

CANADABIS CAPITAL INC.
(the “Corporation”)

The following information is provided as required under *Statement of Executive Compensation – Venture Issuer*, Form 51-102F6V (the “**F6V**”), as such form is defined in National Instrument 51-102 (“**NI 51- 102**”) and relates to the Company’s July 31, 2020 financial year end.

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

All currency references in this section are expressed in Canadian dollars unless otherwise specified. A reference to **US\$** means United States dollars.

Named Executive Officer

In this section “Named Executive Officer” (“**NEO**”) means any individual who, during the Company’s two most recently completed financial years ended July 31, 2020 was:

- (a) the chief executive officer (“**CEO**”) (or an individual who acted in a similar capacity) of the Company;
- (b) the chief financial officer (“**CFO**”) (or an individual who acted in a similar capacity) of the Company;
- (c) each of the three other most highly compensated executive officers of the Company or any of its subsidiaries or the three most highly compensated individuals acting in a similar capacity (except those whose total salary and bonus does not exceed C\$150,000); and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer nor a director of the Company or any of its subsidiaries, nor acting in a similar capacity, at the end of the Company’s fiscal years ended July 31, 2019 and July 31, 2020.

During the financial year ended July 31, 2020, based on the definition above, the NEOs of the Company were: Travis McIntyre (CEO) and Shawn Ryan, who served as CFO until November 28, 2019.

The following statement of executive compensation also includes disclosure in respect of each person who served as a director of the Company in the year ended July 31, 2020. The Board members during the financial year ended July 31, 2020 were Travis McIntyre, Donald Cowie, Gregory Smith, Alex Michaud, Shane Chana and Barbara O’Neill. Scott Reeves served as a director until January 15, 2020 where Shane Chana was elected in his place.

Directors

The Directors of the Corporation and the number of Common Shares owned, controlled or directed by each held are as follows:

Directors	Common Shares Owned, Controlled or Directed
Travis McIntyre, President	34,417,669
Donald Cowie, Chairman ⁽¹⁾	2,029,999
Gregory Smith, CA ⁽¹⁾	625,000
Alex Michaud	1,880,000
Barbara O'Neill, Corporate Secretary	750,000
Shane Chana, CA, CPA, Chief Financial Officer ⁽¹⁾⁽²⁾	23,000,696 ⁽³⁾

Notes:

- (1) Members of the Audit Committee
- (2) Mr. Chana was appoint CFO on December 8, 2020
- (3) Mr. Chana is the CFO of 2011939 Alberta Ltd., which owns 22,084,381 Common Shares.

As at the date hereof, the directors or executive officers of the Company, as a group, beneficially own, directly or indirectly, or exercise control or direction over, 62,703,364 Common Shares, representing approximately 46% of the total number of Common Shares outstanding before giving effect to the exercise of convertible securities held by such directors and executive officers. The statements as to the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by the directors and executive officers of the Company as a group are based upon information furnished by the directors and executive officers.

Compensation Discussion and Analysis

Philosophy and Objectives

The Corporation does not have a compensation committee. The Board of Directors as a whole, including Mr. McIntyre (who was an officer of the Corporation) during the fiscal years ended 2019 and 2020, is responsible for approving all compensation paid by the Corporation to its Directors and senior officers. No compensation was paid during the year ended July 31, 2020.

The Board is responsible for reviewing and approving the position description for the President, which shall include his authorities and accountabilities, the corporate goals and objectives for which the President shall be responsible, monitoring of the President's performance relative to these goals and objectives, and to formally evaluate his performance at least annually.

The President makes recommendations to the Board regarding the position description, corporate goals and objectives as well as the compensation level of the other senior executives of the Corporation.

The Board reviews the President's recommendations respecting compensation of other senior executives of the Corporation, to ensure such arrangements reflect the responsibilities and risk associated with each position. When determining compensation, the Board considers: (i) recruiting and retaining executives critical to the success of the Corporation and the enhancement of Shareholder value; (ii) providing fair compensation based on the nature and scope of the Corporation's business; (iii) balancing the interests of management and Shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general. The compensation paid to a Corporation's executive officer may consist of a base per diem or hourly rate and from time to time may consist of an incentive in the form of stock options.

The Corporation maintains directors' and officers' liability insurance for its Directors and officers. The amount of the premium for 2019-2020 was \$50,000 per annum for annual aggregate coverage of \$3,000,000.

Summary Compensation Table

The following table sets forth information concerning the total compensation paid during the years ended July 31, 2019 and July 31, 2020 to the Named Executive Officers of the Corporation.

Name and Principal Position	Fiscal Year Ended	Annual Compensation			Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
		Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Annual Incentive Plans	Long-Term Incentive Plans			
Travis McIntyre President	July 31, 2020	Nil	Nil	\$330,690 ⁽²⁾	Nil	Nil	Nil	Nil	\$330,690
	July 31, 2019 ⁽¹⁾	Nil	Nil	\$63,477 ⁽³⁾	Nil	Nil	Nil	Nil	\$63,477
Shawn Ryan Chief Financial Officer	July 31, 2020	\$50,077	Nil	Nil ⁽⁴⁾	Nil	Nil	Nil	Nil	\$50,077
	July 31, 2019 ⁽¹⁾	\$70,538	Nil	\$41,588 ⁽³⁾	Nil	Nil	Nil	Nil	\$112,126

Notes:

- (1) On April 26, 2019, the Corporation completed its "Qualifying Transaction" of Stigma Pharmaceuticals and Travis McIntyre, President of Stigma and Shawn Ryan, Chief Financial Officer of Stigma became the President and Chief Financial Officer of the Corporation. Mr. Ryan served as CFO until November 28, 2019.
- (2) The options were valued using the Black-Scholes Option Pricing model assuming a 5 year term, volatility of 107.2%, a risk free discount rate of 0.56% and a forfeiture rate of 2%.
- (3) The options were valued using the Black-Scholes Option Pricing model assuming a 5 year term, volatility of 98.28%, a risk free discount rate of 1.49% and a forfeiture rate of 2%.
- (4) Options granted to Mr. Ryan cancelled on February 29, 2020.

Outstanding Share-Based Awards and Option-Based Awards

No share-based (as opposed to option-based) awards have ever been granted to the Corporation's Named Executive Officers.

Summary of Stock Option Plan

The Corporation has an incentive-based compensation plan, being the rolling stock option plan (the "Stock Option Plan") which was adopted on December 22, 2016 and received yearly shareholder approval on January 15, 2020. The Plan authorizes the Board to issue options to directors, officers, key employees and others who are in a position to contribute to the future success and growth of the Corporation. A copy of the Stock Option Plan is availability under the Corporation's profile at www.sedar.com.

Under the Plan, the aggregate number of Common Shares issuable upon exercise of options granted thereunder may not exceed 10% of the total number of outstanding Common Shares of the Corporation at the time the options are granted. Further, the aggregate number of Common Shares issuable upon the exercise of the options granted thereunder to any one individual may not exceed 5% of the total number of outstanding Common Shares of the Corporation and, in the case of consultants and persons retained to perform investor relation activities, shall not exceed 2% in any 12 month period. Options issued pursuant to the Plan must have an exercise price not less than that from time to time permitted by the stock exchange on which the Common Shares are then listed. The period during which an option may be exercised shall be determined by the Board at the time the option is granted, subject to any vesting limitations which may be imposed by the Board at the time such option is granted, provided no option shall be exercisable for a period exceeding 5 years from the date the option is granted for a Tier 2 Corporation and 10 years for a Tier 1 Corporation. All options are non-assignable and non-transferable.

The options granted under the Plan expire on the earlier of the date of the expiration of the option period noted above and must expire 90 days after the date a holder ceases to hold the position or positions of director, officer, employee or consultant of the Corporation and within 30 days for any optionee engaged in investor relations activities. In the event of the death or permanent disability of a holder, any option previously granted to him shall be exercisable until the end of the option period noted above or until the expiration of 12 months after the date of death or permanent disability of such option holder, whichever is earlier.

In the event of a sale by the Corporation of all or substantially all of its assets or in the event of a change in control of the Corporation, each holder shall be entitled to exercise, in whole or in part, the options granted to such holder, either during the term of the option or within 90 days after the date of the sale or change of control, whichever first occurs.

At the year ended July 31, 2020, there were 12,847,500 options granted and outstanding under the Plan and 131,840,611 shares issued and outstanding.

No stock options granted to the Named Executive Officers have been repriced during the years ended July 31, 2019 and July 31, 2020. No stock options granted to Named Executive Officers expired during the years ended July 31, 2019 or July 31, 2020. A total of 1,000,000 options at \$0.50 per share were cancelled due to the CFO's resignation during the year ended July 31, 2020.

Details of options awarded to Named Executive Officers of the Corporation that were outstanding as at July 31, 2020 are set forth in the following table:

Name and Principal Position	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option Exercise Price (\$) ⁽²⁾	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 (\$)	Market or payout value of Share Based Awards that have not Vested
Travis McIntyre President	500,000 ⁽²⁾	\$0.50	April 26, 2024	Nil	Nil	Nil	Nil
	1,000,000 ⁽²⁾	\$0.50	May 24, 2024				
	1,500,000 ⁽³⁾	\$0.20	July 31, 2025				
Shawn Ryan Chief Financial Officer ⁽⁴⁾	Nil ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Value is calculated as the difference between the closing price of the Common Shares on the TSXV on July 31, 2020 of \$0.20 and the exercise price of the options multiplied by the number of shares underlying the options.
- (2) Options vest at a rate of 1/3 each on one-year, two-year and three year anniversaries from the date of grant.
- (3) Options vest at the rate of 1/2 immediately and the remaining 1/2 on the one year anniversary from the date of grant.
- (4) Shawn Ryan resigned from his position as CFO of the Corporation on November 28, 2019 and his options were cancelled on February 29, 2020.

Incentive Awards – Value Vested or Earned During the Year

The following table summarizes the value of options held by Named Executive Officers that vested during the year ended July 31, 2020.

Name and Principal Position	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 (\$)
Travis McIntyre President and Director	Nil	Nil	Nil
Shawn Ryan Chief Financial Officer	Nil ⁽²⁾	Nil	Nil

Note:

- (1) Calculated as the difference between the market price of the Common Shares underlying the options on the vesting date and the exercise price of the options.
- (2) Shawn Ryan resigned from his position as CFO of the Corporation on November 28, 2019 and his options expired on February 29, 2020.

Pension Plan Benefits

The Corporation does not have any defined benefit or defined contribution pension plans in place which provide for payments or benefits at, following, or in connection with retirement.

Employment Agreements

As of the date hereof, the Corporation has not entered into an employment agreement with Travis McIntyre (“**Mr. McIntyre**”), regarding the employment of Mr. McIntyre as President and CEO of the Corporation. Mr. McIntyre is entitled to participate in the granting of options to purchase Common Shares

and is reimbursed for all reasonable out-of-pocket expenses incurred in connection with the performance of Mr. McIntyre's duties.

Stigma entered into an employment agreement with Shawn Ryan ("Mr. Ryan") for full-time employment effective January 2019 as Chief Financial Officer of Stigma. Pursuant to the terms of this agreement, Mr. Ryan is entitled to: (i) an annual base salary; (ii) two weeks paid vacation per year; (iii) participation in any executive benefits plans that may be in place from time to time; (iv) any granting of options to purchase Common Shares; (v) 4 months salary upon termination after the 3 month probation period expires; and (vi) reimbursement of all reasonable out-of-pocket expenses incurred in connection with the performance of Mr. Ryan's duties under the employment agreement. Mr. Ryan served as Chief Financial Officer of the Corporation until November 28, 2019.

Compensation of Directors

The Corporation does not compensate its Directors in their capacities as such, although Directors of the Corporation are reimbursed for their expenses incurred in connection with their services as Directors. From time to time Directors received grants of stock options, under the Plan.

The following table summarizes all compensation provided to the Directors, in their capacities as Directors, during the year ended July 31, 2020.

Name	Fees Earned (\$)	Share- Based Awards (\$)	Option- Based Awards (\$) ⁽¹⁾	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
Barbara O'Neill	Nil	Nil	\$89,763	Nil	Nil	Nil	\$89,763
Gregory Smith	Nil	Nil	\$90,194	Nil	Nil	Nil	\$90,194
Donald Cowie	Nil	Nil	\$121,330	Nil	Nil	Nil	\$121,330
Alex Michaud	Nil	Nil	\$133,998	Nil	Nil	Nil	\$133,998
Scott Reeves ⁽²⁾	Nil	Nil	\$73,862	Nil	Nil	Nil	\$73,862
Shane Chana	Nil	Nil	\$10,547	Nil	Nil	Nil	\$10,547
Travis McIntyre	Nil	Nil	\$330,690	Nil	Nil	Nil	\$330,690

Note:

- (1) The options were valued using the Black-Scholes Option Pricing model assuming a 5 year term, volatility of 107.2%, a risk free discount rate of 0.56% and a forfeiture rate of 2%.
- (2) Shane Chan replaced Scott Reeves as a Director on January 15, 2020.

No compensation was paid to Directors, in their capacities as Directors, during the year ended July 31, 2020.

Outstanding Share-Based Awards and Option-Based Awards

No share-based (as opposed to option-based) awards have ever been granted to the directors. No stock options granted to the directors have been repriced or cancelled during the years ended July 31, 2019 or July 31, 2020. During the year ended July 31, 2020, a total of 3,550,000 options were granted to directors and officers, with an exercise price of \$0.20 per Common Share and an expiry date of July 31, 2025 and 600,000 options were granted to one director with an exercise price of \$0.20 per Common Share and an expiry date of January 16, 2025.

Details of options awarded to directors, who were not Named Executive Officers, that were outstanding as at July 31, 2020 are set forth in the following table:

Name and Principal Position	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 (\$)
Alex Michaud	300,000 ⁽³⁾	\$0.50	April 26, 2024	Nil	Nil	Nil
	300,000 ⁽³⁾	\$0.50	May 24, 2024	Nil	Nil	Nil
	600,000 ⁽⁴⁾	\$0.20	July 31, 2025	Nil	Nil	Nil
Barbara O'Neill	175,000 ⁽²⁾	\$0.10	March 7, 2022	\$17,500	Nil	Nil
	225,000 ⁽³⁾	\$0.50	April 26, 2024	Nil	Nil	Nil
	175,000 ⁽³⁾	\$0.50	May 24, 2024	Nil	Nil	Nil
	400,000 ⁽⁴⁾	\$0.20	July 31, 2025	Nil		
Donald Cowie	650,000 ⁽³⁾	\$0.32	July 19, 2024	Nil	Nil	Nil
	650,000 ⁽⁴⁾	\$0.20	July 31, 2025	Nil	Nil	Nil
Shane Chana	600,000 ⁽³⁾	\$0.20	January 16, 2025	Nil	Nil	Nil
Gregory Smith	250,000 ⁽²⁾	\$0.10	March 7, 2022	Nil	Nil	Nil
	250,000 ⁽³⁾	\$0.50	April 25/2024	\$25,000	Nil	Nil
	150,000 ⁽³⁾	\$0.50	May 24/2024	Nil	Nil	Nil
	400,000 ⁽⁴⁾	\$0.20	July 31, 2025	Nil	Nil	Nil

Notes:

- (1) Value is calculated as the difference between the closing price of the Common Shares on the TSX-V on July 31, 2020 of \$0.20 and the exercise price of the options multiplied by the number of shares underlying the options.
- (2) Options granted at \$0.10 per share immediately vested.
- (3) Options granted at \$0.50 and \$0.32 per share vest at a rate of 1/3 each on one-year, two-year and three year anniversaries from the date of grant.
- (4) Options vest at the rate of 1/2 immediately and the remaining 1/2 on the one year anniversary from the date of grant.

Incentive Awards – Value Vested or Earned During the Year

The following table summarizes the value of options on the vesting date held by directors who were not Named Executive Officers that vested during the financial year ended July 31, 2020. 2,266,666 stock options vested during the year ended should be July 31, 2020.

Name and Principal Position	Option-Based Awards – Value Vested During the	Share-Based Awards – Value Vested During the	Non-Equity Incentive Plan Compensation – Value
	Year (\$)	Year (\$)	Earned During the Year (\$)
Donald Cowie	Nil	Nil	Nil
Barbara O'Neill	Nil	Nil	Nil
Gregory Smith	Nil	Nil	Nil
Alex Michaud	Nil	Nil	Nil
Shane Chana	Nil	Nil	Nil
Scott Reeves ⁽²⁾	Nil	Nil	Nil

Note:

- (1) Calculated as the difference between the market price of the Common Shares underlying the options on the vesting date and the exercise price of the options
- (2) Shane Chan replaced Scott Reeves as a Director on January 15, 2020.

SECURITIES AUTHORIZED FOR ISSUANCES UNDER EQUITY COMPENSATION PLAN

We do not have any equity compensation plans in effect. All stock options are issued pursuant to stand-alone agreements with each option holder. As at ended July 31, 2020 there were a total of 12,847,500 options issued and outstanding.

The following table sets out information with respect to compensation plans under which equity securities of the Corporation are authorized for issuance for the year ended ended should be July 31, 2020.

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 shareholders	12,847,500	\$0.31	336,561
Equity compensation plans not approved by shareholders	-	-	-
Total	12,847,500	\$0.31	336,561