

## PEEKABOO BEANS INC.

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### INFORMATION CIRCULAR

as at March 9, 2020, *except as otherwise indicated*

This Information Circular is furnished in connection with the solicitation of proxies by the management of Peekaboo Beans Inc. (the “Company”) for use at the annual general meeting (the “Meeting”) of the Company’s shareholders to be held on April 15, 2020 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Information Circular, references to “the Company”, “we” and “our” refer to Peekaboo Beans Inc. “Common Shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

### GENERAL PROXY INFORMATION

#### Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. The Company has arranged for intermediaries to forward the meeting materials to beneficial owners of Common Shares held as of record by those intermediaries and may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

#### Appointment of Proxyholders

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

#### Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on **any** ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.**

## Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by choosing one of the following methods:

- (a) complete, date and sign the enclosed form of proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("Computershare"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail or by hand to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1; or
- (b) use a touch-tone phone to transmit voting choices to the toll-free number given in the proxy. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll-free number, the holder's account number and the proxy access number; or
- (c) log onto Computershare's website at [www.investorvote.com](http://www.investorvote.com). Registered Shareholders must follow the instructions provided on the website and refer to the enclosed proxy form for the holder's account number and the proxy access number.

In either case you must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof. Failure to complete or deposit a proxy properly may result in its invalidation. The time limit for the deposit of proxies may be waived by the Company's board of directors (the "Board") at its discretion without notice. **Please note that in order to vote your Common Shares in person at the Meeting, you must attend the Meeting and register with the Scrutineer before the Meeting. If you have already submitted a Proxy, but choose to change your method of voting and attend the Meeting to vote, then you should register with the Scrutineer before the Meeting and inform them that your previously submitted proxy is revoked and that you personally will vote your Common Shares at the Meeting.**

## Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of an intermediary, such as the shareholder's broker or an agent of that broker. In the United States the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many United States 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).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of Beneficial Shareholders - those who object to their name being made known to the issuers of securities which they own (called "OBOs", for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "NOBOs", for Non-Objecting Beneficial Owners).

The Company is taking advantage of the provisions of National Instrument 54-101 "*Communication with Beneficial Owners of Securities of a Reporting Issuer*" that permit it to deliver proxy-related materials directly to its NOBOs. As a result NOBOs can expect to receive a scannable Voting Instruction Form ("VIF") Computershare. The

VIF is to be completed and returned to Computershare as set out in the instructions provided on the VIF. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

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

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions. Please return your VIF as specified in the request for voting instructions that was sent to you.

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

The form of proxy supplied to you by your broker will be similar to the Proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder's representative. If you receive a VIF from Broadridge the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares at the Meeting.

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

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

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

### **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a registered Shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized

attorney in writing, or, if the Registered Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare or at the address of the registered office of the Company at Suite 1500, Royal Centre, 1055 West Georgia Street, P.O. Box 11117, Vancouver, British Columbia, V6E 4N7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or

- (b) personally attending the Meeting and voting the Registered Shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

No director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, and the approval of the share option plan, as described herein.

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

The board of directors (the “**Board**”) of the Company has fixed March 9, 2020 as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is authorized to issue an unlimited number of Common Shares. As of the Record Date, there were 36,984,885 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors and there are no cumulative or similar voting rights attached to the Common Shares. The Company is also authorized to issue an unlimited number of Preferred Shares, without par value, with special rights and restrictions attached. As at March 9, 2020 and to the date of mailing of this Information Circular, there are no Preferred Shares of the Company issued and outstanding.

To the knowledge of the directors and executive officers of the Company, there are no beneficial owners or persons or corporations that beneficially own, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at March 9, 2020.

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

- The audited annual financial statements of the Company for the financial year September 30, 2019, together with the report of the auditor thereon and the related management discussion and analysis, both of which have been filed under the Company's SEDAR profile on January 29, 2020.

Copies of any documents referred to and incorporated herein by reference may be obtained by a shareholder upon request without charge from the Company at Tel: 604 279-2326, E-mail: [ir@peekaboobeans.com](mailto:ir@peekaboobeans.com), or at the address of the Company at 170 - 11120 Bridgeport Road, British Columbia V6X 1T2. The documents are also available through the internet on SEDAR, which can be accessed at [www.sedar.com](http://www.sedar.com).

### **VOTES NECESSARY TO PASS RESOLUTIONS**

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor than there are

vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

## ELECTION OF DIRECTORS

### Fixing the Number of Directors

At the Meeting, the Shareholders will be asked to fix the number of directors to be elected at four (4). Approval of the number of directors will require the affirmative votes of the holders of not less than half of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. Unless otherwise directed, the management designees named in the accompanying proxy intend to vote in favor of fixing the number of directors at four (4).

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

### Nominees

The following table sets out the names of management's nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment (for the five preceding years for each director), the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as of March 9, 2020.

Approval of the election of directors will require the affirmative votes of the holders of not less than half of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. **Unless otherwise directed, the management designees named in the accompanying proxy intend to vote in favor of the election, as directors, of the nominees whose names are set forth below.**

| Name of Nominee;<br>Current Position with the<br>Company, Province and Country<br>of Residence | Occupation, Business or<br>Employment                                        | Period as a<br>Director of<br>the Company | Common Shares<br>Beneficially<br>Owned or<br>Controlled <sup>(1)</sup> |
|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------------------------------------|
| <b>Traci Costa</b> <sup>(6)</sup><br>President, CEO and Director<br>British Columbia, Canada   | Ms. Costa founded the Company in 2006 and is presently the President and CEO | September 23,<br>2016                     | 1,132,939 <sup>(2)</sup>                                               |
| <b>Darrell Kopke</b> <sup>(6)</sup><br>Director<br>British Columbia, Canada                    | Mr. Kopke founded Ædelhard in 2010 and is presently its CEO.                 | September 23,<br>2016                     | 323,332 <sup>(3)</sup>                                                 |
| <b>Sarah Bundy</b><br>Director<br>British Columbia, Canada                                     | Ms. Bundy founded All Inclusive Marketing in 2009 and is presently its CEO   | January 15,<br>2019                       | Nil <sup>(4)</sup>                                                     |
| <b>Tamara Mimran</b> <sup>(6)</sup><br>Director<br>Ontario, Canada                             | Ms. Mimran is presently the Merchandise Director of Mimran Group Inc.        | July 9, 2019                              | Nil <sup>(5)</sup>                                                     |

Notes:

- (1) The number of Common Shares beneficially owned by the above nominees for directors, directly or indirectly, is based on information furnished by the nominees themselves.
- (2) Ms. Costa also holds an aggregate of 720,000 options to purchase 720,000 Common Shares (see "Statement of Executive Compensation" below).
- (3) Mr. Kopke also holds an aggregate of 170,000 options to purchase 170,000 Common Shares (see "Statement of Executive Compensation" below).

- (4) Ms. Bundy holds an aggregate of 100,000 options to purchase 100,000 Common Shares (see “*Statement of Executive Compensation*” below)
- (5) Ms. Mimran holds an aggregate of 100,000 options to purchase 100,000 Common Shares (see “*Statement of Executive Compensation*” below)
- (6) Member of the Audit Committee

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

### **Cease Trade Orders and Bankruptcies**

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

- (i) was subject to a cease trade or similar order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (ii) was subject to a cease trade or similar 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.

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

No director has, within the past ten (10) years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### **Penalties and Sanctions**

No proposed director of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to 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.

### **APPOINTMENT OF AUDITOR**

Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants, of 1200 – 609 Granville Street, Vancouver, British Columbia, V7Y 1G6 will be nominated at the Meeting for appointment as auditor of the Company. Approval of the appointing of the auditor will require the affirmative votes of the holders of not less than half of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. **Unless otherwise directed, the management designees named in the accompanying proxy intend to vote in favor of the appointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants as auditors of the Company for the ensuing year.**

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

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

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

The audit committee meets at least quarterly to review quarterly financial statements and management's discussion and analysis and meets at least once annually with the Company's external auditor. The audit committee discusses, among other things, the annual audit, the adequacy and effectiveness of the Company's internal control and management information systems and management's discussion and analysis and reviews the annual financial statements with the external auditor.

The audit committee has a charter. A copy of the Audit Committee Charter was attached as Schedule "A" to the Company's Management Proxy Circular dated August 14, 2018 and filed at [www.sedar.com](http://www.sedar.com) on August 22, 2018.

## **Composition of the Audit Committee**

The members of the audit committee of the Board are Traci Costa, Darrell Kopke and Tamara Mimran. Ms. Costa is not independent as she is the President and Chief Executive Officer of the Company. Mr. Kopke and Ms. Mimran are independent directors of the Company. The audit committee will be re-appointed following the Meeting. It is anticipated that the new audit committee will consist of Traci Costa, Darrell Kopke and Tamara Mimran. All of the audit committee members are considered to be financially literate.

## **Relevant Education and Experience**

**Traci Costa** – Ms. Costa is the President, Chief Executive Officer, and a director of the Company. She is a "YMCA Women of Distinction Award" winner (2015 and 2016), an "Ethel Tibbits Women of Distinction Business Award" winner (2015), a recipient of the "Richmond Chamber of Commerce Business Excellence Award" (2015), and a "Business in Vancouver Top Forty Under 40 Award" winner (2010).

Mr. Costa founded the Company in 2006. Prior to founding the Company, she was a senior executive assistant for the Aquilini Investment Group and Markin Developments from 1993 to 2000 and a national operations manager of a communications distributor from 2001 to 2006.

**Darrell Kopke** – Mr. Kopke holds a Master's in business administration in Supply Chain Management from the University of British Columbia and a Bachelor of Commerce in Marketing from Concordia University.

Mr. Kopke is the founder and CEO of Edelhard and is an Adjunct Professor of Entrepreneurship at the University of British Columbia's Sauder School of Business.

**Tamara Mimran** - Ms. Mimran has been the Merchandise Director for Mimran Group Inc. since 2008. Mimran Group Inc. manages over ten different licenses world-wide for the Alfred Sung brand. Ms. Mimran holds a Bachelor of Arts in Economics from McGill University in Montreal.

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

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

## Audit Committee Oversight

The audit committee has not made any recommendations to the Board to nominate or compensate any external auditor.

## Reliance on Certain Exemptions

The Company's auditors, Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, have not provided any material non-audit services.

## Pre-Approval Policies and Procedures

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

## External Auditor Service Fees

To ensure auditor independence, no non-audit services were requested to be provided to the Company by Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, during the last completed fiscal year. Fees incurred with Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

| Nature of Services                | Fees Paid to Dale Matheson Carr-Hilton Labonte LLP in Fiscal Year Ended September 30, 2019 | Fees Paid to Dale Matheson Carr-Hilton Labonte LLP in Fiscal Year Ended September 30, 2018 |
|-----------------------------------|--------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| Audit Fees <sup>(1)</sup>         | \$60,000                                                                                   | \$70,854                                                                                   |
| Audit-Related Fees <sup>(2)</sup> | Nil                                                                                        | \$3,542.70                                                                                 |
| Tax Fees <sup>(3)</sup>           | Nil                                                                                        | Nil                                                                                        |
| All Other Fees <sup>(4)</sup>     | Nil                                                                                        | Nil                                                                                        |
| <b>Total</b>                      | <b>\$60,000</b>                                                                            | <b>\$74,396.70</b>                                                                         |

Notes:

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

## Exemption

The Company is a "venture issuer" as defined in NI 52-110 and is relying upon the exemption in s. 6.1 of NI 52-110 concerning Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

# CORPORATE GOVERNANCE

## General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and accountable to shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making. This section sets out the Company's approach to corporate governance and addresses the Company's compliance with National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

## **Board of Directors**

In order to identify and manage risks, the Board requires management to provide complete and accurate information with respect to the Company's activities and to provide relevant information concerning the industry in which the Company operates. The Board is responsible for monitoring the Company's officers, who in turn are responsible for the maintenance of internal controls and management information systems.

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

Darrell Kopke, Sarah Bundy and Tamara Mimran are the independent members of the Board. Traci Costa is considered non-independent by virtue of her role as President and Chief Executive Officer of the Company.

The operations of the Company do not support a large board of directors and the Board has determined that the current constitution of the Board is appropriate for the Company's current stage of development. Similarly, given the size of the Company, all the Company's operations are conducted by a small management team which is also represented on the Board. Individual directors are encouraged to engage an outside advisor at the expense of the Company in appropriate circumstances, and the independent directors have retained independent advice on occasion.

The directors do not hold meetings at which non-independent directors and members of management are not in attendance. However, the Board considers that management is effectively supervised by the independent directors on an informal basis as the independent directors are actively and regularly involved in reviewing and supervising the operations of the Company and are able to meet at any time without the non-independent director being present. At the present time, the Board facilitates the exercise of independent judgment in carrying out its responsibilities by carefully examining all material issues and relying heavily on the advice of outside counsel and other advisors in all appropriate circumstances.

## **Directorships**

No directors are currently serving on boards of other reporting companies (or equivalent).

## **Orientation and Continuing Education**

The Company has not developed an official orientation or training program for new directors, but they are encouraged to communicate with other directors, officers and employees as needed. New directors will have the opportunity to become familiar with the Company with full access to records, meeting with the auditors and various technical consultants. Orientation activities are tailored to the needs and expertise of each director and the overall needs of the Board. The Company does not have a formal program of continuing education for its directors, but encourages its directors to attend continuing education seminars at the Company's expense, subject to prior approval by management. The Company also liaises with its legal counsel and auditors to keep apprised of any developments and material changes to corporate governance and reporting policies affecting the Company and make the directors aware of any such developments and changes.

## **Ethical Business Conduct**

The Board encourages, monitors and promotes a culture of ethical business conduct of the Company and ensures that it complies with the applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation on the common law, as well as restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

## **Nomination of Directors**

The Board has not appointed a nominating committee as the Board fulfills these functions. When the Board identifies the need to fill a position, either due to a vacancy or as required to carry out the Board's duties effectively and maintain a breadth of experience, the Board requests that current directors put forward potential candidates for consideration.

## Compensation

The Human Resources and Compensation Committee is responsible for making recommendations to the Board with respect to compensation for the directors and the CEO. The Board has ability to adjust and approve such compensation. The current members of the Human Resources and Compensation Committee are Darrell Kopke, Chairman and Tamara Mimran.

Market comparisons, as well as evaluation of similar positions in different industries in the same geography, along with individual experience and the diversity such individual brings to the Company's board, are the criteria used in determining compensation.

## Other Board Committees

The Board has no committees other than the audit committee and Human Resources and Compensation Committee.

## Assessments

The Board takes responsibility for monitoring and assessing its effectiveness and the performance of individual directors and its Audit Committees and Human Resources and Compensation Committee.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

See heading "PARTICULARS OF MATTERS TO BE ACTED UPON – APPROVAL OF THE SHARE OPTION PLAN" below for disclosure on the only equity compensation plan which the Company has place as of the date hereof.

## Equity Compensation Plan Information

As at the fiscal year ended September 30, 2019, the number of issued and outstanding Common Shares was 35,044,885 Common Shares and therefore the number of Common Shares available to be reserved for issuance upon exercise of options under the Option Plan was 3,504,488 Common Shares.

The following table sets out equity compensation plan information as at the fiscal year September 30, 2019:

| Equity Compensation Plan Information                                     |                                                                                             |                                                                                  |                                                                                                                                             |
|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                          | Number of securities to be issued upon exercise of outstanding options, warrants and rights | Weighted-average exercise price of outstanding options, warrants and rights (\$) | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) |
| Plan Category                                                            | (a)                                                                                         | (b)                                                                              | (c)                                                                                                                                         |
| Equity compensation plans approved by securityholders – the Option Plan. | 1,917,442                                                                                   | \$0.38                                                                           | 1,587,046                                                                                                                                   |
| Equity compensation plans not approved by securityholders                | Nil                                                                                         | N/A                                                                              | N/A                                                                                                                                         |
| <b>Total:</b>                                                            | <b>1,917,442</b>                                                                            | <b>\$0.38</b>                                                                    | <b>1,587,046</b>                                                                                                                            |

Reference is made to Note 16 of the Company's audited financial statements for the year ended September 30, 2019 for further details concerning the options outstanding.

## STATEMENT OF EXECUTIVE COMPENSATION

### Named Executive Officers

In this section "Named Executive Officer" ("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;
- (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.

### Director and NEO Compensation

During the financial year ended September 30, 2019, based on the definition above, the NEOs of the Company were: Traci Costa, President, CEO and Director, David Fong, Chief Financial Officer and Nikki Mayer, Former CFO, Corporate Secretary and Director. The directors of the Company who were not NEOs during the financial year ended September 30, 2019 were Darrell Kopke, Sarah Bundy, Tamara Mimran and former director, Karen Mate.

During the financial year ended September 30, 2018, based on the definition above, the NEOs of the Company were: Traci Costa, President, CEO and Director and Nikki Mayer, Former CFO, Corporate Secretary and Director. The directors of the Company who were not NEOs during the financial year ended September 30, 2018 were Darrell Kopke and Karen Mate.

The Company is authorized to issue an unlimited number of Common Shares without par value, each carrying the right to one vote. The Company's Common Shares are listed on the Canadian Securities Exchange under stock symbol "BEAN". The Company is also listed on the OTC under stock symbol "PBBSF".

| Table of Compensation Excluding Compensation Securities                             |      |                                                     |            |                                |                           |                          |                                      |                         |
|-------------------------------------------------------------------------------------|------|-----------------------------------------------------|------------|--------------------------------|---------------------------|--------------------------|--------------------------------------|-------------------------|
| Name and position                                                                   | Year | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meeting fees (\$) | Value of perquisites (\$) | Option Based Awards (\$) | Value of all other compensation (\$) | Total compensation (\$) |
| <b>Traci Costa<sup>(1)</sup></b><br>President, Chief Executive Officer and Director | 2019 | 131,250                                             | Nil        | 5,000                          | Nil                       | Nil                      | Nil                                  | 136,250                 |
|                                                                                     | 2018 | 149,021                                             | Nil        | Nil                            | Nil                       | Nil                      | Nil                                  | 149,021                 |
| <b>David Fong<sup>(2)</sup></b><br>Chief Financial Officer                          | 2019 | Nil                                                 | Nil        | Nil                            | Nil                       | Nil                      | Nil                                  | Nil                     |
|                                                                                     | 2018 | Nil                                                 | Nil        | Nil                            | Nil                       | Nil                      | Nil                                  | Nil                     |
| <b>Darrell Kopke<sup>(3)</sup></b><br>Director                                      | 2019 | Nil                                                 | Nil        | 6,000                          | Nil                       | Nil                      | Nil                                  | 6,000                   |
|                                                                                     | 2018 | Nil                                                 | Nil        | Nil                            | Nil                       | Nil                      | Nil                                  | Nil                     |
| <b>Karen Mate<sup>(4)</sup></b><br>Former Director                                  | 2019 | Nil                                                 | Nil        | Nil                            | Nil                       | Nil                      | Nil                                  | Nil                     |
|                                                                                     | 2018 | Nil                                                 | Nil        | Nil                            | Nil                       | Nil                      | Nil                                  | Nil                     |

| Table of Compensation Excluding Compensation Securities     |      |                                                     |            |                                |                           |                          |                                      |                         |
|-------------------------------------------------------------|------|-----------------------------------------------------|------------|--------------------------------|---------------------------|--------------------------|--------------------------------------|-------------------------|
| Name and position                                           | Year | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meeting fees (\$) | Value of perquisites (\$) | Option Based Awards (\$) | Value of all other compensation (\$) | Total compensation (\$) |
| <b>Nikki Mayer<sup>(5)</sup></b><br>Former CFO and Director | 2019 | Nil                                                 | Nil        | Nil                            | Nil                       | Nil                      | Nil                                  | Nil                     |
|                                                             | 2018 | 78,500                                              | Nil        | Nil                            | Nil                       | Nil                      | Nil                                  | 78,500                  |
| <b>Sarah Bundy<sup>(6)</sup></b><br>Director                | 2019 | Nil                                                 | Nil        | 4,000                          | Nil                       | Nil                      | Nil                                  | 4,000                   |
|                                                             | 2018 | Nil                                                 | Nil        | Nil                            | Nil                       | Nil                      | Nil                                  | Nil                     |
| <b>Tamara Mimran<sup>(7)</sup></b><br>Director              | 2019 | Nil                                                 | Nil        | 3,000                          | Nil                       | Nil                      | Nil                                  | 3,000                   |
|                                                             | 2018 | Nil                                                 | Nil        | Nil                            | Nil                       | Nil                      | Nil                                  | Nil                     |

Notes:

- (1) Ms. Costa was appointed President, CEO and director on September 23, 2016.
- (2) Mr. Fong was appointed CFO on December 11, 2018.
- (3) Mr. Kopke was appointed a director on September 23, 2016.
- (4) Ms. Mate was appointed a director on September 23, 2016 and resigned on January 15, 2019.
- (5) Mr. Mayer was appointed a director on September 23, 2016 and as CFO and Corporate Secretary on December 30, 2016. She resigned as a director, CFO and Corporate Secretary on December 18, 2018.
- (6) Ms. Bundy was appointed a director on January 15, 2019.
- (7) Ms. Mimran was appointed a director on July 9, 2019.

### Stock Options and Other Compensation Securities

The Company's authorized share structure is an unlimited number of Common Shares. As at March 9, 2020 there were 36,984,885 Common Shares of the Company issued and outstanding. The Company has a 10% rolling stock option plan allowing it to grant options to a maximum of 10% of the issued and outstanding Common Shares, from time to time. At September 30, 2019, there were 1,917,442 options outstanding under the Plan.

The following table discloses all compensation securities granted or issued to each director and NEO by the Company, or a subsidiary of the Company, in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Company, or a subsidiary of the Company

| Compensation Securities                                               |                               |                                                                                                     |                                   |                                          |                                                                                       |                                                                   |                        |
|-----------------------------------------------------------------------|-------------------------------|-----------------------------------------------------------------------------------------------------|-----------------------------------|------------------------------------------|---------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------|
| Name and Position                                                     | Type of Compensation Security | Number of Compensation Securities, underlying securities and percentage of class (#) <sup>(1)</sup> | Date of Grant or Issue (mm/dd/yy) | Issue, conversion or exercise price (\$) | Closing price of security or underlying security on date of grant (\$) <sup>(2)</sup> | Closing price of security or underlying security at year end (\$) | Expiry Date (mm/dd/yy) |
| <b>Traci Costa</b><br>President, Chief Executive Officer and Director | Stock Options                 | 50,000 (2.61%)                                                                                      | 02/07/18                          | \$0.80                                   | 0.80                                                                                  | 0.21                                                              | 02/07/28               |
|                                                                       | Stock Options                 | 200,000 (10.43%)                                                                                    | 02/26/18                          | \$0.80                                   | 0.68                                                                                  | 0.21                                                              | 02/26/28               |
|                                                                       | Stock Options                 | 100,000 (5.21%)                                                                                     | 08/12/19                          | \$0.10                                   | \$0.65                                                                                | \$0.45                                                            | 08/12/29               |

| Compensation Securities                |                               |                                                                                                     |                                   |                                          |                                                                                       |                                                                   |                        |
|----------------------------------------|-------------------------------|-----------------------------------------------------------------------------------------------------|-----------------------------------|------------------------------------------|---------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------|
| Name and Position                      | Type of Compensation Security | Number of Compensation Securities, underlying securities and percentage of class (#) <sup>(1)</sup> | Date of Grant or Issue (mm/dd/yy) | Issue, conversion or exercise price (\$) | Closing price of security or underlying security on date of grant (\$) <sup>(2)</sup> | Closing price of security or underlying security at year end (\$) | Expiry Date (mm/dd/yy) |
| David Fong<br>Chief Financial Officer  | N/A                           | Nil                                                                                                 | N/A                               | N/A                                      | N/A                                                                                   | N/A                                                               | N/A                    |
| Darrell Kopke<br>Director              | Stock Options                 | 50,000<br>(2.61%)                                                                                   | 02/07/18                          | \$0.80                                   | \$0.80                                                                                | 0.21                                                              | 02/07/28               |
|                                        | Stock Options                 | 100,000<br>(5.21%)                                                                                  | 08/12/19                          | \$0.10                                   | \$0.65                                                                                | \$0.45                                                            | 08/12/29               |
| Karen Mate<br>Former Director          | N/A                           | Nil                                                                                                 | N/A                               | N/A                                      | N/A                                                                                   | N/A                                                               | N/A                    |
| Nikki Mayer<br>Former CFO and Director | N/A                           | Nil                                                                                                 | N/A                               | N/A                                      | N/A                                                                                   | N/A                                                               | N/A                    |
| Sarah Bundy<br>Director                | Stock Options                 | 100,000<br>(5.21%)                                                                                  | 8/12/19                           | \$0.10                                   | \$0.65                                                                                | \$0.45                                                            | 08/12/29               |
| Tamara Mimran<br>Director              | Stock Options                 | 100,000<br>(5.22%)                                                                                  | 08/12/19                          | \$0.10                                   | \$0.65                                                                                | \$0.45                                                            | 08/12/29               |

Notes:

- (1) Percentage of class represents % of compensation securities granted over the total number of compensation securities of the Issuer outstanding as of September 30, 2019.
- (2) Closing price of the Company's common shares on the Canadian Securities Exchange.

### Exercise of Compensation Securities by NEOs and Directors

No stock options of the Company expired unexercised during the financial year ended September 30, 2019. 965,000 stock options were cancelled in connection with the resignation of certain optionholders.

There were no compensation securities exercised by any of the NEOs or directors of the Company during the financial year ended September 30, 2019.

### Share Option Plan

The Company has a share option plan in place dated for reference March 22, 2019 (the "Option Plan"), wherein an aggregate of 10% of the issued and outstanding Common Shares at the time an option is granted, less any outstanding options, are available for issuance to eligible optionees. The share option plan was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes stock option grants to the board of directors based on such criteria as performance, previous grants, and hiring incentives. All grants require approval of the board of directors. The Option Plan is administered by the Board and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

Pursuant to CSE policies covering option grants, namely CSE Policy 6.5, the Company must:

- (a) not grant options with an exercise price lower than the greater of the closing market prices of the underlying securities on (a) the trading day prior to the date of grant of the options; and (b) the date of grant of the options;
- (b) comply with the provisions of National Instrument 45-106 – *Prospectus Exempt Distributions* ("NI45-106"), under which the Company is deemed to be an "unlisted issuer" for the purposes of Division 4 of NI45-106;

- (c) post notice of option grants or amendments in CSE Form 11 immediately following each grant of options by the Company;
- (d) upon first grant of options under the Option Plan, the Company must provide the CSE with an opinion of counsel that all the securities issuable under the option plan will be duly issued and be outstanding as fully paid and non-assessable shares;
- (e) terms of an option granted under the Option Plan may not be amended once issued. If an option is cancelled prior to its expiry date, the company must post notice of the cancellation and shall not grant new options to the same person until 30 days have elapsed from cancellation of the previous options.

The following is a summary of the material terms of the Option Plan.

### ***Eligible Optionees***

To be eligible to receive a grant of options under the Option Plan an Optionee must be an executive, or an employee, or a consultant of the Company providing services to the Company or a subsidiary at the time the option is granted.

### ***Administration and Terms of the Option Plan:***

- (a) The Option Plan is administered by the Board or its appointed committee.
- (b) The expiry date of an Option shall be no later than the tenth anniversary of the date of grant of the Option.
- (c) Grant and expiry dates, the exercise price, the vesting schedule and the number of Common Shares which may be purchased pursuant to an Option shall be fixed by the Board or its committee appointed to grant options.
- (d) The Company may implement such procedures and conditions as the Board or its committee deems appropriate with respect to withholding and remitting taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law.
- (e) All options granted under the Option Plan expire on a date not later than 10 years after the issuance of such options. However, should the expiry date for an option fall within a trading Black-Out (as defined in the Option Plan, generally meaning circumstances where sensitive negotiations or other like information is not yet public), options may not be exercised during a Black-Out unless the Board or its appointed Committee determines otherwise.
- (f) An Option granted to any Option Holder will continue intact during any military or sick leave or other *bona fide* leave of absence if the period of such leave does not exceed 90 days (or, if longer, for so long as the Option Holder's right to re-employment or re-engagement by the Company is guaranteed either by statute or by contract.) If the period of such leave exceeds 90 days and the Option Holder's re-employment or re-engagement is not so guaranteed, then his or her employment or engagement shall be deemed to have terminated on the 91<sup>st</sup> day of such leave.
- (g) An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder, who may exercise an Option in whole or in part at any time and from time to time following vesting and up to the expiry of the Option by delivering the required notice and payment pursuant to the terms of the Option Plan. Options may not be exercised during a Black-Out unless the Board or its appointed committee determines otherwise.
- (h) The Board reserves the right, subject to regulatory requirements, in its absolute discretion to amend, suspend, terminate or discontinue the Option Plan with respect to all Plan shares in respect of options which have not yet been granted under the Option Plan. Where any amendment relates to an existing Option, if the amendment would:
  - materially decrease the rights or benefits accruing to an Option Holder; or

- materially increase the obligations of an Option Holder;

then, unless otherwise excepted out by the Option Plan, the Committee must also obtain the written consent of the Option Holder in question to such amendment. If at the time the exercise price of an Option is reduced the Option Holder is an Insider of the Company, the Insider must not exercise the option at the reduced exercise price until the reduction in exercise price has been approved by the disinterested shareholders of the Company, if such disinterested shareholder approval is required by the Exchange.

- (i) A copy of any amendment to the Option Plan shall be promptly provided by the Administrator to each Option Holder.

A copy of the Option Plan is available under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

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

As of September 30, 2019 and to date, the Company has no agreements of compensatory plans or arrangements with any of its NEOs concerning severance payments of cash or equity compensation resulting from the resignation, retirement or any other termination of employment or other agreement with the Company or as a result of a change of control of the Company.

### **Oversight and Description of Director and NEO Compensation**

#### *Elements of the Compensation Program*

Subject to availability of funds, the Company may pay its directors a fee of \$1,000 per quarter, together with an additional fee of \$500 per day for travel related to directors' meetings attended in person. In addition, the members of the Audit Committee and Human Resources and Compensation Committee may each receive a fee of \$1,000 per year per committee. The directors also receive incentive stock options in accordance with the policies of the Plan and applicable securities regulatory authorities and stock exchanges.

The Human Resources and Compensation Committee reviews the compensation payable to the Named Executive Officers on an annual basis, or periodically if needed, and makes recommendations to the Board of Directors.

The objective of the Board of Directors in setting compensation levels is to attract and retain individuals of high caliber to serve the Company, to motivate their performance in order to achieve the Company's strategic objectives and to align the interests of the Named Executive Officers with the long-term interests of the shareholders. These objectives are designed to ensure that the Company continues to grow on an absolute basis as well as to grow cash flow and earnings for Shareholders.

The Board of Directors set the compensation received by the Named Executive Officers so as to be generally competitive with the compensation received by persons with similar qualifications and responsibilities who are engaged by other companies of corresponding size, stage of development, having similar assets, number of employees, market capitalization and profit margin.

The Company compensates its Named Executive Officers based on their skill and experience levels and the existing stage of development of the Company. Named Executive Officers are rewarded on the basis of the skill and level of responsibility involved in their position, the individual's experience and qualifications, the Company's resources, industry practice, and regulatory guidelines regarding executive compensation levels.

The Board of Directors has implemented three levels of compensation to align the interests of the executive officers with those of the shareholders. First, Named Executive Officers are paid a monthly consulting fee or salary determined by the Board of Directors, if appropriate. Second, the Board of Directors awards Named Executive Officers long term incentives in the form of stock options. Finally, and only in special circumstances, the Board of Directors may award cash or share bonuses for exceptional performance that results in a significant increase in shareholder value.

The base compensation of the Named Executive Officers is reviewed and set annually by the Board of Directors. The Chief Executive Officer has substantial input in setting annual compensation levels. The Chief Executive Officer is directly responsible for the financial resources and operations of the Company. In addition,

the Chief Executive Officer and Board of Directors from time to time determine the stock option grants to be made pursuant to the Plan. Previous grants of stock options are taken into account when considering new grants. The Board of Directors awards bonuses at its sole discretion. The Board of Directors does not have pre-existing performance criteria or objectives.

The Board of Directors considers the implications of the risks associated with the Company's compensation policies and practices when determining rewards for its Named Executive Officers and ensures that those policies do not encourage management to take inappropriate or excessive risks. The Board of Directors does not believe that there are any risks arising from the compensation programs that would be reasonably likely to have a material adverse effect on the Company.

Neither Named Executive Officers nor directors are permitted to take any derivative or speculative positions in the Company's securities. This is to prevent the purchase of financial instruments that are designed to hedge or offset any decrease in the market value of the Company's securities.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Company's financial resources and prospects.

### **Actions, Decisions or Policy Changes Made after the September 30, 2019 Year End**

The following actions, decisions or policy changes were made subsequent to the financial year ended September 30, 2019:

1) Effective October 17, 2019, Traci Costa resigned as Corporate Secretary of the Company. Ms. Costa will remain as the Company's President and Chief Executive Officer.

Given the evolving nature of the Company's business, the Board continues to review the overall compensation plan for directors and senior management so as to continue to address the objectives identified above.

### **Benefits and Perquisites**

In general, the Company will provide a specific benefit or perquisite only when it provides competitive value and promotes retention of executives, or when the perquisite provides shareholder value, such as ensuring the health of executives. Limited perquisites the Company provides its executives may include a parking allowance or a fee for each Board or Audit Committee meeting attended, to assist with their out-of-pocket expenses.

### **Option-Based Awards**

As described above, the Company has a 10% "rolling" share option plan, which was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes stock option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All grants require approval of the Board. The 10% rolling stock option plan is administered by the Board and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

### **Pension Disclosure**

The Company does not have any form of pension plan that provides for payments or benefits to the NEO at, following, or in connection with retirement. The Company does not have any form of deferred compensation plan.

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

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the date of completion of the most recent fiscal year or as at the date hereof.

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

To the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or

affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the financial year ended September 30, 2019, or has any interest in any material transaction in the current year.

### MANAGEMENT CONTRACTS

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or senior officers of the Company.

### PARTICULARS OF MATTERS TO BE ACTED UPON

1. Presentation to the Shareholders of the annual audited financial statements of the Company for the financial year ended September 30, 2019.
2. Fixing the Number of Directors— see “*Election of Directors*” above;
3. Election of Directors – see “*Election of Directors*” above;
4. Appointment of Auditor – see “*Appointment of Auditor*” above; and
5. Continuation of Share Option Plan – see “*Continuation of Share Option Plan*” below.

### CONTINUATION OF SHARE OPTION PLAN

On March 22, 2019, the board of directors approved the adoption a new form of 10% rolling share option plan, which was approved by Shareholders at the October 17, 2019 Annual General Meeting (the “Option Plan”).

The Option Plan is described in more detail, including the material terms of the Option Plan, above, see Statement of Executive Compensation – Stock Option Plans and Other Incentive Plans.

At the Meeting, shareholders will be asked to consider, and if deemed advisable, to pass, with or without variation, an ordinary resolution to ratify, confirm and approve the continuation of the Company’s Option Plan.

An “*ordinary resolution*” is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

A copy of the Plan will be available for inspection at the Meeting.

#### ***Shareholder Approval***

At the Meeting, Shareholders will be asked to consider and vote on an ordinary resolution to ratify, confirm and approve the continuation of the Company’s Option Plan, with or without variation, as follows:

“**RESOLVED** as an ordinary resolution, that:

- (a) the Option Plan dated for reference March 22, 2019 (the “Option Plan”) be ratified, confirmed and approved;
- (b) the number of Common Shares of the Company reserved for issuance under the Option Plan shall not exceed 10% of the Company’s issued and outstanding share capital at the time any stock option is granted and all outstanding options be rolled into the Current Option Plan.
- (c) Any one or more of the directors or officers of the Company be authorized to perform all such acts, deeds and things and execute all such documents that may be required to give effect to this resolution.”

**Unless otherwise directed, the management designees named in the accompanying proxy intend to vote in favor of the approval of the Option Plan.**

### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company's audited financial statements and management discussion and analysis for its most recently completed financial year ended September 30, 2019. The Company will provide to any person or company, upon request to the President and CEO of the Company at [traci@peekaboobeans.com](mailto:traci@peekaboobeans.com), one copy of either or all of the audited financial statements of the Company filed with the applicable securities regulatory authorities for the Company, together with the report of the auditor, related management's discussion and analysis and any interim financial statements of the Company filed with the applicable securities regulatory authorities subsequent to the filing of the annual financial statements.

Copies of the above documents will be provided free of charge to security holders of the Company. The Company may require payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document. These documents are also available under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

### **OTHER MATTERS**

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

The contents of this Information Circular and its distribution to shareholders have been approved by the Board.

**DATED** at Vancouver, British Columbia this 16th day of March, 2020.

### **BY ORDER OF THE BOARD**

*"Traci Costa"*

**Traci Costa**  
**President and Chief Executive Officer**