise, a certificate in the name of the Optionee or his personal representative representing, in aggregate, the number of Optioned Shares specified in the Notice of Exercise.
 8. Nothing in this Agreement shall obligate the Optionee to purchase any Optioned Shares except those Optioned Shares in respect of which the Optionee shall have exercised the Options in the manner provided in this Agreement.
 9. The Company agrees that prior to the earlier of the expiration of the Options and the exercise and purchase of the total number of Optioned Shares represented by the Options, there shall be reserved for issuance and delivery upon exercise of the Options such number of the Company's

authorized and unissued Shares as shall be necessary to satisfy the terms and conditions of this Agreement.

10. The Optionee acknowledges, represents and warrants to the Company that:
 - (a) the Company has advised the Optionee that the Company is relying on an exemption from the requirements to provide the Optionee with a prospectus under applicable securities legislation and, as a consequence of acquiring the Securities pursuant to this exemption, certain protections, rights and remedies provided by applicable securities legislation, including, in most circumstances, statutory rights of rescission or damages, will not be available to the Optionee; and
 - (b) the Optionee is not a U.S. person as such term is defined in Regulation S promulgated under the United States Securities Act of 1933.
11. The Optionee hereby covenants and agrees with the Company that the Optionee will execute and deliver any documents and instruments and provide any information as may be reasonably requested by the Company, from time to time, to establish the availability of exemptions from prospectus requirements and to comply with any applicable securities legislation and TSXV Policies, including without limitation those provisions of any applicable securities legislation and TSXV Policies relating to escrow requirements.
12. The Optionee hereby acknowledges and agrees to the Company making a notation on its records or giving instructions to the registrar and transfer agent of the Company in order to implement the restrictions on transfer set forth and described in this Agreement.
13. Unless the Company permits otherwise, the Optionee shall pay the Company in cash all local, provincial and federal withholding taxes applicable to the grant or exercise of the Options, or the transfer or other disposition of Shares acquired upon exercise of the Options. Any such payment must be made promptly when the amount of such obligation becomes determinable. In addition to any remedies available to the Company under the Plan to comply with Withholding Obligations, the Company may in its discretion sell on the Optionee's behalf, or require the Optionee to sell, any Shares acquired by the Optionee under the Plan, or retain any amount which would otherwise be payable to the Optionee in connection with any such sale.
14. This Agreement shall enure to the benefit of and be binding upon the Company, its successors and assigns, and the Optionee and his personal representative, if applicable.
15. Other than in the event of death of the Optionee in which case the Options may be transferred or assigned by will or by the law governing the devolution of property to the Optionee's executor, administrator or other person representative, this Agreement shall not be transferable or assignable by the Optionee or his personal representative and the Options may be exercised only by the Optionee or his personal representative provided that, subject to the prior approval of the Board and, if necessary, any applicable stock exchange, the Optionee may assign the Options to a company of which all of the voting securities are beneficially owned by the Optionee, which ownership will continue for as long as any portion of the Options remain unexercised.
16. The granting of the Options and the terms and conditions hereof shall be subject to Regulatory Approval as required.
17. The Optionee and the Company represent that the Optionee is a Director, Employee or Consultant of the Company or any Affiliate of the Company or of a company of which all of the voting securities are beneficially owned by one or more of the foregoing.

18. The Optionee represents that he has not been induced to enter into this Agreement by the expectation of employment or continued employment or retention or continued retention by the Company or any Affiliate of the Company.
19. The Options will terminate in accordance with the Plan.
20. The Optionee acknowledges and consents to the fact that the Company is collecting the Optionees' Personal Information for the purposes set out in Exhibit A2 which may be disclosed by the Company to:
 - (a) the TSXV or securities regulatory authorities;
 - (b) the Company's registrar and transfer agent;
 - (c) Canadian tax authorities; and
 - (d) authorities pursuant to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada).

By executing this Agreement, the Optionee is deemed to be consenting to the foregoing collection, use and disclosure of the Optionee's Personal Information and to the retention of such Personal Information for as long as permitted or required by law or business practice. By executing this Agreement, the Optionee hereby consents to the foregoing collection, use and disclosure of the Optionee's Personal Information. The Optionee also consents to the filing of copies of any documents described herein as may be required to be filed with the TSXV or any securities regulatory authority in connection with the grant of the Options. An officer of the Company is available to answer questions about the collection of personal information by the Company.

21. Neither this Agreement nor the Plan confers on the Optionee the right to continue in the employment of or association with the Company or any Affiliate of the Company, nor do they interfere in any way with the right of the Optionee or the Company or any Affiliate of the Company to terminate the Optionee's employment at any time.
22. Reference is made to the Plan for particulars of the rights and obligations of the Optionee and the Company in respect of the terms and conditions on which the Options are granted, all to the same effect as if the provisions of the Plan were set out in this Agreement and to all of which the Optionee assents.
23. The Company will give a copy of the Plan to the Optionee on request.
24. Time is of the essence of this Agreement.
25. The terms of the Options are subject to the provisions of the Plan, as the same may from time to time be amended, and any inconsistencies between this Agreement and the Plan, as the same may be from time to time amended, shall be governed by the provisions of the Plan.
26. If at any time during the term of this Agreement the Parties deem it necessary or expedient to make any alteration or addition to this Agreement, they may do so by means of a written agreement between them which shall be supplemental hereto and form part hereof and which shall be subject to Regulatory Approval if required.

- 27. Wherever the plural or masculine are used throughout this Agreement, the same shall be construed as meaning singular or feminine or neuter or the body politic or corporate where the context requires.
- 28. This Agreement may be executed in several parts in the same form and such parts as so executed shall together constitute one original agreement, and such parts, if more than one, shall be read together and construed as if each of the Parties had executed one copy of this Agreement.
- 29. Delivery of an executed copy of this Agreement by electronic facsimile transmission or other means of electronic communication capable of producing a printed copy will be deemed to be execution and delivery of this Agreement as of the date first above written.
- 30. This Agreement shall be exclusively governed by and construed in accordance with the laws of the Province of British Columbia without giving effect to any choice or conflict of law provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction, and shall bind and inure to the benefit of the Parties and their respective successors and assigns.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first set forth above.

HEMPCO FOOD AND FIBER INC.

Per: _____
Authorized Signatory

◆[If the optionee is an individual use this signature block]

WITNESSED BY:)
)
 _____)
 Name)
 _____)
 Address)
 _____)
)
 _____)
 Occupation)

_____ ◆

◆[or if a company is the optionee, the following:]

◆

Per: _____
Authorized Signatory

EXHIBIT A1

TO: Hempco Food and Fiber Inc. (the "Company")
Unit 112 - 5589 Byrne Road
Burnaby, BC V5J 3J1

NOTICE OF EXERCISE

This Notice of Exercise shall constitute proper notice pursuant to Section 6 of that certain Stock Option Agreement (the "Agreement") dated as of the ___ day of _____, 20___, between the Company and the undersigned.

The undersigned hereby elects to exercise Optionee's option to purchase _____ common shares of the Company at a price of \$_____ per share, for aggregate consideration of \$_____, on the terms and conditions set forth in the Agreement and the Plan. Such aggregate consideration, in the form specified in Section 6 of the Agreement, accompanies this notice. The undersigned reconfirms the representations and warranties set out in the Agreement as of the date hereof.

The Optionee hereby directs the Company to issue, register and deliver the certificates representing the shares as follows:

Registration Information:	Delivery Instructions:
_____	_____
Name to appear on certificates	Name
_____	_____
Address	Address
_____	_____
_____	_____
_____	Telephone Number

DATED at _____, the _____ day of _____, _____.

Name of Optionee (Please type or print)

Signature of Optionee or Authorized Signatory

Name and Office of Authorized Signatory

Address of Optionee

Address of Optionee

Facsimile Number



ACKNOWLEDGEMENT - PERSONAL INFORMATION

TSX Venture Exchange Inc. and its affiliates, authorized agents, subsidiaries and divisions, including the TSX Venture Exchange (collectively referred to as “the Exchange”) collect Personal Information in certain Forms that are submitted by the individual and/or by an Issuer or Applicant and use it for the following purposes:

- to conduct background checks,
- to verify the Personal Information that has been provided about each individual,
- to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of the Issuer or Applicant,
- to consider the eligibility of the Issuer or Applicant to list on the Exchange,
- to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Issuer, or its associates or affiliates,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the Exchange, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, the Exchange also collects additional Personal Information from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished.

The Personal Information the Exchange collects may also be disclosed:

- (a) to the agencies and organizations in the preceding paragraph, or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above; and
- (b) on the Exchange’s website or through printed materials published by or pursuant to the directions of the Exchange.

The Exchange may from time to time use third parties to process information and/or provide other administrative services. In this regard, the Exchange may share the information with such third party service providers.

**SCHEDULE B
STOCK OPTION AGREEMENT
(Investor Relations)**

THIS STOCK OPTION AGREEMENT (this "Agreement") is made as of the ____ day of _____, 20__.

BETWEEN:

HEMPCO FOOD AND FIBER INC., a company having an address at Unit 112 - 5589 Byrne Road, Burnaby, BC V5J 3J1

(the "Company")

AND:

◆, of ◆

(the "Optionee")

WHEREAS:

A. The Company's board of directors (the "Board") has approved and adopted an incentive stock option plan (the "Plan") dated for reference February 23, 2017, as may be amended or restated from time to time, whereby the Board is authorized to grant Options (as defined herein) to Eligible Persons to acquire up to a maximum of 10% of the number of issued and outstanding common shares in the capital stock of the Company at the time of grant;

B. The Optionee provides investor relations services to the Company as a consultant (the "Services"); and

C. The Company wishes to grant the Options to the Optionee as an incentive for the continued provision of the Services;

THIS AGREEMENT WITNESSES that in consideration of other good and valuable consideration (the receipt and sufficiency whereof is hereby acknowledged), it is hereby agreed by and between the Company and the Optionee (together, the "Parties") as follows:

1. In this Agreement, the following terms shall have the following meanings:

- (a) "Date of Grant" means the date of this Agreement;
- (b) "Exercise Payment" means the amount of money equal to the Exercise Price multiplied by the number of Optioned Shares specified in the Notice of Exercise;
- (c) "Exercise Price" means ◆ per Optioned Share;
- (d) "Expiry Date" means the date which is ◆ years after the Date of Grant;
- (e) "Notice of Exercise" means a notice in writing addressed to the Company at its address first recited (or such other address of the Company as may from time to time be notified to the Optionee in writing), substantially in the form attached as Exhibit B1 hereto, which

notice shall specify therein the number of Optioned Shares in respect of which the Options are being exercised;

- (f) **“Options”** means the irrevocable right and option to purchase, from time to time, all, or any part of the Optioned Shares granted to the Optionee by the Company pursuant to Section 3 of this Agreement;
 - (g) **“Optioned Shares”** means the Shares subject to the Options;
 - (h) **“Personal Information”** means any information about the Optionee contained in this Agreement or as required to be disclosed about the Optionee by the Company to the TSXV or any securities regulatory authority for any purpose, including those purposes set out in Exhibit B2 attached hereto.
 - (i) **“Securities”** means, collectively, the Options and the Optioned Shares;
 - (j) **“Shareholders”** means holders of record of the Shares; and
 - (k) **“Shares”** means the common shares in the capital of the Company.
2. All capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Plan.
 3. The Company hereby grants to the Optionee, subject to the terms and conditions hereinafter set forth, Options to purchase a total of ♦ Optioned Shares at the Exercise Price.
 4. The Options shall vest as follows ♦**[TSXV rules require the options to vest in stages over at least 12 months with no more than one quarter of the options vesting in any 3 month period]**:
 - (a) ♦**[provide]** on the date that is 3 months after the Date of Grant;
 - (b) ♦**[provide]** on the date that is 6 months after the Date of Grant;
 - (c) ♦**[provide]** on the date that is 9 months after the Date of Grant; and
 - (d) ♦**[provide]** on the date that is 12 months after the Date of Grant.
 5. The Options shall, at 5:00 p.m. (Vancouver time) on the Expiry Date, forthwith expire and be of no further force or effect whatsoever.
 6. Subject to the provisions hereof, the Options shall be exercisable in whole or in part (at any time and from time to time as aforesaid) by the Optionee or his personal representative giving a Notice of Exercise together with the Exercise Payment by cash or by certified cheque, made payable to the Company.
 7. Upon the exercise of all or any part of the Options and upon receipt by the Company of the Exercise Payment, the Company shall cause to be delivered to the Optionee or his personal representative, within ten (10) days following receipt by the Company of the Notice of Exercise, a certificate in the name of the Optionee or his personal representative representing, in aggregate, the number of Optioned Shares specified in the Notice of Exercise.

8. Nothing in this Agreement shall obligate the Optionee to purchase any Optioned Shares except those Optioned Shares in respect of which the Optionee shall have exercised the Options in the manner provided in this Agreement.
9. The Company agrees that prior to the earlier of the expiration of the Options and the exercise and purchase of the total number of Optioned Shares represented by the Options, there shall be reserved for issuance and delivery upon exercise of the Options such number of the Company's authorized and unissued Shares as shall be necessary to satisfy the terms and conditions of this Agreement.
10. The Optionee acknowledges, represents and warrants to the Company that:
 - (a) the Company has advised the Optionee that the Company is relying on an exemption from the requirements to provide the Optionee with a prospectus under applicable securities legislation and, as a consequence of acquiring the Securities pursuant to this exemption, certain protections, rights and remedies provided by applicable securities legislation, including, in most circumstances, statutory rights of rescission or damages, will not be available to the Optionee; and
 - (b) the Optionee is not a U.S. person as such term is defined in Regulation S promulgated under the United States Securities Act of 1933.
11. The Optionee hereby covenants and agrees with the Company that the Optionee will execute and deliver any documents and instruments and provide any information as may be reasonably requested by the Company, from time to time, to establish the availability of exemptions from prospectus requirements and to comply with any applicable securities legislation and TSXV Policies, including without limitation those provisions of any applicable securities legislation and TSXV Policies relating to escrow requirements.
12. The Optionee hereby acknowledges and agrees to the Company making a notation on its records or giving instructions to the registrar and transfer agent of the Company in order to implement the restrictions on transfer set forth and described in this Agreement.
13. Unless the Company permits otherwise, the Optionee shall pay the Company in cash all local, provincial and federal withholding taxes applicable to the grant or exercise of the Options, or the transfer or other disposition of Shares acquired upon exercise of the Options. Any such payment must be made promptly when the amount of such obligation becomes determinable. In addition to any remedies available to the Company under the Plan to comply with Withholding Obligations, the Company may in its discretion sell on the Optionee's behalf, or require the Optionee to sell, any Shares acquired by the Optionee under the Plan, or retain any amount which would otherwise be payable to the Optionee in connection with any such sale.
14. This Agreement shall enure to the benefit of and be binding upon the Company, its successors and assigns, and the Optionee and his personal representative, if applicable.
15. Other than in the event of death of the Optionee in which case the Options may be transferred or assigned by will or by the law governing the devolution of property to the Optionee's executor, administrator or other person representative, this Agreement shall not be transferable or assignable by the Optionee or his personal representative and the Options may be exercised only by the Optionee or his personal representative provided that, subject to the prior approval of the Board and, if necessary, any applicable stock exchange, the Optionee may assign the Options to a company of which all of the voting securities are beneficially owned by the Optionee, which ownership will continue for as long as any portion of the Options remain unexercised.

16. The granting of the Options and the terms and conditions hereof shall be subject to Regulatory Approval as required.
17. The Optionee and the Company represent that the Optionee is a Director, Employee or Consultant of the Company or any Affiliate of the Company or of a company of which all of the voting securities are beneficially owned by one or more of the foregoing.
18. The Optionee represents that he has not been induced to enter into this Agreement by the expectation of employment or continued employment or retention or continued retention by the Company or any Affiliate of the Company.
19. The Options will terminate in accordance with the Plan.
20. The Optionee acknowledges and consents to the fact that the Company is collecting the Optionees' Personal Information for the purposes set out in Exhibit B2 which may be disclosed by the Company to:
 - (a) the TSXV or securities regulatory authorities;
 - (b) the Company's registrar and transfer agent;
 - (c) Canadian tax authorities; and
 - (d) authorities pursuant to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada).

By executing this Agreement, the Optionee is deemed to be consenting to the foregoing collection, use and disclosure of the Optionee's Personal Information and to the retention of such Personal Information for as long as permitted or required by law or business practice. By executing this Agreement, the Optionee hereby consents to the foregoing collection, use and disclosure of the Optionee's Personal Information. The Optionee also consents to the filing of copies of any documents described herein as may be required to be filed with the TSXV or any securities regulatory authority in connection with the grant of the Options. An officer of the Company is available to answer questions about the collection of personal information by the Company.

21. Neither this Agreement nor the Plan confers on the Optionee the right to continue in the employment of or association with the Company or any Affiliate of the Company, nor do they interfere in any way with the right of the Optionee or the Company or any Affiliate of the Company to terminate the Optionee's employment at any time.
22. Reference is made to the Plan for particulars of the rights and obligations of the Optionee and the Company in respect of the terms and conditions on which the Options are granted, all to the same effect as if the provisions of the Plan were set out in this Agreement and to all of which the Optionee assents.
23. The Company will give a copy of the Plan to the Optionee on request.
24. Time is of the essence of this Agreement.
25. The terms of the Options are subject to the provisions of the Plan, as the same may from time to time be amended, and any inconsistencies between this Agreement and the Plan, as the same may be from time to time amended, shall be governed by the provisions of the Plan.

26. If at any time during the term of this Agreement the Parties deem it necessary or expedient to make any alteration or addition to this Agreement, they may do so by means of a written agreement between them which shall be supplemental hereto and form part hereof and which shall be subject to Regulatory Approval if required.
27. Wherever the plural or masculine are used throughout this Agreement, the same shall be construed as meaning singular or feminine or neuter or the body politic or corporate where the context requires.
28. This Agreement may be executed in several parts in the same form and such parts as so executed shall together constitute one original agreement, and such parts, if more than one, shall be read together and construed as if each of the Parties had executed one copy of this Agreement.
29. Delivery of an executed copy of this Agreement by electronic facsimile transmission or other means of electronic communication capable of producing a printed copy will be deemed to be execution and delivery of this Agreement as of the date first above written.
30. This Agreement shall be exclusively governed by and construed in accordance with the laws of the Province of British Columbia without giving effect to any choice or conflict of law provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction, and shall bind and inure to the benefit of the Parties and their respective successors and assigns.

31. This Agreement shall be exclusively governed by and construed in accordance with the laws of the Province of British Columbia without giving effect to any choice or conflict of law provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction, and shall bind and inure to the benefit of the Parties and their respective successors and assigns.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first set forth above.

HEMPCO FOOD AND FIBER INC.

Per: _____
Authorized Signatory

◆[If the optionee is an individual use this signature block]

WITNESSED BY:)
)
)
Name)
)
Address)
)
)
)
Occupation)

_____ ◆

◆[or if a company is the optionee, the following:]

◆

Per: _____
Authorized Signatory

EXHIBIT B1

TO: HempcO Food and Fiber Inc. (the "Company")
Unit 112 - 5589 Byrne Road
Burnaby, BC V5J 3J1

NOTICE OF EXERCISE

This Notice of Exercise shall constitute proper notice pursuant to Section 6 of that certain Stock Option Agreement (the "Agreement") dated as of the ____ day of _____, 20____, between the Company and the undersigned.

The undersigned hereby elects to exercise Optionee's option to purchase _____ common shares of the Company at a price of \$_____ per share, for aggregate consideration of \$_____, on the terms and conditions set forth in the Agreement and the Plan. Such aggregate consideration, in the form specified in Section 6 of the Agreement, accompanies this notice. The undersigned reconfirms the representations and warranties set out in the Agreement as of the date hereof.

The Optionee hereby directs the Company to issue, register and deliver the certificates representing the shares as follows:

Registration Information:	Delivery Instructions:
_____	_____
Name to appear on certificates	Name
_____	_____
Address	Address
_____	_____
_____	_____
_____	Telephone Number

DATED at _____, the ____ day of _____, _____.

Name of Optionee (Please type or print)

Signature of Optionee or Authorized Signatory

Name and Office of Authorized Signatory

Address of Optionee

Address of Optionee

Facsimile Number



ACKNOWLEDGEMENT - PERSONAL INFORMATION

TSX Venture Exchange Inc. and its affiliates, authorized agents, subsidiaries and divisions, including the TSX Venture Exchange (collectively referred to as “the Exchange”) collect Personal Information in certain Forms that are submitted by the individual and/or by an Issuer or Applicant and use it for the following purposes:

- to conduct background checks,
- to verify the Personal Information that has been provided about each individual,
- to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of the Issuer or Applicant,
- to consider the eligibility of the Issuer or Applicant to list on the Exchange,
- to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Issuer, or its associates or affiliates,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the Exchange, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, the Exchange also collects additional Personal Information from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished.

The Personal Information the Exchange collects may also be disclosed:

- (a) to the agencies and organizations in the preceding paragraph, or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above; and
- (b) on the Exchange’s website or through printed materials published by or pursuant to the directions of the Exchange.

The Exchange may from time to time use third parties to process information and/or provide other administrative services. In this regard, the Exchange may share the information with such third party service providers.