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### INFORMATION CIRCULAR

This Information Circular accompanies the notice of an annual general and special meeting of shareholders (the “**Notice**”) and is furnished to shareholders holding common shares (the “**Shares**”) in the capital of **Element Lifestyle Retirement Inc.** (the “**Company**”) in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting of shareholders (the “**Meeting**”) to be held at **10:00 a.m.** (Vancouver time) on **Tuesday, November 7, 2017** at **1147 Homer Street, Vancouver, BC**, or at any adjournment or postponement thereof.

The date of this Information Circular is October 3, 2017. Unless otherwise stated, all amounts herein are in Canadian dollars.

### PROXIES

#### Management Solicitation

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

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

#### Appointment of Proxy

Registered shareholders are entitled to vote at the Meeting. A shareholder is entitled to one vote for each Share that such shareholder holds on the record date of October 3, 2017 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and 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 or any adjournment or postponement thereof, other than the Designated Persons named in the enclosed form of proxy. To exercise the right, the shareholder may do so by inserting the name of such other person in the space provided in the form of proxy. Such person should bring photo identification to the Meeting.**

In order to be voted, a proxy must be received by the Company's registrar and transfer agent, Computershare Investor Services Inc. (the "**Transfer Agent**"), at their offices located at 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1 no later than 10:00 a.m. (Vancouver time) on November 3, 2017. Alternatively, the proxy may be delivered to the Chairman of the Meeting prior to the start of the Meeting 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 the Company at 1147 Homer Street, Vancouver, British Columbia V6B 2Y1, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (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 named in the form of proxy. It is intended that the Designated Persons will vote the Shares represented by the proxy in favour of each matter identified in the proxy.**

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

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

## NOTICE TO BENEFICIAL SHAREHOLDERS

**The information set out in this section is of significant importance to those shareholders who do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular as “Beneficial Shareholders”) should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of Shares can be recognized and acted upon at the Meeting.** If Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Shares will not be registered in the shareholder’s name on the records of the Company. Such Shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In the United States, the vast majority of such Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person well in advance of the Meeting.**

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) on how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of Shares to be voted at the Meeting. Beneficial Shareholders are requested to complete and return the voting instructions to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge’s dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have its Shares voted at the Meeting.**

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

These shareholder materials are being sent to both registered and non-registered owners of the Shares. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send this Information Circular to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering the Information Circular to you; and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Management of the Company does not intend to pay for intermediaries to forward to those who object to their name being made known to the issuers of securities which they own (called “**OBOs**” for Objecting Beneficial Owners) under National Instrument 54-101 — *Communications with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators the Meeting materials, and that in the case of an OBO, the OBO will not receive the Meeting materials unless the OBO’s intermediary assumes the cost of delivery.

All references to shareholders in this Information Circular are to registered shareholders, unless specifically stated otherwise.

### VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Shares without par value. As of the record date, determined by the Company’s board of directors (the “**Board**”) to be the close of business on October 3, 2017, a total of 68,478,300 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting.

Only registered shareholders as of the record date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

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

Name of Shareholder	Number of Shares Owned	Percentage of Outstanding Shares <sup>(1)</sup>
Grand Vision Development Ltd. <sup>(2)</sup>	17,200,000	25.1%
Ke fei Deng <sup>(3)</sup>	8,000,000	11.7%

<sup>(1)</sup> Based on 68,478,300 Shares issued and outstanding as of October 3, 2017. Unless otherwise indicated, the Company believes that all persons hold legal title and the Company has no knowledge of actual Share ownership.

<sup>(2)</sup> A private company controlled by Hua Min Chen.

<sup>(3)</sup> Of these shares, 2,000,000 are controlled or held directly and 6,000,000 shares are held in the name of Ke fei Investments Ltd., a private company controlled by Ke fei Deng.

### PARTICULARS OF MATTERS TO BE ACTED UPON

#### A. Receipt of the Financial Statements and Auditors' Report

At the Meeting, Shareholders will receive and consider the financial statements of the Company for the year ended May 31, 2017 and the auditors' report thereon. No formal action is required or proposed to be taken at the Meeting with respect to the financial statements.

#### B. FIXING NUMBER OF DIRECTORS

It is proposed that the number of directors to be elected at the Meeting to hold office until the next annual meeting or until their successors are elected or appointed, subject to the Articles and Notice of Articles of the Company be fixed at five. **Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form of proxy in favour of setting the number of directors to be elected at the Meeting at five (5).**

### C. ELECTION OF DIRECTORS

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 Ordinary Residence and Position(s) with the Company <sup>(1)</sup>	Principal Occupation Business or Employment for Last Five Years	Periods which Nominee has Served as a Director of the Company	Number of Voting Securities of the Company Beneficially Owned or Controlled or Directed, Directly or Indirectly <sup>(2)</sup>
<b>Don H.C. Ho</b> British Columbia, Canada  <i>Director &amp; President</i>	President of the Company since January 1, 2015; President and CEO, from June 2008 to date, of Trans City Consulting Inc., which provides consulting services to real estate investors, developers and builders; President and CEO from January 1995 to date, of City Group Holdings Ltd. a real estate investment company.	Since March 31, 2016 and from August 6, 2015 to December 2, 2015	3,800,000 <sup>(3)</sup>
<b>Bo Jun (Michael) Diao</b> <sup>(4)(6)</sup> British Columbia, Canada  <i>Director &amp; Chief Executive Officer</i>	Chief Executive Officer and Director of the Company since June 12, 2013; Director from June 12, 2013 to date, of Care Pacific Holdings Inc., an investment holding company; Director and President from June 12, 2013 to date, of Care Pacific (the Gardens at Villa Royale) Inc., a real estate and senior home development company; Director and President from May 6, 2014 to date, of Care Pacific (Maple Gardens) Inc., a real estate and senior home development company; Founder, Chief Executive Officer and Director from July 2006 to date, of Royal West Pacific Holdings Inc., a provider of consulting services.	Since June 12, 2013	3,600,000 <sup>(5)</sup>
<b>Stanley Kwok</b> <sup>(4)(6)</sup> British Columbia, Canada  <i>Director</i>	Chairman, 1993 to date of Amara International Investment Corp., a private investment group facilitating North American and Asia Pacific trade, real estate development and business opportunities; President, 1993 to date of Stanley Kwok Consultants Inc. , a consulting firm which deals with all aspects of designing, planning and developing, with particular emphasis on the residential real estate market in BC.	Since August 6, 2015	Nil
<b>John H.V. Gilbert</b> <sup>(4)(6)</sup> British Columbia, Canada  <i>Director</i>	Retired; previously Founding Principal and Professor Emeritus, College of Health Disciplines, University of British Columbia, August 1966 to July 2005.	Since August 6, 2015	10,000

Name, Province and Country of Ordinary Residence and Position(s) with the Company <sup>(1)</sup>	Principal Occupation Business or Employment for Last Five Years	Periods which Nominee has Served as a Director of the Company	Number of Voting Securities of the Company Beneficially Owned or Controlled or Directed, Directly or Indirectly <sup>(2)</sup>
<b>Ying Jee (Candy) Ho</b> <sup>(7)</sup> British Columbia, Canada  <i>Director &amp; Vice-President and Marketing &amp; Corporate Relations</i>	Vice-President, Marketing and Corporate Relations since December 2, 2015; Founder and Chief Executive Officer of Candy Ho Consulting Inc., October 2007 to date; Executive Officer, Sales and Marketing, The Cape on Bowen Community Development, 2005 to date.	Since March 31, 2016 and from June 12, 2013 to December 2, 2015	738,611

<sup>(1)</sup> The information as to province or state and country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.

<sup>(2)</sup> The information as to Shares beneficially owned directly or indirectly or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually.

<sup>(3)</sup> Disclosed holdings of Mr. Don H. C. Ho includes 2,700,000 Shares held in the name of City Group Holdings Ltd., a private company controlled by Mr. Ho. Mr. Ho personally holds 1,100,000 Shares.

<sup>(4)</sup> Member of the Finance and Audit Committee.

<sup>(5)</sup> Disclosed holdings of Mr. Bo Jun (Michael) Diao includes 2,600,000 Shares held in the name of Royal West Pacific Holdings Inc., a private company controlled by Mr. Diao. Mr. Diao personally holds 1,000,000 Shares.

<sup>(6)</sup> Member of the Human Resources and Compensation Committee.

<sup>(7)</sup> Ying Jee (Candy) Ho resigned as corporate secretary on June 1, 2017, subsequent to the recently completed financial year.

### ***Cease Trade Orders***

To the best of management's knowledge, no proposed director of the Company is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company (including the Company) that:

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

### ***Bankruptcies***

To the best of management's knowledge, no proposed director of the Company is, or within ten (10) years before the date of this Information Circular, has been a director or an executive officer of any company (including the Company) that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

To the best of management's knowledge, no proposed director of the Company has, within ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### ***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.

**Management of the Company recommends the approval of each of the nominees listed above for election as directors of the Company for the ensuing year. In the absence of contrary instructions, the Designated Persons intend to vote the Shares represented thereby in favour of the election to the Board of those persons hereinafter designated as nominees for election as directors. The Board does not contemplate that any of such nominees will be unable to serve as a director. However, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another nominee in their discretion unless the Shareholder has specified in his proxy that his/her/its Shares are to be withheld from voting on the election of directors.**

### **D. Appointment and Remuneration of Auditors**

Shareholders will be asked to vote for the re-appointment of MNP LLP, Chartered Accountants ("MNP"), as the auditors of the Company to hold office until the next annual meeting of the Shareholders at a remuneration to be fixed by the board of directors. MNP has served as auditor since 2009.

### **E. Ratification of Stock Option Plan**

At the annual meeting of shareholders of the Company held on September 15, 2016 the shareholders ratified, confirmed and approved a stock option plan (the "Option Plan") which reserves for issuance upon the grant of stock options a rolling maximum of 10% of the number of common shares issued and outstanding on the applicable date of grant. The Option Plan authorizes the Board to issue options to directors, officers, key employees and others who are in a position to contribute to the future success and growth of the Company. A copy of the Option Plan is attached to this Information Circular as Schedule "B" and a summary setting out the terms of the Option Plan are included herein. See "Director and Named Executive Officer Compensation - Stock Option Plan".

The TSX Venture Exchange (the "TSXV") requires all TSXV-listed companies who have adopted a stock option plan which reserves a rolling maximum of 10% of the number of common shares issued and outstanding on the applicable date of grant, to obtain shareholder ratification to the stock option plan on an annual basis. As at the date of this Information Circular, the Company had 68,478,300 shares issued and outstanding so that a maximum of 6,847,830 common shares would be available for issuance pursuant to the stock options granted under the Plan. Currently there are 1,360,000 stock options outstanding under the Option Plan, leaving 5,487,830 common shares available for grant of further options. Accordingly, the Company requests that the shareholders ratify, confirm and approve the Option Plan.

The rules of the TSXV require that the annual shareholder ratification of the Option Plan be approved by the affirmative vote of a majority of the votes cast by shareholders represented in person or by proxy at the Meeting. Accordingly, at the Meeting, the shareholders will be asked to approve the following ordinary resolution (the "**Option Plan Resolution**"):

"BE IT RESOLVED, AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS OF THE COMPANY, THAT:

1. the stock option plan (the "Option Plan") of Element Lifestyle Retirement Inc. (the "Company") ratified, confirmed and approved by the shareholders of the Company at the Annual General Meeting held on September 15, 2016 is hereby ratified, confirmed and approved;

2. the Company is authorized to grant stock options pursuant and subject to the terms and conditions of the Option Plan entitling all of the option holders in aggregate to purchase up to such number of common shares of the Company as is equal to 10% of the number of common shares of the Company issued and outstanding on the applicable grant date;
3. the board of directors of the Company (the "Board") or any committee created pursuant to the Option Plan is authorized to administer the Option Plan and to make such amendments to the Option Plan from time to time as the Board may, in its discretion, consider to be appropriate, provided that such amendments will be subject to the approval of all applicable regulatory authorities and in certain cases, in accordance with the terms of the Option Plan, the shareholders; and
4. any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Option Plan required by the TSX Venture Exchange or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Option Plan."

The form of the Option 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 Option Plan Resolution.

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

#### **EXECUTIVE COMPENSATION**

Unless otherwise noted, the following information is for the Company's last completed financial year ended May 31, 2017.

In this section, "Named Executive Officer" or "NEO" means each of the following individuals:

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

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

The Company has a Human Resources and Compensation Committee; the functions of the committee are to review and recommend the compensation of the Named Executive Officers to the Board of Directors. The final decision on the compensation of the Named Executive Officers is made by the Board of Directors in its entirety.

The compensation program of the Company is designed to attract, motivate, reward and retain knowledgeable and skilled executives required to achieve the Company's corporate objectives and increase shareholder value. The

main objective of the compensation program is to recognize the contribution of the Named Executive Officers to the overall success and strategic growth of the Company. The compensation program is designed to reward management performance by aligning a component of the compensation with the Company's business performance and share value. The philosophy of the Company is to pay management a total compensation amount that is competitive with other similar companies and is consistent with the experience and responsibility level of the management. The purpose of executive compensation is to reward the executives for their contributions to the achievements of the Company on both an annual and long term basis.

The Board determines Named Executive Officer compensation based on the recommendation of the Human Resources and Compensation Committee at the time of engagement of the Named Executive Officer and subsequently reviews compensation payable to a Named Executive Officer from time to time. For the Company's fiscal year ended May 31, 2017, the significant elements of compensation paid and awarded to each Named Executive Officer were base salaries/management fees paid indirectly to Messrs. Ho, Diao, Kang and Duda. See "*Statement of Executive Compensation – Table of Compensation Excluding Compensation Securities*" and "*Statement of Executive Compensation – Employment, Management and Consulting Agreements*". The Company relied solely on discussions with and the recommendations of the Human Resources and Compensation Committee to determine the total compensation paid to the NEOs for the Company's fiscal year ended May 31, 2017. Total compensation was not based on a comparison of compensation paid to executive officers in a peer group, or on any performance criteria or goals.

#### **Option-Based Awards**

The incentive stock option portion of the compensation is designed to provide the NEOs of the Company with a long term incentive in developing the Company's business. Options granted under the Stock Option Plan are approved by the Board after consideration of the Company's overall performance.

#### **Use of Financial Instruments**

The Company does not have in place policies which restrict the ability of directors or Named Executives to purchase financial instruments, such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by a director or Named Executive. Any such purchases would be subject to applicable insider reporting requirements.

#### **DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION**

During the Company's financial year ended May 31, 2017, the Company had four NEO's as described in National Instrument 51-102 –*Continuous Disclosure* Obligations as follows:

- Don C. Ho, President
- Bo Jun (Michael) Diao, Chief Executive Officer
- Robert Kang, former Chief Financial Officer, who resigned on January 11, 2017
- Ed Duda, Chief Financial Officer since January 11, 2017

The following table contains a summary of the compensation paid to the NEOs and Directors during the two most recently completed financial years.

Table of compensation excluding compensation securities:

Name and position	Year Ended May 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of prerequisites (\$)	Value of all other compensation (\$) <sup>(1)</sup>	Total compensation (\$)
<b>Don H.C. Ho</b> <sup>(2)</sup> <i>President and Director (NEO)</i>	2017	185,829	Nil	Nil	N/A	15,023	200,852
	2016	203,308	Nil	Nil	N/A	7,745	211,053
<b>Bo Jun (Michael) Diao</b> <sup>(3)</sup> <i>Chief Executive Officer and Director (NEO)</i>	2017	142,442	Nil	Nil	N/A	8,924	151,366
	2016	108,500	Nil	Nil	N/A	7,604	116,104
<b>Robert Kang</b> <sup>(4)</sup> <i>Former Chief Financial Officer (NEO)</i>	2017	29,167	Nil	Nil	N/A	Nil	29,167
	2016	46,667	Nil	Nil	N/A	Nil	46,667
<b>Ed Duda</b> <sup>(6)</sup> <i>Chief Financial Officer (NEO)</i>	2017	63,208 <sup>(6)</sup>	Nil	Nil	N/A	39	63,247
	2016	N/A	N/A	N/A	N/A	N/A	N/A
<b>Ying Jee (Candy) Ho</b> <sup>(7)</sup> <i>VP, Marketing &amp; Corporate Relations and Director</i>	2017	87,618	Nil	Nil	N/A	5,868	93,487
	2016	88,814	N/A	N/A	N/A	6,162	94,976
<b>Stanley Kwok</b> <i>Director</i>	2017	67,000 <sup>(5)</sup>	Nil	16,000 <sup>(8)</sup>	N/A	Nil	83,000
	2016	Nil	Nil	5,000	N/A	Nil	5,000
<b>Douglas Howard</b> <i>Former Director</i>	2017	Nil	Nil	7,500 <sup>(8)</sup>	N/A	Nil	7,500
	2016	Nil	Nil	5,000	N/A	Nil	5,000
<b>John H.V. Gilbert</b> <i>Director</i>	2017	Nil	Nil	16,000 <sup>(8)</sup>	N/A	Nil	16,000
	2016	Nil	Nil	5,000	N/A	Nil	5,000
<b>Adrian Chan</b> <i>Former Director</i>	2017	Nil	Nil	6,500 <sup>(8)</sup>	N/A	Nil	6,500
	2016	32,375	Nil	5,000	N/A	Nil	37,375

(1) Other Compensation includes MSP, RRSP and Life Insurance payments.

(2) By an employment agreement dated March 7, 2014, as amended November 10, 2015 and as amended March 27, 2017, (the "Ho Agreement") between the Company and Don Ho, the Company retained Mr. Ho to serve as its President for an annual salary of \$170,000. See "Employment Agreements, Termination and Change of Control Benefits".

(3) By an employment agreement dated March 5, 2014 as amended November 10, 2015 and further amended March 27, 2017 (the "Diao Agreement") between the Company and Bo Jun (Michael) Diao, the Company retained Mr. Diao to serve as its Chief Executive Officer for an annual salary of \$160,000. See "Employment Agreements, Termination and Change of Control Benefits".

(4) By a consulting agreement dated January 1, 2016 (the "RSJ Agreement") between the Company and RSJ Consulting Inc., a private company controlled by Robert Kang. The Company retained Mr. Kang to provide chief financial officer duties for a monthly fee of \$4,166 plus GST. See "Employment Agreements, Termination and Change of Control Benefits". Mr. Kang resigned as chief financial officer of the Company on January 11, 2017.

(5) Paid to Stanley Kwok Consultant Inc., a private company controlled by Mr. Kwok for consulting services.

(6) By an employment agreement dated February 20, 2017, as amended March 27, 2017 (the "Duda Agreement") between the Company and Ed Duda, the Company retained Mr. Duda to serve as its Chief Financial Officer of the Company, for an annual salary of \$160,000. See "Employment Agreements, Termination and Change of Control Benefits". Ed Duda was appointed chief financial officer of the Company on January 11, 2017 and corporate secretary on June 1, 2017. The amount of \$63,208 includes an aggregate of \$24,250 paid to Mr. Duda as a consulting fee for services he provided to the Company during the months of January and February 2017. The balance of \$38,958 was paid to Mr. Duda as salary pursuant to the terms of the Duda Agreement.

(7) Ms. Ho resigned as corporate secretary on June 1, 2017, subsequent to the recently completed financial year.

(8) Paid monthly director fees of \$12,000 \$4,000 for serving as members of committees and attendance of board meetings during the year.

**Table of Compensation Securities**

Compensation Securities							
Name and position	Type of Compensation security	Number of Compensation securities, number of underlying securities, and percentage of class <sup>(1)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
<b>Michael Diao</b> <sup>(2)</sup> <i>CEO and Director (NEO)</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>Don H.C. Ho</b> <sup>(3)</sup> <i>President and Director (NEO)</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>Ying Jee (Candy) Ho</b> <sup>(4)</sup> <i>Vice-President, Marketing &amp; Corporate Relations and Director</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>Ed J. Duda</b> <sup>(5)</sup> <i>Chief Financial Officer and Corporate Secretary (NEO)</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>Stanley Kwok</b> <sup>(6)</sup> <i>Director</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>John H.V. Gilbert</b> <sup>(7)</sup> <i>Director</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A

(1) All stock options are fully vested. One common share is issuable on the exercise of each stock option.

(2) On October 3, 2017, Mr. Michael Diao held 200,000 stock options exercisable at \$0.25 until May 26, 2021.

(3) On October 3, 2017, Mr. Don Ho held 200,000 stock options exercisable at \$0.25 until May 26, 2021.

(4) On October 3, 2017, Ms. Candy Ho held 200,000 stock options exercisable at \$0.25 until May 26, 2021.

(5) Mr. Duda was appointed as Chief Financial Officer of the Company on January 11, 2017. Subsequent to the end of the most recently completed financial year, on September 28, 2017, Mr. Duda was granted 200,000 stock options exercisable at \$0.25 until September 28, 2022.

(6) On October 3, 2017, Mr. Stanley Kwok held 100,000 stock options exercisable at \$0.25 until May 26, 2021.

(7) On October 3, 2017, Mr. John Gilbert held 100,000 stock options exercisable at \$0.25 until May 26, 2021.

## **Employment Agreements/Consulting Contracts**

### *Employment Agreement with Don Ho*

By an employment agreement dated March 7, 2014, as amended November 10, 2015, and further amended March 27, 2017 (the "Ho Agreement") between the Company and Don Ho, the Company retained Mr. Ho to serve as its President for an annual salary of \$190,000. Mr. Ho's annual base salary was subsequently reduced to \$170,000 effective April 1, 2017. Pursuant to the Ho Agreement, Mr. Ho participates in the Company's group insurance plan and receives a matched RRSP contribution of 5% of his salary. Furthermore, Mr. Ho is entitled to an annual incentive bonus based on performance-driven criteria in an amount of not less than 50% of his annual base salary. No incentive bonus was paid or accrued to Mr. Ho for the May 31, 2017 fiscal year.

### *Employment Agreement with Bo Jun (Michael) Diao*

By an employment agreement dated March 5, 2014, as amended November 10, 2015 and as amended March 27, 2017 (the "Diao Agreement") between the Company and Bo Jun (Michael) Diao, the Company retained Mr. Diao to serve as its Chief Executive Officer for an annual salary of \$140,000. Mr. Diao's annual salary was subsequently increased to \$160,000 effective April 1, 2017. Pursuant to the Diao Agreement, Mr. Diao participates in the Company's group insurance plan and receives a matched RRSP contribution of 5% of his salary. Furthermore, Mr. Diao is entitled to an annual incentive bonus based on performance-driven criteria in an amount of not less than 50% of the annual base salary. No incentive bonus was paid or accrued for Mr. Diao for the May 31, 2017 fiscal year.

### *Consulting Agreement with RSJ Consulting Inc.*

By a consulting agreement dated January 1, 2016 (the "RSJ Agreement") between the Company and RSJ Consulting Inc., a private company controlled by Robert Kang, the Chief Financial Officer of the Company, the Company retained Mr. Kang to provide business consulting and advisory services for a monthly fee of \$4,166 plus GST. Mr. Kang resigned as Chief Financial Officer of the Company on January 11, 2017.

### *Consulting Agreement with Delmac Pacific Management Inc.*

By a consulting agreement effective January 11, 2017 between the Company and Delmac Pacific Management Inc., a private company controlled by Ed Duda, the former Chief Financial Officer of the Company, the Company retained Mr. Duda to provide business and consulting advisory services. This agreement was superseded by the Duda Agreement referred to below.

### *Employment Agreement with Ed Duda*

By an employment agreement dated February 20, 2017, as amended March 27, 2017 (the "Duda Agreement") between the Company and Ed Duda, the Company retained Mr. Duda to serve as its Chief Financial Officer of the Company, for an annual salary of \$160,000 paid semi-monthly less statutory deductions. Pursuant to the Duda Agreement, Mr. Duda participates in the Company's group insurance plan and receives a matched RRSP contribution of 5% of his salary. Furthermore, Mr. Duda is entitled to an annual incentive bonus based on performance-driven criteria in an amount of not less than 50% of the annual base salary. No incentive bonus was paid or accrued to Mr. Duda for the May 31, 2017 fiscal year.

## **Termination and Change of Control Benefits**

In accordance with the Ho Agreement, if the Company terminates Mr. Ho's employment without cause, sums are payable in the amount that is equal to six months of Mr. Ho's base annual salary by way of a lump sum payment, such payment to increase upon completion of two years of service by one month for every year of service.

As per the Diao Agreement, if the Company terminates Mr. Diao's employment without cause, sums are payable in the amount that is equal to six months of Mr. Diao's base annual salary by way of a lump sum payment, such payment to increase upon completion of two years of service by one month for every year of service.

The Company's agreement with Mr. Duda provides for severance equal to eighteen months of annual salary, plus his earned and payable annual incentive bonus and benefits, for termination of employment without cause. In the event of a change of control of the Company, Mr. Duda will, under certain circumstances, be entitled to severance payments equal to twenty-four months of his annual salary plus benefits.

### **Compensation of Directors**

The Board determines director compensation for the Company from time to time. The independent Directors, Stanley Kwok and John Gilbert were each paid monthly director fees fee of \$12,000 plus \$4,000 for serving as a member of committees and attendance of Board meetings during the financial year ended May 31, 2017. In addition, the independent directors participate in the Company's Stock Option Plan. See "Stock Options and Other Compensation Securities" below for further details with respect to the grant of stock options to Directors during the most recently completed financial year.

Other than disclosed herein, the Company has no standard arrangement pursuant to which Directors are compensated by the Company, for their services in their capacity as directors other than the unissued treasury shares that may be issued upon the exercise of the Directors' incentive stock options. There has been no other arrangement pursuant to which Directors are compensated by the Company in their capacity as directors.

### **Exercise of Compensation Securities by Named Executive Officers and Directors**

No compensation securities have been exercised by the NEOs or Directors of the Company during the fiscal year ended May 31, 2017.

### **Stock Option Plans or Other Incentive Plans**

The Company's current stock option plan (the "**Option Plan**") provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates, options to purchase Shares. The Option 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 ten (10%) percent 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 1,360,000 options outstanding under the Option Plan.

The TSXV requires all TSXV-listed companies who have adopted a stock option plan which reserves a rolling maximum of 10% of the number of common shares issued and outstanding on the applicable date of grant, to obtain shareholder ratification to the stock option plan on an annual basis.. At the Meeting, shareholders will be asked to ratify, confirm and approve the Option Plan. See "Particulars of Matters to be Acted Upon – Ratification of Stock Option Plan".

The following information is intended as a brief description of the Option Plan and is qualified in its entirety by the full text of the Option 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 Option Plan.
3. No option granted under the Option 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 Option Plan will be administered by the Board who will have the full authority and sole discretion to grant options under the Option Plan to any eligible party, including themselves.
16. Options granted under the Option 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 Option Plan.

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

#### **Pension Plans Benefits**

The Company contributes to a registered retirement plan for each of the NEOs. See “Table of compensation excluding compensation securities” herein. In the most recently completed financial year, the Company did not maintain any defined benefit plans, defined contribution plans or deferred compensation plans for the NEOs or the other Directors.

#### **STATEMENT OF CORPORATE GOVERNANCE DISCLOSURE**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. The Board is committed to sound corporate governance practices, which are in the interest of its shareholders and contribute to effective and efficient decision making.

National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. The Board will continue to review and implement corporate governance guidelines as the business of the Company progresses and the Company becomes more active in operations. National Instrument 58-101 *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices in Form 58-101F2, which disclosure is set out below.

The mandate of the Board is to supervise the management of the Company and to act in the best interests of the Company. The Board acts in accordance with:

- (a) the *Business Corporations Act* (British Columbia);
- (b) the Company's articles of incorporation; and
- (c) other applicable laws and company policies.

The Board approves all significant decisions that affect the Company before they are implemented. The Board supervises their implementation and reviews the results.

The Board is actively involved in the Company's strategic planning process. The Board discusses and reviews all materials relating to the strategic plan with management and is responsible for reviewing and approving the strategic plan. Management must seek the Board's approval for any transaction that would have a significant impact on the strategic plan.

The Board periodically reviews the Company's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Company's internal control and management information systems. The Board also monitors the Company's compliance with its timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board annually discusses the systems of internal control with the Company's auditor.

The Board is responsible for choosing the Executive Officers and appointing senior management and for monitoring their performance and developing descriptions of the positions for the Board, including the limits on management's responsibilities and the corporate objectives to be met by the management.

The Board approves all the Company's major communications, including annual and interim reports and financing documents.

The Board, through its Finance and Audit Committee, examines the effectiveness of the Company's internal control processes and management information systems. The Board consults with the Company's auditor and management of the Company to ensure the integrity of these systems. The Company's auditor submits a report to the Finance and Audit Committee each year on the quality of the Company's internal control processes and management information systems.

The Board is responsible for determining whether or not each director is an independent director. Directors who also act as officers of the Company are not considered independent. Directors who do not also act as officers of the Company, do not work in the day-to-day operations of the Company, are not party to any material contracts with the Company, or receive any fees from the Company, are considered independent. Don Ho, Michael Diao and Candy Ho are not independent directors by virtue of their positions as President, Chief Executive Officer and Vice-President and Marketing & Corporate Relations of the Company, respectively. See "Named Executive Officer and Director Compensation" herein.

### 1. *Independence*

Section 1.4 of National Instrument 52-110 – *Audit Committees ("NI 52-110")* sets out the standard for director independence. Under NI 52-110, a director is independent if he or she has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment. NI 52-110 also sets out certain situations where a director will automatically be considered to have a material relationship to the Company.

Applying the definition set out in section 1.4 of NI 52-110, two of the five members of the current Board are independent. The members who are independent are Stanley Kwok and John Gilbert, as they have no direct or indirect material relationship with the Company.

Don Ho, Michael Diao and Candy Ho are not independent by virtue of the fact that they hold the positions of President, Chief Executive Officer and Vice-President Marketing & Corporate Relations of the Company respectively.

### 2. *Directorships*

The following table sets forth information for each director of the Company who is, or within the five years prior to the date of this Information Circular, has been a director or officer of any other reporting issuer:

<b>Name of Director</b>	<b>Name and Jurisdiction of Reporting Issuer</b>	<b>Name of Trading Market</b>	<b>Position From and To</b>
Don Ho	Bullman Minerals Inc. British Columbia, Canada	TSXV	Director, November 2010 to December 31, 2015
Stanley Kwok	Husky Energy Inc. Alberta, Canada	TSX	Director, August 2000 to present.
	CK Hutchinson Limited A limited liability Cayman Islands company registered and listed in Hong Kong	Hong Kong Stock Exchange	Independent non-executive director, January 2015 to present

### 3. *Orientation and Continuing Education*

The Company's Board of Directors will brief new directors with the policies of the Board of Directors, and other relevant corporate and business information. New directors will be provided with copies of previous board minutes and key documents. New directors will be encouraged to ask questions to clarify any issues that they may have with respect to their roles and responsibilities as a director.

Directors are kept informed as to matters impacting, or which may impact, the Company's operations through reports and presentations at the Board meetings. Directors are also provided the opportunity to meet with senior management and other employees, advisors and directors, who can answer any questions that may arise.

#### 4. *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.

Under the applicable corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and to disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of his interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

#### 5. *Nomination of Directors*

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board director nominees for the next annual meeting of shareholders. There currently is not a formal procedure with respect to the nomination of directors. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, shown support for the Company's mission and strategic objectives, and a willingness to serve.

#### 6. *Compensation*

The Board conducts reviews with regard to directors' compensation once a year. To make its recommendation on directors' compensation, the Board takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies and aligns the interests of directors with the return to shareholders.

The Board decides the compensation of the Company's officers, based on industry standards and the Company's financial situation.

#### 7. *Committees*

##### **Human Resources and Compensation Committee**

##### *Composition of the Human Resources and Compensation Committee*

During the financial year ended May 31, 2017, the Company's Human Resources and Compensation Committee (the "HR&C Committee") was comprised of three directors: Stanley Kwok, John Gilbert and Bo Jun (Michael) Diao. None of the members of the HR&C Committee are officers or employees of the Company, except for Bo Jun (Michael) Diao.

The HR&C Committee has not yet adopted a formal written charter to provide its members with guidelines to fulfill its responsibilities. The main duties of the HR&C Committee include:

- reviewing the compensation and benefits of the directors and executive officers;
- reviewing and recommending the compensation of the CEO, and other senior management;
- reviewing and recommending, subject to Board approval, stock option allocations to employees and management;
- reviewing and authorizing public disclosure of executive compensation;
- approving any special compensation arrangements;
- reviewing compensation practices annually or as required; and
- reviewing the Human Resources and Compensation Committee charter on an annual basis.

### **Finance and Audit Committee**

Pursuant to the provisions of NI 52-110, the Company is required to have an Audit Committee comprised of at least three directors, the majority of whom must be independent. The Company must also have a written Audit Committee Charter which sets out the duties and responsibilities of its Finance and Audit Committee. A copy of the Company's Finance and Audit Committee Charter is attached as Schedule "A" herein.

#### *Composition of the Finance and Audit Committee*

A member of the Finance and Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Company's Board of Directors, reasonably interfere with the exercise of a member's independent judgment.

During the fiscal year ended May 31, 2017, the members of the Finance and Audit Committee were John Gilbert, Stanley Kwok and Bo Jun (Michael) Diao. Messrs. Gilbert and Kwok are independent members of the Finance and Audit Committee. Mr. Diao is not independent by virtue of his position as the Chief Executive Officer of the Company. All members of the current Finance and Audit Committee are "financially literate", as that term is defined in NI 52-110, have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

#### *Relevant Education and Experience*

#### **Professor Emeritus John H.V. Gilbert, C.M., Ph.D., FCAHS**

Dr. John Gilbert is a Professor Emeritus, College of Health Disciplines, at the University of British Columbia where he was a founding Director of the School of Audiology and Speech Sciences, and a Director of the School of Rehabilitation Sciences.

At Dalhousie University, he is Senior Scholar, World Health Organization Collaborating Centre on Health Workforce Planning and Research, and Adjunct Professor, Faculty of Graduate Studies. He has served as a visiting Adjunct Professor at the National University of Malaysia; as an advisor to the International Institute for Leadership in Interprofessional Education at Manipal University, India; was Co-Chair of the WHO Study Group on Interprofessional Education and Collaborative Practice, and currently serves on the Advisory Committee on social determinants of health at the WHO.

He was elected a Fellow, Canadian Academy of Health Sciences, in 2008. He was awarded the Queen's Diamond Jubilee Medal in April 2012, and in October 2013 received the Outstanding Lifetime Contribution to International Allied Health Development Award from the International Chief Health Professions Officers Organization.

Dr. Gilbert was appointed a Member of the Order of Canada in July 2011 for his leadership in the development of inter-professional education as a central tenet in team-based collaborative patient-centered practice and care. At the Convocation of Dalhousie University, Halifax, Nova Scotia in May 2016 he received the honorary Degree, Doctor of Laws, honoris causa in recognition of his work.

**Stanley Kwok, A. A. Dip. (London, England), B. Sc. (Arch)**

Stanley Kwok is an architect and urban planner by profession, with visionary and strategic business leadership experience spanning over more than 50 years, in roles of President, CEO, Deputy Chairman, Principal and Director of various companies. Currently he serves as Director of numerous corporations and associations, including but not limited to Husky Energy (since year 2000), CTBC Bank of Canada, and CK Hutchison Limited Hong Kong. A few of his past significant directorships have included Bank of Montreal, BC Hydro, Bannister Foundation Construction Limited, BC Place, Pacific Rim Council on Urban Development, and Urban Development Institute of which he was also founding Director. To name just two of his notable contributions to Canadian development and urban planning, he was Director of Expo '86 Vancouver, and Deputy Chairman of Concord Pacific Developments Ltd.

**Bo Jun (Michael) Diao - Chief Executive Officer and Director**

Bo Jun (Michael) Diao is an entrepreneur with ten years of experience running Royal West Pacific Holdings Inc., a media and business consulting company, as President, CEO and founding director. Mr. Diao is experienced with multicultural management and communication. His educational background is in business administration and business management, with a bachelor degree from Beijing Union University.

*Finance and Audit Committee Oversight*

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

*Reliance on Certain Exemptions*

At no time since the commencement of the Company's most recently completed financial year, has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), the exemptions in Subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), Subsection 6.1.1(5) (*Events Outside Control of Member*), Subsection 6.1.1(6) (*Death, Incapacity or Resignation*) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (*Exemptions*).

*Pre-Approval of Policies and Procedures*

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

*External Auditor Service Fees*

The Finance and Audit Committee has reviewed the nature and amount of the non-audited services provided by MNP of Vancouver, British Columbia to the Company to ensure auditor independence. Fees incurred with MNP for audit and non-audit services in the last fiscal year as well as for the fiscal year ended May 31, 2017, are outlined in the following table.

<b>Nature of Services</b>	<b>Fees Paid to Auditor in Fiscal Year Ended May 31, 2017</b>	<b>Fees Paid to Auditor in the Year Ended May 31, 2016</b>
Audit Fees <sup>(1)</sup>	\$35,000	\$35,000
Audit-Related Fees <sup>(2)</sup>	0	0
Tax Fees <sup>(3)</sup>	0	0
All Other Fees <sup>(4)</sup>	\$7,303	\$61,500
<b>Total</b>	<b>\$42,303</b>	<b>\$96,500</b>

<sup>(1)</sup> "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include aggregate fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

- (2) "Audit-Related Fees" include fees for services that are traditionally performed by the auditor. These audit-related services include aggregate fees for employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes aggregate fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services, in the aggregate.

#### 8. *Other Board Committees*

The Board has no committees other than the Finance and Audit Committee and the Human Resources and Compensation Committee.

#### 9. *Assessments*

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and Committees.

#### **Exemption**

The Company is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Finance and Audit Committee and in respect of its reporting obligations under NI 52-110.

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

Since the beginning of the last completed financial year, no current or former Director, executive officer, proposed nominee for election as a Director or associate of the foregoing has been indebted to the Company or to any of its subsidiaries, nor have any of these individuals been indebted to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or understanding provided by the Company or any of its subsidiaries.

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

An informed person is one who, generally speaking, is a director or executive officer or is a 10% shareholder of the Company. To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company or associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's last completed financial year or in any proposed transaction which in either such case has materially affected or will materially affect the Company or any of its subsidiaries, except as set out herein.

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

Except as disclosed herein, no Person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting. For the purpose of this paragraph, "Person" shall include each person: (a) who has been a director, senior officer or insider of the Company at any time since the commencement of the Company's last financial year; (b) who is a proposed nominee for election as a director of the Company; or (c) who is an associate or affiliate of a person included in subparagraphs (a) or (b).

Management of the Company knows of no matters to come before the Meeting other than those referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at its head office at 1147 Homer Street, Vancouver, British Columbia V6B 2Y1, telephone 604.676-1418 or by email to [nancyzhang@elementliving.com](mailto:nancyzhang@elementliving.com) to request copies of the Company's financial

statements and related management's discussion and analysis. Financial information is provided in the Company's comparative financial statements and management's discussion and analysis for its most recently completed financial year.

**APPROVAL OF THE BOARD OF DIRECTORS**

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

DATED at Vancouver, British Columbia this 10th day of October, 2017.

**By Order of the Board of Directors**

*"Michael Diao"*

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Michael Diao, CEO & Director

**Finance and Audit Committee Charter**

The mandate and charter of the Finance and Audit Committee can be described as follows:

1. Each member of the Finance and Audit Committee shall be a member of the Board of Directors, in good standing, and the majority of the members of the Audit Committee shall be independent in order to serve on this Committee.
2. At least one of the members of the Finance and Audit Committee shall be financially literate.
3. Review the Finance and Audit Committee's charter annually, reassess the adequacy of this charter, and recommend any proposed changes to the Board of Directors. Consider changes that are necessary as a result of new laws or regulations.
4. The Finance and Audit Committee shall meet at least four times per year, and each time the Company proposes to issue a press release with its quarterly or annual earnings information. These meetings may be combined with regularly scheduled meetings, or more frequently as circumstances may require. The Finance and Audit Committee may ask members of the management or others to attend the meetings and provide pertinent information as necessary.
5. Conduct executive sessions with the outside auditors, outside counsel, and anyone else as desired by the Committee.
6. The Finance and Audit Committee shall be authorized to hire outside counsel or other consultants as necessary (this may take place any time during the year).
7. Approve any non-audit services provided by the independent auditors, including tax services. Review the performance of the independent auditors and review with the full Board any proposed discharge of the independent auditors.
8. Review with the management the policies and procedures with respect to officers' expense accounts and perquisites, including their use of corporate assets, and consider the results of any review of these areas by the independent auditor.
9. Consider, with the management, the rationale for employing accounting firms rather than the principal independent auditors.
10. Inquire of the management and the independent auditors about significant risks or exposures facing the Company; assess the steps that management has taken or proposes to take to minimize such risks to the Company; and periodically review compliance with such steps.
11. Review with the independent auditor, the audit scope and plan of the independent auditors. Address the coordination of the audit efforts to assure the completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
12. Inquire regarding the "quality of earnings" of the Company from a subjective as well as an objective standpoint.
13. Review with the independent accountants: (a) the adequacy of the Company's internal controls including computerized information systems controls and security; and (b) any related significant findings and recommendations of the independent auditors together with Management's responses thereto.
14. Review with Management and the independent auditor the effect of any regulatory and accounting initiatives, as well as off-balance-sheet structures, if any.
15. Review with Management the interim annual financial report before it is filed with the regulatory authorities.
16. Review with the independent auditor that performs an audit: (a) all critical accounting policies and practices used by the Company; and (b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with the management of the Company, the ramifications of each alternative and the treatment preferred by the Company.

17. Review all material written communications between the independent auditors and Management.
18. Review with Management and the independent auditors: (a) the Company's annual financial statements and related footnotes; (b) the independent auditors' audit of the financial statements and their report thereon; (c) the independent auditor's judgments about the quality, not just the acceptability, of the Company's accounting principles as applied in its financial reporting; (d) any significant changes required in the independent auditors' audit plan; and (e) any serious difficulties or disputes with the management encountered during the audit.
19. Periodically review the Company's code of conduct to ensure that it is adequate and up-to-date.
20. Review the procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters that may be submitted by any party internal or external to the organization. Review any complaints that might have been received, current status, and resolution if one has been reached.
21. Review procedures for the confidential, anonymous submission by employees of the organization of concerns regarding questionable accounting or auditing matters. Review any submissions that have been received, the current status, and resolution if one has been reached.
22. The Finance and Audit Committee will perform such other functions as assigned by law, the Company's articles or the Board of Directors.

**ELEMENT LIFESTYLE RETIREMENT INC.**  
**(the "Company")**

**2016 ROLLING STOCK OPTION PLAN**

October 3, 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 Element Lifestyle Retirement 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 Schedule “A” hereto or as Exhibit B1 to Schedule “B” 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, subject to the prior written approval of the TSXV, 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.
- 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 minimum prevailing price permitted by 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 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.

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) If the Exercise Price of any Option granted hereunder: (i) to any Insider, or (ii) at any discount to 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:**

**ELEMENT LIFESTYLE RETIREMENT INC.**, a company having an address  
at 1147 Homer Street, Vancouver, BC V6B 2Y1

(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 August 16, 2016, 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.

**ELEMENT LIFESTYLE RETIREMENT 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: Element Lifestyle Retirement Inc. (the "Company")  
1147 Homer Street  
Vancouver, BC V6B 2Y1

**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 TSXV Inc. and its affiliates, authorized agents, subsidiaries and divisions, including the TSX Venture TSXV (collectively referred to as “the TSXV”) 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 TSXV,
- 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 TSXV, 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 TSXV 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 TSXV 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 TSXV’s website or through printed materials published by or pursuant to the directions of the TSXV.

The TSXV may from time to time use third parties to process information and/or provide other administrative services. In this regard, the TSXV 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:**

**ELEMENT LIFESTYLE RETIREMENT INC.**, a company having an address at 1147  
Homer Street, Vancouver, BC V6B 2Y1

(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 August 16, 2016, 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.

**ELEMENT LIFESTYLE RETIREMENT 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: Element Lifestyle Retirement Inc. (the "Company")  
1147 Homer Street  
Vancouver, BC V6B 2Y1

**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 TSXV Inc. and its affiliates, authorized agents, subsidiaries and divisions, including the TSX Venture TSXV (collectively referred to as “the TSXV”) 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 TSXV,
- 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 TSXV, 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 TSXV 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 TSXV 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 TSXV’s website or through printed materials published by or pursuant to the directions of the TSXV.

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