

PARCELPAL TECHNOLOGY INC.

**Annual General and Special Meeting
to be held on May 29, 2017**

**Notice of Annual General and Special Meeting
and
Information Circular**

April 24, 2017

PARCELPAL TECHNOLOGY INC.

Suite 350, 440 Cambie Street
Vancouver, BC V6B 2N2

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

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the “**Meeting**”) of the shareholders of ParcelPal Technology Inc. (the “**Company**”) will be held at the Company’s registered office, located at Suite 2600, 1066 West Hastings Street, Vancouver, British Columbia on Monday, May 29, 2017 at 1:00 p.m. (Pacific Time). At the Meeting, the shareholders will receive the financial statements for the year ended December 31, 2016, together with the auditor’s report thereon, and consider resolutions to:

1. fix the number of directors at six;
2. elect directors for the ensuing year;
3. appoint Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants, as auditor of the Company for the ensuing year and to authorize the directors to determine the remuneration to be paid to the auditor;
4. consider and, if deemed appropriate, approve by ordinary resolution, the ratification and approval of an advance notice policy adopted by the board of directors of the Company, as more particularly set out in the section of the information circular entitled “Particulars of Matters to be Acted Upon - Ratification and Approval of Advance Notice Policy”; and
5. transact such other business as may properly be put before the Meeting.

All shareholders are entitled to attend and vote at the Meeting in person or by proxy. The Board of Directors (the “**Board**”) requests that all shareholders who will not be attending the Meeting in person read, date and sign the accompanying proxy and deliver it to Computershare Investor Services Inc. (“**Computershare**”). If a shareholder does not deliver a proxy to Computershare, Attention: Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, by 1:00 p.m. (Pacific Time) on Thursday, May 25, 2017 (or at least 48 hours, excluding Saturdays, Sundays and holidays before any adjournment of the Meeting at which the proxy is to be used) then the shareholder will not be entitled to vote at the Meeting by proxy. Only shareholders of record at the close of business on April 24, 2017 will be entitled to vote at the Meeting.

An information circular and a form of proxy accompany this notice.

DATED at Vancouver, British Columbia, the 24th day of April, 2017.

ON BEHALF OF THE BOARD

(signed) “*Kelly Abbott*”

Kelly Abbott
Chief Executive Officer

PARCELPAL TECHNOLOGY INC.

Suite 350, 440 Cambie Street
Vancouver, BC V6B 2N2

INFORMATION CIRCULAR

(as at April 24, 2017 except as otherwise indicated)

SOLICITATION OF PROXIES

This information circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the management (the “**Management**”) of ParcelPal Technology Inc. (the “**Company**”). The form of proxy which accompanies this Circular (the “**Proxy**”) is for use at the annual general and special meeting of the shareholders of the Company to be held on Monday, May 29, 2017 (the “**Meeting**”), at the time and place set out in the accompanying notice of Meeting (the “**Notice of Meeting**”). The Company will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone.

APPOINTMENT AND REVOCATION OF PROXY

The persons named in the Proxy are directors and/or officers of the Company. **A registered shareholder who wishes to appoint some other person to serve as their representative at the Meeting may do so by striking out the printed names and inserting the desired person’s name in the blank space provided.** The completed Proxy should be delivered to Computershare Investor Services Inc. (“**Computershare**”) by 1:00 p.m. (Pacific Time) on Thursday, May 25, 2017, or 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting at which the Proxy is to be used.

The Proxy may be revoked by:

- (a) signing a proxy with a later date and delivering it at the time and place noted above;
- (b) signing and dating a written notice of revocation and delivering it to Computershare, or by transmitting a revocation by telephonic or electronic means, to Computershare at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the Proxy is to be used, or delivering a written notice of revocation and delivering it to the chairman of the Meeting on the day of the Meeting or adjournment of it; or
- (c) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a shareholder present in person.

Provisions Relating to Voting of Proxies

The shares represented by Proxy in the form provided to shareholders will be voted or withheld from voting by the designated holder in accordance with the direction of the registered shareholder appointing him. If there is no direction by the registered shareholder, those shares will be voted for all proposals set out in the Proxy and for the election of directors and the appointment of the auditor as set out in this Circular. The Proxy gives the person named in it the discretion to vote as

such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, the Management knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.

Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold common shares in their own name. Shareholders who hold their common shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their common shares in their own name (referred to herein as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Company’s registrar and transfer agent as registered holders of common shares will be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then those common shares will, in all likelihood, not be registered in the shareholder’s name. Such common shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such common shares are registered under the name of Cede & Co., the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms. Common shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. The form of instrument of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the instrument of proxy provided directly to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”) in Canada. Broadridge typically prepares a machine-readable voting instruction form (“**VIF**”), mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). 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 who receives a Broadridge VIF cannot use that form to vote common shares directly at the Meeting. The VIFs must be returned to Broadridge (or instructions respecting the voting of common shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted. If you have any questions respecting the voting of common shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

The Notice of Meeting, Circular, Proxy and VIF, as applicable, are being provided to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who

do not object to their identity being made known to the issuers of the securities which they own (“NOBOs”). Subject to the provisions of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials directly (not via Broadridge) to such NOBOs.

Pursuant to the provisions of NI 54-101, the Company is providing the Notice of Meeting, Circular and Proxy or VIF, as applicable, to both registered owners of the securities and non-registered owners of the securities. 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 the securities on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding common shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the VIF. As a result, if you are a non-registered owner of the securities, you can expect to receive a scannable VIF from Computershare. Please complete and return the VIF to Computershare in the envelope provided or by facsimile. In addition, telephone voting and internet voting instructions can be found on the VIF. Computershare will tabulate the results of the VIFs received from the Company’s NOBOs and will provide appropriate instructions at the Meeting with respect to the common shares represented by the VIFs they receive.

The Company’s OBOs can expect to be contacted by Broadridge or their brokers or their broker’s agents as set out above. The Company does not intend to pay for intermediaries to deliver the Notice of Meeting, Circular and VIF to OBOs and accordingly, if the OBO’s intermediary does not assume the costs of delivery of those documents in the event that the OBO wishes to receive them, the OBO may not receive the documentation.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. NI 54-101 allows a Beneficial Shareholder who is a NOBO to submit to the Company or an applicable intermediary any document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. If such a request is received, the Company or an intermediary, as applicable, must arrange, without expenses to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Circular, provided that the Company or the intermediary receives such written instructions from the NOBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 1:00 p.m. (Pacific time) on the day which is at least three business days prior to the Meeting. **A Beneficial Shareholder who wishes to attend the Meeting and to vote their common shares as proxyholder for the registered shareholder, should enter their own name in the blank space on the VIF or such other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.**

All references to shareholders in the Notice of Meeting, Circular and the accompanying Proxy are to registered shareholders of the Company as set forth on the list of registered shareholders of the Company as maintained by the registrar and transfer agent of the Company, Computershare, unless specifically stated otherwise.

Financial Statements

The audited financial statements of the Company for the year ended December 31, 2016, together with the auditor's report on those statements and Management Discussion and Analysis, will be presented to the shareholders at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at the date of the accompanying Notice of Meeting, the Company's authorized share structure consists of an unlimited number of common shares of which 30,451,780 are issued and outstanding. Each common share in the authorized share structure of the Company carries the right to one vote.

Only registered shareholders of record at the close of business on April 24, 2017 are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, no person beneficially owns, directly or indirectly, or exercises control or direction over, 10% or more of the issued and outstanding common shares of the Company.

ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed. The Management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the Management will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director. The number of directors of the Company was set at five at the Company's last annual general meeting. Shareholders will be asked at the Meeting to pass an ordinary resolution to set the number of directors for the ensuing year at six.

Pursuant to the Advance Notice Policy adopted by the board of directors of the Company on March 27, 2017, as described in further detail under "*Particulars of Matters to be Acted Upon - Ratification and Approval of Advance Notice Policy*", any additional director nominations for the Meeting must have been received by the Company in compliance with the Advance Notice Policy no later than the close of business on April 28, 2017. As no such nominations were received by the Company prior to such date, management's nominees for election as directors set forth below shall be the only nominees eligible to stand for election at the Meeting.

The following table sets out the names of the nominees for election as directors, the offices they hold within the Company, their occupations, the length of time they have served as directors of the Company, and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular.

Name, province or state and country of residence and position, if any, held in the Company	Principal occupation during the past five years	Served as director of the Company since	Number of common shares of the Company beneficially owned, directly or indirectly, or controlled or directed at present ⁽¹⁾
Jason Moreau British Columbia, Canada <i>Director</i>	Chief Financial Officer and Director, Conation Capital Corp., July 2011 to present.	May 9, 2014	2,625,722 ⁽³⁾
Martin J.C. Woodward⁽²⁾ British Columbia, Canada <i>Director</i>	IT Specialist, employed by Ballard Power Systems Ltd. since 2001.	September 9, 1997 to December 15, 2000; June 2, 2004 to August 29, 2012; May 9, 2014 to present	1,781,000
W. Benjamin Catalano⁽²⁾ British Columbia, Canada <i>Interim Chief Financial Officer and Director</i>	Realtor, Sutton Group, 1991 to present.	June 2, 2004	1,681,000
Ian Tostenson⁽²⁾ British Columbia, Canada <i>Director</i>	President and Chief Executive Officer of the British Columbia Restaurant and Food Services Association.	July 5, 2016	Nil
Kelly Abbott British Columbia, Canada <i>Chief Executive Officer, President and Director</i>	Vice President, Operations of the Company since November 6, 2015, Consultant, employed by OPTIS Consulting from July 2015 to November 2015, and Co-Owner and Operator of a restaurant called Belles On 32 from January 2009 to January 2014.	September 8, 2016	562,500
Peter Hinam British Columbia, Canada <i>Nominee</i>	CEO, President and Director of Turquoise Capital Corp. from November 2012 until April 2017, Co-founder, Director and Vice President Acquisitions of MMJ Bioscience Inc. from January 2013 to January 2015, and employed as both an executive assistant to the VP Risk of the Risk Group at Teck Resources Ltd. from February 2012 to August 2012 as well as a Security IS Consultant from June 2012 to November 2012.	Nominee	Nil

Notes:

- (1) The information as to common shares beneficially owned or controlled has been provided by the nominees themselves.
- (2) A member of the audit committee.
- (3) Includes 818,500 common shares held by Mr. Moreau's spouse, Nairne Moreau.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

Corporate Cease Trade Orders or Bankruptcies

Other than set out below, no director or proposed director of the Company is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Company, that:

- (a) while that person was acting in that capacity, was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days (an “**Order**”); or
- (b) was subject to an Order that was issued, after the proposed director ceased to be a director or executive officer of the company and which resulted from an event that occurred while that person was acting in that capacity; or
- (c) while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

On February 2, 2009, the British Columbia Securities Commission (the “**BCSC**”) issued a cease trade order (a “**CTO**”) against the Company for failure to file certain financial statements. The financial statements were subsequently filed and the CTO was revoked on October 5, 2010. The BCSC issued a second CTO against the Company on February 3, 2012 for the failure to file certain financial statements. The financial statements were subsequently filed and this second CTO was revoked on March 30, 2012. Each of Benjamin Catalano and Martin Woodward were directors of the Company when the CTOs were issued.

Individual Bankruptcies

Other than set out below, no director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

On December 8, 2011, Mr. Hinam filed a consumer proposal under the *Bankruptcy and Insolvency Act* (Canada). The purpose of the consumer proposal was to restructure certain consumer debt of Mr. Hinam. The proposal was deemed approved in February 2012 and Mr. Hinam was completely discharged in good standing in August 2016.

Penalties or Sanctions

None of the proposed directors have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder making a decision about whether to vote for the proposed director.

EXECUTIVE COMPENSATION

Named Executive Officers

During the last financial year ended December 31, 2016, the Company had two Named Executive Officers (“NEOs”) being, Jason Moreau, Chief Executive Officer (“CEO”), and Benjamin Catalano, the Interim Chief Financial Officer (“**Interim CFO**”).

On April 13, 2017, Jason Moreau resigned as Chief Executive Officer and Kelly Abbott was appointed Chief Executive Officer on this date.

“Named Executive Officer” or “NEO” means: (a) each CEO, (b) each CFO, (c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and (d) each individual who would be a NEO under (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Discussion and Analysis

The Board of Directors’ (the “**Board**”) compensation program is designed to provide competitive levels of compensation, a significant portion of which is dependent upon individual and corporate performance and contribution to increasing shareholder value. The Board recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive’s level of responsibility. In general, a NEO’s compensation is comprised of contractor payments and stock option grants.

The objectives and reasons for this system of compensation are generally to allow the Company to remain competitive compared to its peers in attracting and retaining experienced personnel. All salaries and/or consulting fees are to be set on a basis of a review and comparison of compensation paid to executives at similar companies.

The Board has not formally considered the risks associated with the Company’s compensation policies and practices. The Company has attempted to minimize those compensation practices and policies that expose the Company to inappropriate or excessive risks.

The Company’s NEOs and directors are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Share-Based and Option-Based Awards

The Company does not grant share-based awards. The Board is responsible for granting options to the executive officers. Stock option grants are designed to reward the executive officers for success on a similar basis as the shareholders of the Company, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the executive officers. When new options are granted, the Board takes into account the previous grants of options, the number of stock options currently held, position, overall individual performance, anticipated contribution to the Company's future success and the individual's ability to influence corporate and business performance. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating the officers, directors and employees of the Company and to closely align the personal interest of such persons to the interest of the shareholders.

The exercise price of the stock options granted is generally determined by the market price at the time of grant, less any allowable discount.

SUMMARY COMPENSATION TABLE

Set out below is a summary of compensation paid or accrued during the Company's three most recently completed financial years to the Company's NEOs.

Summary Compensation Table

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual Incentive plans	Long-term incentive plans			
Jason Moreau ⁽²⁾ <i>CEO</i>	2016	Nil	Nil	17,371	Nil	Nil	Nil	55,000 ⁽³⁾	72,371
	2015	Nil	Nil	9,280	Nil	Nil	Nil	10,000 ⁽³⁾	19,280
W. Benjamin Catalano <i>Interim CFO</i>	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	5,568	Nil	Nil	Nil	Nil	5,568
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with the following assumptions:

	2016	2015
Risk-free interest rate:	0.64%	0.63%
Expected dividend yield:	Nil	Nil
Expected volatility:	125%	130%
Expected life of option:	3 years	3 years

The Company has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in the Company's financial statements.

- (2) Jason Moreau was appointed CEO on November 6, 2015. On April 13, 2017 Jason Moreau resigned as the CEO and Kelly Abbott was appointed the Chief Executive Officer.
- (3) Jason Moreau provides services to the Company pursuant to a consulting agreement between himself and the Company. Mr. Moreau received aggregate consulting fees of \$55,000 during the financial year ended December 31, 2016 and \$10,000 during the financial year ended December 31, 2015.

Narrative Discussion

The NEO's have not entered into employment agreements with the Company. NEOs are compensated through the grant of stock options. The Company does not have a pension plan or a long term incentive plan.

Mr. Moreau entered into a consulting agreement with the Company on November 1, 2015 pursuant to which he is paid consulting fees in the amount of \$5,000 per month (payable bi-weekly in equal installments). The initial term of the agreement was for 90 days following which it is automatically renewed for successive terms of one month until the termination of the agreement. Either party may terminate the agreement for any breach of the agreement by the other party, if that breach is not remedied within seven days after the non-defaulting party delivers written notice thereof to the defaulting party. In addition, either party may terminate the Agreement at any time by giving the other party at least seven days' written notice prior to the effective date of the termination.

INCENTIVE PLAN AWARDS

Outstanding Share-Based Awards and Option-Based Awards

The Company does not have any share-based awards held by a NEO. The following table sets forth the outstanding option-based awards held by the NEOs of the Company at the end of the most recently completed financial year:

Outstanding Share-Based Awards and Option-Based Awards

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Jason Moreau ⁽²⁾ <i>CEO</i>	200,000 250,000 ⁽³⁾	0.12 0.05	November 18, 2019 November 6, 2018	10,000 30,000	Nil	N/A
W. Benjamin Catalano <i>Interim CFO</i>	150,000 ⁽⁴⁾	0.05	November 6, 2018	18,000	Nil	N/A

Notes:

- (1) "In-the-Money Options" means the excess of the market value of the Company's shares on December 31, 2016 over the exercise price of the options. The market price for the Company's common shares on December 30, 2016 (being the last day the Company's shares traded during the Company's 2016 financial year end) was \$0.17.
- (2) On April 13, 2017 Jason Moreau resigned as Chief Executive Officer of the Company and Kelly Abbott was appointed Chief Executive Officer of the Company.
- (3) These options were exercised on March 3, 2017.
- (4) These options were exercised on February 6, 2017.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each NEO:

Value Vested or Earned for Incentive Plan Awards During the Most Recently Completed Financial Year

Name	Option-based awards - Value vested during the year ⁽¹⁾ (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Jason Moreau ⁽²⁾ <i>CEO</i>	Nil	Nil	Nil
W. Benjamin Catalano <i>Interim CFO</i>	Nil	Nil	Nil

Notes:

- (1) All options granted to the NEOs vested on the date of grant and the exercise price of such options was equal to the closing price of the Company's shares as of the date of grant.
- (2) On April 13, 2017 Jason Moreau resigned as Chief Executive Officer of the Company and Kelly Abbott was appointed Chief Executive Officer of the Company.

Narrative Discussion

The Company has in effect a fixed stock option plan (the “**Stock Option Plan**”) which was approved by the directors of the Company on December 8, 2016. The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting.

1. The maximum aggregate number of common shares that may be issued under the Stock Option Plan, together with the number of common shares issuable under outstanding option granted otherwise than under the Stock Option Plan, shall not exceed 5,637,711 common shares.
2. The Board shall not grant options to any one person in any 12 month period which will, when exercised, exceed 5% of the issued and outstanding shares of the Company (unless the Company has obtained the requisite disinterested shareholder approval) or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed 2% of the issued and outstanding shares of the Company.
3. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the number of shares in respect of the expired or terminated option shall again be available for the purposes of the Stock Option Plan. Exercised Options reduce the number of Options available under this Stock Option Plan. All options granted under the Stock Option Plan may not have an expiry date exceeding ten years from the date on which the Board grants the option.
4. If the option holder ceases to be a director, officer, employee or consultant of the Company (other than by reason of death) then the option granted shall expire on a date stipulated by the Board at the time of grant and, in any event, must terminate within 90 days after the date on which the option holder ceases to be a director, officer, employee or consultant, subject to the terms and conditions set out in the Stock Option Plan.
5. All options granted pursuant to the Stock Option Plan will be subject to such vesting requirements as may be prescribed by the Canadian Securities Exchange, if applicable, or as may be imposed by the Board. All Options granted to consultants 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.

PENSION BENEFITS

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

TERMINATION AND CHANGE OF CONTROL BENEFITS

The Company has not entered into any other contract, agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement a change in control of the Company or a change in an NEOs responsibilities.

DIRECTOR COMPENSATION

Other than compensation paid to the NEOs, and except as noted below, no compensation was paid to directors in their capacity as directors of the Company or its subsidiaries, if any, in their capacity as members of a committee of the Board or of a committee of the board of directors of its subsidiaries, if any, or as consultants or experts, during the Company's most recently completed financial year.

Set out below is a summary of compensation paid or accrued during the Company's most recently completed financial year to the Company's directors, other than the NEOs previously disclosed:

Director Compensation Table

Name	Fees earned (\$)	Share - based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity inventive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Martin Woodward	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Ian Tostenson ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Kelly Abbott ⁽³⁾	Nil	Nil	17,371	Nil	Nil	39,889 ⁽⁴⁾	57,260

Notes:

- (1) The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with the following assumptions:

Risk-free interest rate:	0.64%
Expected dividend yield:	Nil
Expected volatility:	125%
Expected life of option:	3 years

The Company has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in the Company's financial statements.

- (2) Ian Tostenson was appointed a director of the Company on July 6, 2016.
 (3) Kelly Abbott was appointed a director of the Company on September 8, 2016.
 (4) Kelly Abbott provides services to the Company pursuant to a consulting agreement between himself and the Company. Mr. Abbott received aggregate consulting fees of \$39,889 during the financial year ended December 31, 2016.

Narrative Discussion

Directors are compensated through the grant of stock options. No director fees are paid.

Mr. Abbott entered into a consulting agreement with the Company on November 11, 2015 pursuant to which he is paid consulting fees in the amount of \$3,333 per month (payable bi-weekly in equal installments). The initial term of the agreement was for 90 days following which it is automatically renewed for successive terms of one month until the termination of the agreement. Either party may terminate the agreement for any breach of the agreement by the other party, if that breach is not remedied within seven days after the non-defaulting party delivers written notice thereof to the defaulting party. In addition, either party may terminate the Agreement at any time by giving the other party at least seven days' written notice prior to the effective date of the termination.

PLAN AWARDS

Outstanding Share-Based Awards and Option-Based Awards

The Company does not have any share-based awards held by a director. The following table sets forth details of all awards granted to directors of the Company which are outstanding at the end of the most recently completed financial year.

Outstanding Option-Based Awards and Option-Based Awards

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Martin Woodward	150,000	0.05	November 6, 2018	18,000	Nil	N/A
Ian Tostenson ⁽²⁾	200,000	0.23	July 5, 2019	Nil	Nil	N/A
Kelly Abbott ⁽³⁾	200,000	0.12	November 18, 2018	10,000	Nil	N/A
	100,000	0.05	November 6, 2018	12,000	Nil	N/A

Notes:

- (1) "In-the-Money Options" means the excess of the market value of the Company's shares on December 31, 2016 over the exercise price of the options. The market price for the Company's common shares on December 30, 2016 (being the last day the Company's shares traded during the Company's 2016 financial year end) was \$0.17.
- (2) Ian Tostenson was appointed a director of the Company on July 6, 2016.
- (3) Kelly Abbott was appointed a director of the Company on September 8, 2016.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each director:

Value Vested or Earned for Incentive Plan Awards During the Most Recently Completed Financial Year

Name	Option-based awards - Value vested during the year⁽¹⁾ (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Martin Woodward	Nil	Nil	Nil
Ian Tostenson ⁽²⁾	Nil	Nil	Nil
Kelly Abbott ⁽³⁾	Nil	Nil	Nil

Notes:

- (1) All options granted to the directors vested on the date of grant and the exercise price of such options was equal to the closing price of the Company's shares as of the date of grant.
- (2) Ian Tostenson was appointed a director of the Company on July 6, 2016.
- (3) Kelly Abbott was appointed a director of the Company on September 8, 2016.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by the securityholders	Nil	Nil	Nil
Equity compensation plans not approved by the securityholders	3,385,000	\$0.14	2,252,711
Total	3,385,000		2,252,711

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of the most recently completed financial year of the Company.

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

No director or executive officer of the Company or any proposed nominee of Management of the Company for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than fixing the number of directors, the election of directors and the appointment of auditors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the persons who were directors or executive officers of the Company or a subsidiary at any time during the Company's last completed financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding common shares of the Company, nor the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company.

APPOINTMENT OF AUDITOR

Auditor

Management intends to nominate Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants, for re-appointment as auditor of the Company to hold office until the next annual meeting of shareholders and to authorize the Board to fix the remuneration to be paid thereto. Dale Matheson Carr-Hilton Labonte LLP was first appointed as the Company's auditor effective March 12, 2015.

MANAGEMENT CONTRACTS

Other than as disclosed elsewhere in this Circular, no management functions of the Company are to any substantial degree performed by a person or company other than the directors or NEOs of the Company.

AUDIT COMMITTEE

The Company is required to have an audit committee (the "**Audit Committee**") comprised of not less than three directors, a majority of whom are not executive officers, control persons or employees of the Company or of an affiliate of the Company.

Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "A" to this Circular.

Composition of Audit Committee and Independence

The Company's current Audit Committee consists of Martin J.C. Woodward, Ian Tostenson and W. Benjamin Catalano.

National Instrument 52-110 - *Audit Committees* (“**NI 52-110**”) provides that a member of an audit committee is “independent” if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company’s Board, reasonably interfere with the exercise of the member’s independent judgment. Of the Company’s current Audit Committee members, one of the members is “independent” within the meaning of NI 52-110. W. Benjamin Catalano and Martin J.C. Woodward are not “independent” as W. Benjamin Catalano is the Interim CFO of the Company and Martin J.C. Woodward was an executive officer of the Company within the past three years.

NI 52-110 provides that an individual is “financially literate” if he or she has 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. All of the members of the Audit Committee are “financially literate” as that term is defined. The following sets out the Audit Committee members’ education and experience that is relevant to the performance of his responsibilities as an audit committee member.

Relevant Education and Experience

W. Benjamin Catalano - Mr. Catalano has been a real estate agent with Sutton Group Realty since 1991. In the past he has taken accounting courses, real estate courses and securities related courses. He brings more than 30 years of business experience spanning a number of industries including real estate marketing and development, high tech, biomedical, securities trading/brokerage and mining and natural resources. He has served as a President, CFO, director and audit committee member for several public companies over the last 13 years.

Martin J.C. Woodward - After a 12 year career with a major Canadian chartered bank, Mr. Woodward attended Capilano College’s Technical Computer Professional (TCP) program where he graduated on the Dean’s List in 2001. Upon his graduation, Mr. Woodward was employed by Xcellsis Fuel Cell Engine Co., and currently he is employed by Ballard Power Systems Inc. in their IT department. Mr. Woodward has passed the Canadian Securities Course and has over 12 years’ experience as a director of public companies.

Ian Tostenson - Mr. Tostenson is the President and Chief of Executive Officer of British Columbia Restaurant and Food Services. He spent most of his career as President and Chief Executive Officer of Cascadia Brands Inc., a company listed on the Vancouver and Toronto Stock Exchanges which owns the following brands: Calona Vineyards, Sandhill Vineyards, Burrowing Owl Vineyards, Granville Island Brewing, Potter Distilling, and Grady Wine Marketing. He has served on the board as director and was the President of the David Foster Foundation for over 22 years.

Audit Committee Oversight

Since the commencement of the Company’s most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company’s most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110;
- (b) the exemption in subsection 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer) of NI 52-110;
- (c) the exemption in subsection 6.1.1(5) (Events Outside Control of Member) of NI 52-110;
- (d) the exemption in subsection 6.1.1(6) (Death, Incapacity or Resignation) of NI 52-110; or
- (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions) of NI 52-110.

Pre-Approval Policies and Procedures

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

Audit Fees

The following table sets forth the fees paid by the Company and its subsidiaries to Dale Matheson Carr-Hilton Labonte LLP and D & H Group LLP, Chartered Accountants, for services rendered in the last two fiscal years:

	<u>2016</u>	<u>2015</u>
	(\$)	(\$)
Audit fees ⁽¹⁾	15,000 ⁽⁵⁾	10,603
Audit related fees ⁽²⁾	Nil	Nil
Tax fees ⁽³⁾	Nil	Nil
All other fees ⁽⁴⁾	Nil	Nil
Total	<u>\$15,000</u>	<u>\$10,603</u>

Notes:

- (1) "Audit fees" include aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees.
- (2) "Audited related fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above.
- (3) "Tax fees" include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning.
- (4) "All other fees" include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.
- (5) This figure is an estimate of the audit fees for the year ended December 31, 2016 which has not yet been completed.

Exemption in Section 6.1

The Company is a “venture issuer” as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “**Guidelines**”) adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Board and management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. The Company’s approach to corporate governance is set out below.

Board of Directors

Management is nominating six individuals to the Board, five of whom are current directors of the Company.

The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. The “material relationship” is defined as a relationship which could, in the view of the Company’s Board, reasonably interfere with the exercise of a director’s independent judgement. Ian Tostenson and Peter Hinam are considered “independent” and Jason Moreau, W. Benjamin Catalano, Kelly Abbott, and Martin J.C. Woodward are not considered “independent” within the meaning of NI 52-110.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to Management, evaluate Management, set policies appropriate for the business of the Company and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Company is delegated by the Board to the CEO and the President. The Board will give direction and guidance through the President to Management and will keep Management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board exercises its independent supervision over management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Company are subject to prior approval of the Board. The Board shall meet not less than three times during each year and will endeavour to hold at least one meeting in each fiscal quarter. The Board will also meet at any other time at the call of the President, or subject to the Articles of the Company, of any director.

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia) (the “**Act**”), is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company’s affairs directly and through its committees.

Directorships

The following directors of the Company are also directors of other reporting issuers as stated:

- W. Benjamin Catalano is a director of Railtown Capital Corp., and African Queen Mines Ltd.;
- Martin J.C. Woodward is a director of Railtown Capital Corp.; and
- Jason Moreau is a director of RSI International Systems Inc., Railtown Capital Corp., and Cytiva Software Inc.

Peter Hinam is a proposed director and is also a director of Turquoise Capital Corp.

Orientation and Continuing Education

The Board's practice is to recruit for the Board only persons with experience in public company matters and the technology space. Prospective new board members are provided a reasonably detailed level of background information on the Company's affairs and plans. The Company does not provide any formal ongoing continuing education.

Ethical Business Conduct

To date, the Board has not adopted a formal written Code of Business Conduct and Ethics. However, the current limited size of the Company's operations allow the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Company grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

Nomination of Directors

The Board identifies new candidates for board nomination by an informal process of discussion and consensus-building on the need for additional directors, the specific attributes being sought, likely prospects, and timing. Prospective directors are not approached until consensus is reached.

Compensation

The Board endeavours to conduct reviews with regard to directors' and officers' compensation at least once a year. To make its recommendation on directors' and officers' compensation, the Board relies solely on the experience and knowledge of its members.

Committees

The Board has one standing committee, being the Audit Committee. Please see "*Audit Committee*" for more information.

Assessments

The Board reviews its own performance and effectiveness as well as the effectiveness and performance of its committees. Effectiveness is subjectively measured by comparing actual corporate results with objectives. The contributions of individual directors are informally monitored by other Board members, bearing to mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations.

PARTICULARS OF MATTERS TO BE ACTED UPON

Ratification and Approval of Advance Notice Policy

Effective March 27, 2017, the Board adopted an advance notice policy (the “**Advance Notice Policy**”) with immediate effect, a copy of which is attached as Schedule “B” to this Circular. In order for the Advance Notice Policy to remain in effect following termination of the Meeting, the Advance Notice Policy must be ratified and approved by the shareholders of the Company at the Meeting.

Purpose of the Advance Notice Policy

The Board is committed to facilitating an orderly and efficient process for the nomination of directors at shareholder meetings, ensuring that all shareholders receive adequate notice of director nominations and sufficient information with respect to all nominees to register an informed vote.

The purpose of the Advance Notice Policy is to provide shareholders, directors and management of the Company with a clear framework for nominating directors. The Advance Notice Policy fixes a deadline prior to any shareholders’ meeting called for the election of directors by which a registered shareholder may submit director nominations to the Company, and sets forth the information that the nominating shareholder must include in the notice to the Company in order for a nominee to be eligible for election.

Terms of the Advance Notice Policy

The following information is intended as a brief description of the Advance Notice Policy and is qualified in its entirety by the full text of the Advance Notice Policy. Briefly, the Advance Notice Policy:

- provides that advance notice to the Company must be given where nominations of persons for election to the board of directors are made by shareholders of the Company other than pursuant to: (i) a requisition made in accordance with section 167 of the Act; or (ii) a ‘proposal’ made in accordance with section 188 of the Act;
- fixes a deadline by which a registered shareholder may submit director nominations to the Company prior to any annual or special general meeting and sets out the specific information that must be included in the written notice to the Company for an effective nomination to occur;
- provides that, in the case of an annual meeting, notice to the Company must be given no fewer than 30 days prior to the date of the meeting; provided that if the meeting is to be held on a date that is fewer than 50 days after the date on which the first public announcement of the date of the meeting was made, notice may be given no later than the close of business on the 10th day following such public announcement;
- provides that in the case of a special general meeting that is not also an annual meeting, notice to the Company must be made no later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made; and
- provides that the Board, in its sole discretion, may waive any requirement of the Advance Notice Policy.

Ratification and Approval of Advance Notice Policy by Shareholders

If the Advance Notice Policy is ratified and approved by the shareholders at the Meeting, it will be subject to an annual review by the Board. The Board will update the Advance Notice Policy to reflect any changes required by securities regulatory authorities and applicable stock exchanges or as otherwise determined to be in the best interests of the Company.

Accordingly, at the Meeting, the shareholders will be asked to consider, and if thought appropriate, to pass, with or without amendment, an ordinary resolution as follows:

“IT IS RESOLVED, as an ordinary resolution that:

- (a) the Company’s Advance Notice Policy (the “**Advance Notice Policy**”), a copy of which is attached as Schedule “B” to the information circular of the Company dated April 24, 2017, is hereby ratified and approved;
- (b) the board of directors of the Company be and is authorized in its absolute discretion to administer the Advance Notice Policy and to amend or modify the Advance Notice Policy to the extent needed to reflect changes required by securities regulatory authorities and applicable stock exchanges, or as otherwise determined to be in the best interests of the Company; and
- (c) 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 all such documents, instruments and assurances as in the opinion of such director or officer may be necessary or desirable to give effect to the foregoing resolutions.”

Under the Articles of the Company and the Act, the ordinary resolution to ratify and approve the Advance Notice Policy must be approved by at least a simple majority of 50% plus one vote of the votes cast by the shareholders of the Company present in person or by proxy at the Meeting.

The Board has determined that the Advance Notice Policy is in the best interests of the Company and unanimously recommends that shareholders vote in favour of the resolution ratifying and approving the Advance Notice Policy. In the absence of contrary directions, the management designees of the Company intend to vote proxies in the accompanying Proxy in favour of the ordinary resolution ratifying and approving the Advance Notice Policy.

General Matters

It is not known whether any other matters will come before the Meeting other than those set forth above and in the Notice of Meeting, but if any other matters do arise, the management designees of the Company intend to vote on any poll, in accordance with their best judgement, exercising discretionary authority with respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment of the Meeting.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com. Financial information about the Company is provided in the Company's comparative annual financial statements to December 31, 2016, a copy of which, together with Management's Discussion and Analysis thereon, can be found on the Company's SEDAR profile at www.sedar.com. Additional financial information concerning the Company may be obtained by any securityholder of the Company free of charge by contacting the Company, at 604-401-8700.

BOARD APPROVAL

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Vancouver, British Columbia, the 24th day of April, 2017.

ON BEHALF OF THE BOARD

(signed) "*Kelly Abbott*"

Kelly Abbott
Chief Executive Officer

PARCELPAL TECHNOLOGY INC.

**Schedule “A”
Audit Committee Charter**

The Audit Committee is a committee of the board of directors to which the board delegates its responsibilities for the oversight of the accounting and financial reporting process and financial statement audits.

The Audit Committee will:

- (a) review and report to the board of directors of the Company on the following before they are published:
 - (i) the financial statements and MD&A (management discussion and analysis) (as defined in National Instrument 51-102) of the Company;
 - (ii) the auditor’s report, if any, prepared in relation to those financial statements,
- (b) review the Company’s annual and interim earnings press releases before the Company publicly discloses this information,
- (c) satisfy itself that adequate procedures are in place for the review of the Company’s public disclosure of financial information extracted or derived from the Company’s financial statements and periodically assess the adequacy of those procedures,
- (d) recommend to the board of directors:
 - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company; and
 - (ii) the compensation of the external auditor,
- (e) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting,
- (f) monitor, evaluate and report to the board of directors on the integrity of the financial reporting process and the system of internal controls that management and the board of directors have established,
- (g) monitor the management of the principal risks that could impact the financial reporting of the Company,

- (h) establish procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters,
- (i) pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor,
- (j) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company, and
- (k) with respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and the Chief Financial Officer to comply with National Instrument 52-109.

Composition of the Committee

The committee will be composed of 3 directors from the Company's board of directors, a majority of whom will be independent. Independence of the Board members will be as defined by applicable legislation and as a minimum each independent committee member will have no direct or indirect relationship with the Company which, in the view of the board of directors, could reasonably interfere with the exercise of a member's independent judgment.

All members of the committee will be financially literate as defined by applicable legislation. If, upon appointment, a member of the committee is not financially literate as required, the person will be provided a three month period in which to achieve the required level of literacy.

Authority

The committee has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the committee will set the compensation for such advisors.

The committee has the authority to communicate directly with and to meet with the external auditors and the internal auditor, without management involvement. This extends to requiring the external auditor to report directly to the committee.

Reporting

The reporting obligations of the committee will include:

1. reporting to the board of directors on the proceedings of each committee meeting and on the committee's recommendations at the next regularly scheduled directors' meeting; and
2. reviewing, and reporting to the board of directors on its concurrence with, the disclosure required by Form 52-110F2 in any management information circular prepared by the Company.

PARCELPAL TECHNOLOGY INC.

Schedule “B” Advance Notice Policy

(Adopted by the Board of Directors of ParcelPal Technology Inc. (the “Company”)
with immediate effect on March 27, 2017)

INTRODUCTION

The Company is committed to: (a) facilitating an orderly and efficient annual general or, where the need arises, special meeting, process; (b) ensuring that all shareholders receive adequate notice of nominations for election as directors and sufficient information with respect to all nominees; and (c) allowing shareholders to make an informed vote having been afforded reasonable time for appropriate deliberation.

The purpose of this Advance Notice Policy (the “Policy”) is to provide shareholders, directors and management of the Company with a clear framework for nominating individuals for election as directors. This Policy fixes a deadline by which holders of record of common shares of the Company must submit nominations for election as directors to the Company prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Company in order for any nominee to be eligible for election as a director at any annual or special meeting of shareholders.

It is the position of the board of directors (the “Board”) of the Company that this Policy is in the best interests of the Company, its shareholders and other stakeholders. This Policy will be subject to review by the Board from time to time, and may be amended by majority vote of the Board for purposes of, among other things, complying with the requirements of applicable securities regulatory agencies or stock exchanges, or so as to meet industry standards.

NOMINATIONS OF DIRECTORS

1. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the Board at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors, may be made:
 - (a) by or at the direction of the Board, including pursuant to a notice of meeting;
 - (b) by or at the direction or request of one or more shareholders pursuant to a “proposal” made in accordance with Part 5, Division 7 of the *Business Corporations Act* (British Columbia) (the “Act”), or a requisition of the shareholders made in accordance with section 167 of the Act; or
 - (c) by any person (a “Nominating Shareholder”): (i) who, at the close of business on the date on which the Nominating Shareholder gives the notice provided for below in this Policy and at the close of business on the record date for notice of such meeting, is entered in the securities register of the Company as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are

entitled to be voted at such meeting; and (ii) who otherwise complies with the notice procedures set forth below in this Policy.

2. In addition to any other requirements under applicable laws, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must deliver notice (“**Notice**”) thereof that is both timely (in accordance with paragraph 3 below) and in proper written form (in accordance with paragraph 4 below) to the President of the Company at the principal executive offices of the Company.
3. To be timely, the Notice must be delivered to the President at the principal executive offices of the Company:
 - (a) in the case of an annual meeting of shareholders, not less than 30 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the “**Notice Date**”) on which the first public announcement of the date of the annual meeting was made, the Notice may be delivered not later than the close of business on the tenth day following the Notice Date; and
 - (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

In the event of an adjournment or postponement of a meeting of shareholders or the announcement thereof any reference to the date of the annual meeting or special meeting in this paragraph 3 shall be deemed to refer to the date of the adjourned or postponed meeting.

4. To be in proper written form, a Notice must set forth:
 - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the citizenship of such person; (D) the class or series and number of shares of the Company which are controlled, directly or indirectly, or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such Notice; (E) confirmation that the person meets the qualifications of directors set out in the Act; and (F) any other information relating to the person that would be required to be disclosed in a dissident’s proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
 - (b) as to the Nominating Shareholder giving the Notice: (A) full particulars regarding any proxy, contract, agreement, arrangement or understanding pursuant to which such Nominating Shareholder has a right to vote or direct the voting of any shares of the Company; (B) the class or series and number of shares of the Company which are controlled, directly or indirectly, or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such Notice; and (C) any other information relating to such Nominating Shareholder that would be required to be disclosed in a dissident’s proxy circular in connection with solicitations of

proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below).

The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee; provided, however, that, if such other information is requested and received by the Company, then the Company shall make all such additional information publicly available to shareholders.

5. No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Policy; provided, however, that nothing in this Policy shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter that is properly before such meeting pursuant to the provisions of the Act or the discretion of the Chairman. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in this Policy and, if any proposed nomination is not in compliance with this Policy, to declare that such defective nomination shall be disregarded.
6. For purposes of this Policy:
 - (a) **“public announcement”** shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com and under its profile under the Electronic Data Gathering and Retrieval system at www.sec.gov;
 - (b) **“Applicable Securities Laws”** means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each relevant province and territory of Canada and all applicable securities laws in the United States; and
 - (c) **“business day”** means a day other than a Saturday, Sunday or statutory holiday in British Columbia.
7. Notwithstanding any other provision of this Policy, notice given to the President of the Company pursuant to this Policy may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time by the President of the Company for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery to the President at the address of the principal executive offices of the Company, by email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.
8. Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this Policy.

EFFECTIVE DATE

This Policy was approved and adopted by the Board on March 27, 2017 (the “**Effective Date**”) and is and shall be effective and in full force and effect in accordance with its terms and conditions from and after such date. Notwithstanding the foregoing, if this Policy is not approved by ordinary resolution of shareholders of the Company present in person or voting by proxy at the next meeting of the Company’s shareholders validly held following the Effective Date, then this Policy shall terminate and be void and of no further force and effect following the termination of such meeting of shareholders.

GOVERNING LAW

This Policy shall be interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable in that province.