

RED LIGHT HOLLAND CORP.

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

AND

MANAGEMENT INFORMATION CIRCULAR

FOR

**THE ANNUAL GENERAL AND SPECIAL SHAREHOLDERS
MEETING TO BE HELD ON
JANUARY 11, 2022**

November 26, 2021

This management information circular and the accompanying materials require your immediate attention. If you are in doubt as to how to deal with these documents or the matters to which they refer, please consult your financial, legal, tax or other professional advisor.

RED LIGHT HOLLAND CORP.

1 Adelaide Street East, Suite 801
Toronto, ON
M5C 2V9

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TAKE NOTICE that the annual general and special meeting (the “**Meeting**”) of holders (“**Shareholders**”) of common shares (the “**Common Shares**”) in the capital of Red Light Holland Corp. (the “**Corporation**”) will be broadcast via videoconference through Zoom at: <https://us06web.zoom.us/j/85695131437?pwd=WjIwZnE4QlI0NTZPM3JaNzhxRjZEQT09> (meeting ID: 856 9513 1437; passcode: 111) on January 11, 2022 at 11:00 A.M. (Toronto time), as it may be postponed or adjourned.

Accompanying this Notice are materials delivered in connection with the Meeting including:

- the management information circular of the Corporation, dated November 26, 2021 (the “**Circular**”); and
- a form of proxy.

The Meeting will be for the following purposes:

1. to receive and consider the audited financial statements of the Corporation for the financial year ended March 31, 2021 together with the report of the auditors thereon;
2. to fix the number of directors of the Corporation to be elected at the Meeting at four (4);
3. to elect the directors of the Corporation to hold office until the close of the next annual general meeting;
4. to re-appoint McGovern Hurley LLP Chartered Professional Accountants as the auditor of the Corporation until the earlier of the close of the next annual meeting of shareholders of the Corporation or their earlier resignation or replacement, and to authorize the directors of the Corporation to fix the auditor’s remuneration;
5. to consider, and if thought advisable, to pass, with or without variation, an ordinary resolution (the “**RSU Plan Resolution**”), as more particularly set out in the Circular, approving the adoption of a new restricted share unit plan of the Corporation;
6. to consider and, if deemed advisable, to pass with or without variation, a special resolution providing for the consolidation of the Corporation’s issued and outstanding Common Shares at such a consolidation ratio to be determined by the board of directors (the “**Board**”) of the Corporation, in its sole discretion, to permit the Corporation to satisfy all conditions and necessary regulatory approvals to list the Common Shares on the NASDAQ, the New York Stock Exchange (the “**NYSE**”), or such other U.S. national securities exchange as the Board may determine in its sole direction. For more information, see “Particulars of Matters to be Acted Upon – Share Consolidation” in the Circular; and

7. to transact such other business as may properly come before the Meeting or any adjournment thereof.

The specific details of the foregoing matters to be put before the Meeting, as well as further information with respect to voting by proxy, are set forth in the Management Information Circular.

If you are a Shareholder of record of the Corporation at the close of business on November 26, 2021, you are entitled to receive notice of, participate in, and vote at the Meeting. We encourage you to vote your Common Shares and participate in the Meeting.

Due to the ongoing concerns related to the spread of the coronavirus (COVID-19) and in order to protect the health and safety of Shareholders, employees, other stakeholders and the community, Shareholders will not be able to attend the Meeting in person. Shareholders are strongly encouraged to listen to the Meeting via teleconference and to vote on the matters before the Meeting by proxy.

The Corporation reserves the right to take any additional precautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 pandemic and in order to ensure compliance with federal, provincial and local laws and orders including, without limitation: (i) holding the Meeting virtually or by providing a webcast of the Meeting; (ii) hosting the Meeting solely by means of remote communication; (iii) changing the Meeting date and/or changing the means of holding the Meeting; (iv) denying access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to or from outside of Canada within the 14 days immediately prior to the Meeting or any adjournment thereof; and (v) such other measures as may be recommended by public health authorities in connection with gatherings of persons such as the Meeting. Should any such changes to the Meeting format occur, the Corporation will announce any and all of these changes by way of news release, which will be filed under the Corporation's profile on SEDAR at www.sedar.com. We strongly recommend that you review the Corporation's profile on SEDAR at www.sedar.com prior to the Meeting for the most current information. In the event of any changes to the Meeting format due to the COVID-19 pandemic, the Corporation will not prepare or mail amended materials in respect of the Meeting.

The Board has approved the contents of the Circular. Please review the Circular, as it contains important information about the Meeting, the items of business, and explains who can vote and how to vote.

DATED November 26, 2021.

BY ORDER OF THE BOARD

Signed "Todd Shapiro"

Todd Shapiro
Chief Executive Officer and Director
Red Light Holland Corp.

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RED LIGHT HOLLAND CORP.

**1 Adelaide Street East, Suite 801
Toronto, ON
M5C 2V9**

**MANAGEMENT INFORMATION
CIRCULAR AS AT NOVEMBER 26,
2021**

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by management (“**Management**”) of Red Light Holland Corp. (the “**Corporation**” or “**Red Light Holland**”) for use at the annual general and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares of the Corporation (the “**Common Shares**”) will be broadcast via videoconference through Zoom at: <https://us06web.zoom.us/j/85695131437?pwd=WjIwZnE4QII0NTZPM3JaNzhxRjZEQT09> (meeting ID: 856 9513 1437; passcode: 111) on January 11, 2022 at 11:00 A.M. (Toronto time), as it may be postponed or adjourned, for the purposes set forth in the accompanying notice of the Meeting (the “**Notice**”).

In this Circular, references to “we” and “our” refer to Red Light Holland Corp. References to “intermediaries” refer to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Shareholders.

No person has been authorized to give any information or make any representation in connection with any matters to be considered at the Meeting other than those contained in this Circular and, if given or made, any such information or representation must not be relied upon as having been authorized. Information contained in this Circular is given as at November 26, 2021, unless otherwise stated and all dollar amounts are expressed in Canadian dollars.

DETAILS ABOUT THE MEETING

Shareholder participation at the Meeting is important to the Corporation.

Due to the ongoing concerns related to the spread of the coronavirus (COVID-19) and in order to protect the health and safety of Shareholders, employees, other stakeholders and the community, Shareholders will not be able to attend the Meeting in person and are strongly encouraged to listen to the Meeting via teleconference and to vote on the matters before the Meeting by proxy (or voting instruction form) prior to the Meeting by one of the means described in this Circular.

The following sections provide detailed information about the Meeting and how Shareholders can participate in the Meeting and vote their Common Shares.

Meeting Date, Time and Location

The Meeting will be broadcast via videoconference through Zoom at: <https://us06web.zoom.us/j/85695131437?pwd=WjIwZnE4QII0NTZPM3JaNzhxRjZEQT09> (meeting ID: 856 9513 1437; passcode: 111) on January 11, 2022 at 11:00 A.M. (Toronto time).

The Corporation reserves the right to take any additional precautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments

in the COVID-19 pandemic and in order to ensure compliance with federal, provincial and local laws and orders including, without limitation: (i) holding the Meeting virtually or by providing a webcast of the Meeting; (ii) hosting the Meeting solely by means of remote communication; (iii) changing the Meeting date and/or changing the means of holding the Meeting; (iv) denying access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to or from outside of Canada within the 14 days immediately prior to the Meeting or any adjournment thereof; and (v) such other measures as may be recommended by public health authorities in connection with gatherings of persons such as the Meeting. Should any such changes to the Meeting format occur, the Corporation will announce any and all of these changes by way of news release, which will be filed under the Corporation's profile on SEDAR at www.sedar.com. We strongly recommend that you review the Corporation's profile on SEDAR at www.sedar.com prior to the Meeting for the most current information. In the event of any changes to the Meeting format due to the COVID-19 pandemic, the Corporation will not prepare or mail amended materials in respect of the Meeting.

Please note that you will not be able to vote via teleconference. If you intend to listen to the Meeting via teleconference you must vote by proxy prior to the Meeting. See "General Proxy Information – How to Vote."

Participation at the Meeting

The procedures for participation at the Meeting are different for a Shareholder whose name appears on the Corporation's records as a Shareholder (a "Registered Shareholder") and a non-registered Shareholder whose Common Shares are registered in the name of a nominee, such as a bank, trust company, securities broker or other intermediary (a "Beneficial Shareholder").

Registered Shareholders

Registered Shareholders may vote by proxy, as described below under "General Proxy Information – How to Vote – Registered Shareholders."

Beneficial Shareholders

A Beneficial Shareholder that would like to vote at the Meeting must appoint themselves as a proxyholder, as described below under "General Proxy Information – How to Vote - Beneficial Shareholders" who have not appointed themselves as proxyholders will be able to participate as a guest but will not be able to vote or ask questions at the Meeting.

GENERAL PROXY INFORMATION

Who is Seeking my Vote?

Management is soliciting proxies from Shareholders for the Meeting. The costs incurred in the preparation and mailing of the form of proxy, Notice and this Circular will be borne by the Corporation. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication and by directors, officers and employees of the Corporation, who will not be specifically remunerated therefor.

Who can Vote?

Shareholders at the close of business on November 26, 2021 (the "Record Date") are entitled to receive notice of, and to vote at, the Meeting. To the extent a Shareholder transfers the ownership of any of their

Common Shares after the Record Date and the transferee of those Common Shares establishes that they own such Common Shares and requests, at least ten days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Common Shares at the Meeting.

A quorum will be present at the Meeting if there are two persons present, each being a Shareholder entitled to vote at the Meeting, or a duly appointed proxy or proxyholder for an absent Shareholder so entitled, holding or representing in the aggregate not less than 5% of the issued Common Shares enjoying voting rights at the Meeting.

How to Vote

The procedures for voting are different for a Registered Shareholder and a Beneficial Shareholder.

Registered Shareholders

A Registered Shareholder may vote by proxy or they may appoint another person, who does not have to be a Shareholder, as their proxy to vote in their place. The persons named in the enclosed form of proxy are directors and/or officers of the Corporation.

Each Registered Shareholder submitting a proxy has the right to appoint a proxyholder other than the persons designated in the form of proxy furnished by the Corporation, who need not be a Shareholder, to act for the Registered Shareholder and on the Registered Shareholder's behalf at the Meeting. To exercise such right, the names of the persons designated by Management should be crossed out and the name of the Registered Shareholder's appointee should be legibly printed in the blank space provided in the enclosed form of proxy or by submitting another appropriate form of proxy.

Registered shareholders can vote by proxy in one of three ways:

- online at <https://login.odysseytrust.com/pxlogin>;
- by email to: proxy@odysseytrust.com; or
- by mail to Odyssey Trust Company at 702-67 Yonge Street, Toronto, ON M5E 1J8.

Odyssey Trust Company (“**Odyssey**”) must receive completed proxy forms not less than 48 hours, excluding Saturdays, Sundays and statutory holidays in the Province of Ontario, before the time set for the holding of the Meeting or any adjournment(s) thereof.

All Common Shares represented at the Meeting by properly completed forms of proxy will be voted or withheld from voting in accordance with the specifications of the Registered Shareholder contained in the proxy. **In the absence of such specification, such Common Shares will be voted in favour of the matters set forth in the Circular.** All Common Shares represented at the Meeting will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting or any adjournment(s) thereof. At the time of printing this Circular, Management knows of no such amendments, variations or other matters to come before the Meeting.

Beneficial Shareholders

Certain Common Shares may be held by Beneficial Shareholders. Most intermediaries delegate responsibility for obtaining voting instructions from their clients to Broadridge Financial Solutions Inc. (“**Broadridge**”). Broadridge typically mails a scannable voting instruction form (the “**Voting Instruction**

Form") in lieu of the form of proxy provided by the Corporation.

Beneficial Shareholders can vote by proxy in the following ways:

- complete and return the Voting Instruction Form to Broadridge;
- call the toll-free telephone number (1-800-474-7493); or
- access Broadridge's dedicated voting website at www.proxyvote.com to deliver their voting instructions.

Broadridge will tabulate the results of all instructions received and provide appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. The Voting Instruction Form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted. Beneficial Shareholders cannot use the Voting Instruction Form to vote Common Shares directly at the Meeting.

If you received voting materials from a Corporation other than Broadridge, you need to complete and return the form following the instructions they have provided.

If the Beneficial Shareholder wishes to vote their Common Shares at the Meeting, it must do so as proxyholder for the Registered Shareholder. To do this, the Beneficial Shareholder should enter their name in the blank space on the Voting Instruction Form provided and return the same to their broker or other intermediary (or the agent of such broker or other intermediary) in accordance with the instructions provided by such broker, intermediary or agent well in advance of the Meeting.

There are two categories of Beneficial Shareholders for the purposes of applicable securities regulatory policy in relation to the mechanism of dissemination to Beneficial Shareholders of proxy-related materials and other securityholder materials and the request for voting instructions from such Beneficial Shareholders. Non-objecting beneficial owners ("NOBOs") are Beneficial Shareholders who have advised their intermediary (such as brokers or other nominees) that they do not object to their intermediary disclosing ownership information to the Corporation, consisting of their name, address, e-mail address, securities holdings and preferred language of communication. **Securities legislation restricts the use of that information to matters strictly relating to the affairs of the Corporation.** Objecting beneficial owners ("OBOs") are Beneficial Shareholders who have advised their intermediary that they object to their intermediary disclosing such ownership information to the Corporation.

In accordance with the requirements of NI 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101"), the Corporation is sending the Notice, this Circular and a voting instruction form or a Proxy, as applicable (collectively, the "**Meeting Materials**"), indirectly through intermediaries to NOBOs and OBOs. NI 54-101 permits the Corporation, in its discretion, to obtain a list of its NOBOs from intermediaries and use such NOBO list for the purpose of distributing the Meeting Materials directly to, and seeking voting instructions directly from, such NOBOs. As a result, the Corporation is entitled to deliver Meeting Materials to Beneficial Shareholders in two manners: (a) directly to NOBOs and indirectly through intermediaries to OBOs; or (b) indirectly to all Beneficial Shareholders through intermediaries. In accordance with the requirements of NI 54-101, the Corporation is sending the Meeting Materials indirectly through intermediaries to all Beneficial Shareholders. The Corporation does not intend to pay for the fees and expenses of intermediaries for their services in delivering the Meeting Materials to the Beneficial Shareholders in accordance with NI 54-101; Beneficial Shareholders will not receive the materials unless their intermediary assumes the cost of delivery.

Changing Your Vote

Registered Shareholders can revoke their previously submitted proxy form by voting at the Meeting. That will automatically revoke their previous proxy (but will not affect a matter on which a vote is taken before such revocation). In addition, a proxy may be revoked by instrument in writing executed by the Registered Shareholder or their attorney authorized in writing or, if the Registered Shareholder is a corporation, under its corporate seal and by a director, officer or attorney thereof duly authorized, and deposited either: (i) at the offices of the Corporation's transfer agent, Odyssey Trust Company of Canada, 702-67 Yonge Street, Toronto, ON M5E 1J8, or by facsimile at 1-866-179-4553 so that it is received not less than 48 hours, excluding Saturdays, Sundays and holidays, prior to the hour of the Meeting, or (ii) by completing a written notice of revocation, which must be executed by the shareholder or by his attorney authorized in writing, and sending the notice to the Corporation, c/o Odyssey Trust Company of Canada, 702-67 Yonge Street, Toronto, ON M5E 1J8, or by facsimile at 1-866-179-4553 any time up to 48 hours preceding the day of the Meeting, excluding Saturdays, Sundays and holidays.

Beneficial Shareholders may revoke their previously submitted voting instructions by contacting their intermediary at any time, except that an Intermediary is not required to act on a revocation of a Voting Instruction Form or of a waiver of the right to receive the materials and to vote that is not received by the Intermediary at least seven (7) days prior to the date of the Meeting.

Cautionary Statement Regarding Forward-Looking Information

This Circular contains certain statements or disclosures that may constitute forward-looking information within the meaning of applicable Canadian securities legislation (“**forward-looking information**”). All statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that Management anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking information. In some cases, forward-looking information can be identified by terms such as “anticipate”, “believe”, “can”, “could”, “expect”, “intend”, “may”, “potential”, “shall”, “should”, “will”, “would”, or other comparable terminology.

Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the Corporation, including information obtained from third-party industry analysts and other third-party sources. In some instances, material assumptions and factors are presented or discussed elsewhere in this Circular in connection with the statements or disclosure containing the forward-looking information. You are cautioned that the following list of material factors and assumptions is not exhaustive. The factors and assumptions include, but are not limited to:

- receipt and/or maintenance of required licenses and third-party consents in a timely manner or at all.

In particular, this Circular contains forward-looking information and statements, including forward-looking information and statements pertaining to the following:

- the Meeting;
- proxy solicitation;
- voting procedures;
- the business of the Meeting; and

- the Corporation's incentive plans.

The forward-looking information in statements or disclosures in this Circular is based (in whole or in part) upon factors which may cause actual results, performance or achievements of the Corporation to differ materially from those contemplated (whether expressly or by implication) in the forward-looking information. Those factors are based on information currently available to the Corporation including information obtained from third-party industry analysts and other third-party sources. Actual results or outcomes may differ materially from those predicted by such statements or disclosures. While the Corporation does not know what impact any of those differences may have, the Corporation's business, results of operations and financial condition may be materially adversely affected. Factors that could cause actual results or outcomes to differ materially from the results expressed or implied by forward-looking information include, among other things:

- the dependence on management and directors; and
- other factors beyond the Corporation's control as more particularly described in the Corporation's management's discussion and analysis and other documents filed with Canadian securities regulators and available under Red Light Holland's profile at www.sedar.com.

The forward-looking statements contained in this Circular are made as of the date hereof. The Corporation is not obligated to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking statements or disclosures. The foregoing statements expressly qualify any forward-looking information contained herein.

The reader is further cautioned that the preparation of financial statements in accordance with International Financial Reporting Standards ("IFRS") requires Management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses. These estimates may change and such changes may be material, having either a negative or positive effect on net earnings as further information becomes available, and as the economic environment changes.

Shareholders are cautioned that these factors and risks are difficult to predict and that the assumptions used in the preparation of such information, although considered reasonably accurate at the time of preparation, may prove to be incorrect. Accordingly, Shareholders are cautioned that the actual results achieved will vary from the information provided herein and the variations may be material. The Corporation cautions you that the above list of factors is not exhaustive. Consequently, there is no representation by the Corporation that actual results achieved will be the same in whole or in part as those set out in the forward-looking information.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized capital of the Corporation consists of an unlimited number of Common Shares. As of the date of this Circular, 363,615,282 Common Shares were issued and outstanding, each Common Share carrying one vote in respect of each matter to be voted upon at a meeting of Shareholders.

As at the Record Date, to the knowledge of the Corporation, no person owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Corporation.

VOTES NECESSARY TO PASS RESOLUTIONS

To approve a motion proposed at the Meeting, the quorum for a meeting of Shareholders is two persons who are, or who represent by proxy, Shareholders holding not less than 5% of the issued Common Shares of the Corporation entitled to vote at the Meeting.

FINANCIAL STATEMENTS

In connection with the Meeting, Shareholders are encouraged to read the audited annual financial statements of the Corporation for the years ended March 31, 2021 and 2020, the report of the auditor thereon and accompanying management's discussion and analysis. Copies of such documents may be obtained by a Shareholder upon request without charge from the CEO of the Corporation. These documents are also available on SEDAR, which can be accessed at www.sedar.com.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Corporate Governance

Corporate governance relates to the activities of the board of directors of the Corporation (the “**Board**”), the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Corporation. National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices, which are both in the interest of its Shareholders and contribute to effective and efficient decision making.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), the Corporation is required to disclose its corporate governance practices, as summarized below. The Board will continue to monitor such practices on an ongoing basis and, when necessary, implement such additional practices as it deems appropriate.

Board of Directors

The Board is presently comprised of four directors: Todd Shapiro, Ann Barnes, Binyomin Posen, and Brad J. Lamb. It is proposed that all four of the current directors will be nominated at the Meeting to hold office until the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed pursuant to the by-laws of the Corporation, unless their offices are earlier vacated in accordance with the provisions of the *Business Corporations Act* (Ontario) (the “**OBCA**”) or the Corporation’s by-laws.

Pursuant to National Instrument 52-110 – Audit Committees (“**NI 52-110**”), an “independent” director is one who is free from any direct or indirect relationship with the company which could, in the view of the Board, be reasonably expected to interfere with a director’s exercise of independent judgment. Ann Barnes, Binyomin Posen and Brad J. Lamb are independent directors within the meaning of NI 52-110. Todd Shapiro is not independent within the meaning of NI 52-110, as he is the Chief Executive Officer of the Corporation.

The Board seeks to manage or supervise the management of the business and affairs of the Corporation and to act with a view to the best interests of the Corporation. Directors are expected to become and remain informed about the company and its business, properties, risks and prospects and are responsible for

determining that effective systems are in place for the periodic and timely reporting to the Board on important matters concerning the Corporation. The directors are also responsible for ensuring that periodic reviews are undertaken of the integrity of the Corporation's internal controls and management information systems.

The Board has taken reasonable steps to ensure that adequate structures and processes are in place to permit the Board to function independently of management. The Board is of the opinion that the size of the board is adequate and facilitates the efficiency of its deliberations, while ensuring a diversity of opinion and experience. It believes that each and every director is eager to fulfil his or her obligations and assume his or her responsibilities in the Corporation's best interests, with due regard to the best interests of the Corporation's shareholders. The independent directors of the Board meet independently of management as they deem appropriate after board meetings.

The Board provides leadership for its independent directors through formal board meetings, by encouraging independent directors to bring forth agenda items, and by providing independent directors with access to senior management, outside advisors, and unfettered access to information regarding our activities. The relatively small size of the Board facilitates this process.

Directorships

The following table sets forth the directors of Red Light Holland who currently hold directorships in other reporting issuers:

| Name | Name of Reporting Issuer |
|----------------|---|
| Todd Shapiro | Graph Blockchain Inc. (formerly, Reg Technologies Inc.) |
| Ann Barnes | Earth Alive Clean Technologies Inc. |
| Binyomin Posen | Titus Energy Corp. Sniper Resources Ltd. Newfoundland Goldbar Resources Inc. Jiminex Inc. i3 Interactive Inc. The Hash Corporation Pacific Iron Ore Corporation Rio Verde Industries Inc. Waraba Gold Limited Shane Resources Ltd. RYAH Group Inc. Nuran Wireless Inc. |

Orientation and Continuing Education

Red Light Holland does not provide a formal orientation and education program for new directors. However, any new directors will have the opportunity to become familiar with the Corporation by meeting with the other directors and officers of Red Light Holland.

In addition, the Corporation does not provide continuing education for its directors. However, new directors, if any, will be briefed on the Corporation's strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing

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

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as some of the directors of the Corporation may also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict of interest provisions of the OBCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors, which evoke such a conflict.

Nomination of Directors

The Board has not appointed a nominating committee and these functions are currently performed by the Board as a whole. As a result of the Corporation's size, its stage of development and the limited number of individuals on the Board, the Corporation considers a nominating committee to be inappropriate at this time.

Compensation

Red Light Holland has a Compensation and Governance Committee that is responsible for determining all forms of compensation to be paid to the Corporation's executive officers and non-management directors. The Compensation and Governance Committee is comprised of three directors: Lowell Kamin, Binyomin Posen, and Todd Shapiro. The Compensation and Governance Committee assists the Board in fulfilling its mandate in accordance with the terms of the charter of the Compensation and Governance Committee, attached hereto as Schedule "A."

See the section entitled "Statement of Executive Compensation" in this Circular.

Committees

Other than the Audit Committee (as such term is defined herein) and the Compensation and Governance Committee, Red Light Holland has no other committees.

Assessments

Given its current status and operations and limited number of directors on the Board, the Board does not formally review the contributions of its individual directors.

AUDIT COMMITTEE

Pursuant to NI 52-110, Red Light Holland is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Corporation or an affiliate of the Corporation (the "**Audit Committee**"). NI 52-110 requires Red Light Holland, 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.

Audit Committee Charter

The Board is responsible for reviewing and approving the unaudited interim financial statements, and the annual audited financial statements, together with other financial information of the Corporation and for ensuring that management fulfills its financial reporting responsibilities. The Audit Committee assists the Board in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process, the unaudited interim financial statements, and the annual audited financial statements, together with other financial information of the Corporation. The Audit Committee reports its findings to the Corporation for its consideration in approving the unaudited interim financial statements, and the annual audited financial statements, together with other financial information of the Corporation for issuance to the Shareholders. A copy of the written audit committee charter (the “**Charter**”) is attached as Schedule “B” to this Circular.

Composition of the Audit Committee

The following are the members of the Audit Committee:

| | | |
|----------------|----------------------------|-------------------------------------|
| Ann Barnes | Independent ⁽¹⁾ | Financially Literate ⁽²⁾ |
| Binjamin Posen | Independent ⁽¹⁾ | Financially Literate ⁽²⁾ |
| Brad J. Lamb | Independent ⁽¹⁾ | Financially Literate ⁽²⁾ |

Notes:

1. Within the meaning of subsection 6.1.1(3) of NI 52-110, which requires a majority of the members of an audit committee of a venture issuer not to be executive officers, employees or control persons of the venture issuer or of an affiliate of the venture issuer.
2. Within the meaning of subsection 1.6 of NI 52-110.

Relevant Education and Experience

Each member of the Audit Committee has adequate education and experience that is relevant to the performance of his or her responsibilities as a member of the Audit Committee and, in particular, education and experience that have provided the member with:

- a) an understanding of the accounting principles used by the issuer to prepare its financial statements;
- b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- c) 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 issuer's financial statements, or experience actively supervising one or more individuals engaged in such activities; and
- d) an understanding of internal controls and procedures for financial reporting.

The below is a summary of the experience of each member of the Audit Committee.

Ann Barnes, Director – Ms. Barnes has over a decade of combined managerial experience, spanning across the health and nutrition, and cannabis industries. Ms. Barnes is presently the Chief Executive Officer of Edica Group Inc. (carrying on business as Edica Naturals), a plant-based supplement company, a position she has held since September 2015. Prior to her role with Edica Group Inc., she served as the Chief Executive

Officer of Mum's Original Inc., a plant-based health food company, from January 2012 to September 2015. Ms. Barnes is the current Director and Chair of the Human Resource Committee of Earth Alive Clean Technologies, a position she has held since October 2018. Prior to that, between April 2013 to October 2017, she served as the Chairman of Peace Naturals Project Inc., a licensed cannabis producer. Ms. Barnes holds a Honours B.A. from York University (Political Science and Economics) and a Law Degree (LLB) from Windsor University.

Binyomin Posen, Director – Mr. Posen is a Senior Analyst at Plaza Capital Limited, where he focuses on corporate finance, capital markets and helping companies to go public. After three and a half years of studies overseas, he returned to complete his baccalaureate degree in Toronto. Upon graduating (on the Dean's List) he began his career as an analyst at a Toronto boutique investment bank where his role consisted of raising funds for initial public offerings and reverse takeovers, business development for portfolio companies and client relations.

Mr. Brad J. Lamb – Mr. Lamb is the Chairman of the Board of Directors. He is one of Canada's most prominent real estate developers, with over 30 years of widespread experience in the real estate industry, brings a wealth of experience leading successful sales and marketing campaigns for condominium projects across major Canadian cities.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed financial year, the Audit Committee has not made a recommendation to nominate or compensate an external auditor that was not adopted by the Board.

Reliance on Certain Exemptions

Red Light Holland, as a venture issuer, is relying on the exemption provided in section 6.1 of NI 52-110, which provides that a venture issuer is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Pre-Approval Policies and Procedures

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

External Auditor Fees

The following table lists by category the fees billed by the Corporation's external auditors for the financial years ended March 31, 2021 and March 31, 2020.

| Type of Fees | March 31, 2021 | March 31, 2020 |
|-----------------------------------|----------------|----------------|
| Audit Fees ⁽¹⁾ | \$95,000 | \$12,000 |
| Audit-Related Fees ⁽²⁾ | \$Nil | \$Nil |
| Tax Fees ⁽³⁾ | \$2,500 | \$4,000 |
| All Other Fees ⁽⁴⁾ | \$Nil | \$240 |
| Total | \$97,500 | \$12,240 |

Notes:

1. “Audit Fees” include fees necessary to perform the annual audit of the Corporation’s consolidated financial statements and also fees incurred in relation to the performance of quarterly reviews. 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.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The information in this section of the Circular has been prepared in accordance with Form 51-102F6V - *Statement of Executive Compensation – Venture Issuers* and provides a discussion of all significant elements of the compensation to be awarded to, earned by, paid to, or payable to Named Executive Officers (as such term is defined herein) of Red Light Holland, to the extent that it has been determined.

This section describes Red Light Holland’s compensation scheme for each person who acted as CEO and CFO, and the next most highly compensated executive officer (or next most highly compensated individual acting in a similar capacity), other than the CEO and CFO, whose compensation was more than \$150,000 during the financial year ended March 31, 2021 and March 31, 2020 (each a “**Named Executive Officer**” or “**NEO**” and collectively the “**Named Executive Officers**” or “**NEOs**”).

Oversight and Description of Director and NEO Compensation

The following compensation discussion and analysis is intended to provide information relating to the objectives and processes of the Corporation’s director and executive compensation program and to discuss the decision-making process relating to compensation.

The primary objective of the Corporation’s director and executive compensation philosophy is to recruit, retain and motivate top quality individuals at the director and executive level. As such, Red Light Holland’s director and executive compensation program is designed (a) to assist the Corporation in reaching its potential by achieving long term goals and success and (b) to encourage and reward its directors and executive officers in connection with the ongoing development of the Corporation and its operations.

The Corporation believes that director and executive compensation should meet the following objectives: (i) align the interests of director and executive officers with the short and long term interests of shareholders; (ii) link director and executive compensation to the performance of the Corporation and the individual; and, (iii) compensate directors and executive officers at a level and in a manner that ensures the Corporation is capable of attracting, motivating, retaining, and inspiring individuals with exceptional skills. The Board believes that director and executive compensation should be fair and reasonable and be determined, in part, based on industry standard for similar positions in other comparable issuers.

During the financial year ended March 31, 2021, Red Light paid \$149,000 in fees to the CEO, \$54,000 in fees to the CFO, and \$70,000 in fees to the President. No compensation was paid to any director in the financial year ended March 31, 2021. Red Light has no pension or group benefits plans and does not offer its NEOs any perquisites or personal benefits.

During the financial year ended March 31, 2021, Red Light granted 13,750,000 incentive stock options (“Options”) under the existing Stock Option Plan (as defined herein). Options are generally awarded to directors, officers, consultants and employees at the commencement of employment and periodically thereafter. The terms and conditions of the Corporation’s Option grants, including vesting provisions and exercise prices, are governed by the terms of the Stock Option Plan.

Compensation of Directors

The total amount of compensation paid to Red Light Holland’s directors in the financial year ended March 31, 2021 was \$64,875. No compensation was paid to its directors in the financial year ended March 31, 2020, and there is no formal compensation plan in place for the directors other than Options granted from time to time.

2,450,000 Options were granted or issued to Red Light Holland directors during the most recently completed financial year, ending March 31, 2021.

Summary Compensation Table for NEOs

The following table provides a summary of total compensation earned during the fiscal years ended March 31, 2021 and March 31, 2020 for each NEO of Red Light Holland. The NEOs of the Corporation for the purposes of this Circular are Todd Shapiro, Michael Lerner, Kyle Appleby, and Balu Gopalakrishnan.

| Table of compensation excluding compensation securities | | | | | | | |
|--|-------------|--|-------------------|---------------------------------------|----------------------------------|---|--------------------------------|
| Name and position | Year | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meeting fees (\$) | Value of perquisites (\$) | Value of all other compensation (\$) | Total compensation (\$) |
| Todd Shapiro ⁽¹⁾ <i>CEO and Director</i> | 2021 | \$149,000 | \$15,000 | N/A | N/A | \$62,280 | \$226,280 |
| | 2020 | N/A | N/A | N/A | N/A | N/A | N/A |
| Michael Lerner ⁽²⁾ <i>Former CEO and Director</i> | 2021 | N/A | N/A | N/A | N/A | N/A | N/A |
| | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| Kyle Appleby ⁽³⁾ <i>Former CFO</i> | 2021 | \$54,000 | N/A | N/A | N/A | \$12,975 | \$66,975 |
| | 2020 | N/A | N/A | N/A | N/A | N/A | N/A |
| Balu Gopalakrishnan ⁽⁴⁾ <i>Former CFO and Director</i> | 2021 | N/A | N/A | N/A | N/A | N/A | N/A |
| | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |

Notes:

1. Todd Shapiro became Red Light Holland's CEO and a Director on May 25, 2020.
2. Michael Lerner became Red Light Holland's CEO and a Director on March 14, 2019. Michael Lerner resigned as Red Light Holland's CEO and Director on May 25, 2020.
3. Kyle Appleby became Red Light Holland's CFO on May 25, 2020. Kyle Appleby resigned as Red Light Holland's CFO on November 2, 2021.
4. Balu Kopalakrishnan became Red Light's CFO and a Director on March 14, 2019. Balu Kopalakrishnan resigned as Red Light's CFO and Director on May 25, 2020.

Summary Compensation Table for Directors

The following table provides a summary of total compensation earned during the fiscal years ended March 31, 2021 and March 31, 2020 for each director of Red Light Holland. The directors of Red Light Holland for the purposes of this Circular are Todd Shapiro, Binyomin Posen, Brad J. Lamb, and Ann Barnes.

| Table of compensation excluding compensation securities | | | | | | | |
|---|------|---|------------|--------------------------------|---------------------------|--------------------------------------|-------------------------|
| Name and position | Year | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meeting fees (\$) | Value of perquisites (\$) | Value of all other compensation (\$) | Total compensation (\$) |
| Binyomin Posen ⁽²⁾ <i>Director</i> | 2021 | N/A | N/A | N/A | N/A | \$12,975 | \$12,975 |
| | 2020 | N/A | N/A | N/A | N/A | N/A | N/A |
| Brad J. Lamb ⁽³⁾ <i>Director</i> | 2021 | N/A | N/A | N/A | N/A | \$25,950 | \$25,950 |
| | 2020 | N/A | N/A | N/A | N/A | N/A | N/A |
| Ann Barnes ⁽⁴⁾ <i>Director</i> | 2021 | N/A | N/A | N/A | N/A | \$25,950 | \$25,950 |
| | 2020 | N/A | N/A | N/A | N/A | N/A | N/A |

Notes:

1. The relevant disclosure for Todd Shapiro, a director and the CEO, is provided in the Summary Compensation Table for NEOs above.
2. Binyomin Posen was appointed as a director on March 13, 2019.
3. Brad J. Lamb was appointed as a director on June 2, 2020.
4. Ann Barnes was appointed as a director on May 22, 2020.

Incentive Stock Option Plan Awards

Red Light Holland has a compensation and governance committee (the “**Compensation and Governance Committee**”), which administers compensation policies related to director and executive management of the Corporation, including share-based and option-based awards.

Outstanding Share-based awards and option-based awards

Red Light Holland’s only equity compensation plan is the company’s “rolling” stock option plan (the “Stock Option Plan”), which was previously approved by Shareholders on May 8, 2019. Under the Stock Option Plan, Options are granted to directors, officers, employees and consultants as an incentive to serve the Corporation in attaining its goal of improved shareholder value. The Compensation and Governance Committee determines which NEOs (and other persons) are entitled to participate in the Stock Option Plan, determines the number of Options granted to such individuals, determines the date on which each Option is granted and the corresponding exercise price. The Compensation and Governance Committee determines compensation under the Stock Option Plan subject to the provisions of the Stock Option Plan.

The Stock Option Plan provides that the Compensation and Governance Committee may from time to time, in its discretion and in accordance with Canadian Securities Exchange requirements, grant to directors, officers, employees and consultants, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance shall not exceed 10% of Red Light's issued and outstanding Common Shares. All Options expire on a date not later than five (5) years after the date of grant, or such lesser period as may be determined by the Compensation and Governance Committee.

The purpose of the Stock Option Plan is to provide incentive to employees, directors, officers, management companies and consultants who provide services to Red Light Holland and reduce the cash compensation the Corporation would otherwise have to pay. The Stock Option Plan is administered by the Compensation and Governance Committee.

Summary of the Stock Option Plan

The following summary of certain terms of the Stock Option Plan is qualified, in its entirety, by the full text of the Stock Option Plan, a copy of which is attached hereto as Schedule "C".

The Stock Option Plan authorizes Red Light Holland to grant options to acquire up to 10% of its issued and outstanding Common Shares, from time to time. Specifically, the Stock Option Plan reserves, for issue pursuant to stock options, a maximum number of Common Shares equal to 10% of the outstanding Common Shares from time to time. However, the number of Common Shares reserved for issue to any one person in any 12-month period under the Stock Option Plan may not exceed 5% of the outstanding Common Shares at the time of grant, and the maximum number of Common Shares reserved for issuance to consultants and Investor Relations Employees (as defined therein) in any 12-month period may not exceed 2% of the outstanding Common Shares at the time of grant.

The Stock Option Plan is not subject to any mandatory vesting provisions, except that Options granted to Investor Relations Employees must vest in stages over not less than 12 months with no more than one-quarter (1/4) of the options vesting in any three-month period. Directors, officers, employees, consultants, and service providers to Red Light Holland are eligible to participate in the Stock Option Plan. Awards of Options may be made from time to time to participants at varying levels which are generally consistent with the individual's level of responsibility within the company and are priced by the Board pursuant to the terms of the Stock Option Plan. The term, vesting provisions and other provisions of the Options are subject to the terms of the Stock Option Plan and the discretion of the Board.

Incentive Stock Option Plan Awards – Values Vested or Earned During the Year

During the most recently completed financial year, ending March 31, 2021, there were 1,450,000 Options granted or issued to the Corporation's NEOs for services provided to be provided, directly or indirectly, to the Corporation. There were no Options exercised by any NEO during the most recently completed financial year, ending March 31, 2021.

During the most recently completed financial year, ending March 31, 2021, there were 2,450,000 Options granted or issued to Red Light Holland directors for services provided to be provided, directly or indirectly, to the Corporation. There were no Options exercised by any of the Corporation's directors during the most recently completed financial year, ending March 31, 2021.

Retirement and Pension Stock Option Plans

Red Light Holland has no formal pension, retirement compensation or other long-term incentive plans in

place for its directors, officers or employees.

Employment Agreements

The following employment contracts are in place with Red Light Holland's NEOs and directors during the financial years ended March 31, 2021 and March 31, 2020:

- A consulting agreement between Red Light Holland Financing Inc. and 8797668 Canada Ltd., a corporation owned by Todd Shapiro, dated March 19, 2020;
- A consulting agreement between Red Light Holland Finance and CFO Advantage Inc., a corporation owned by Kyle Appleby, dated August 2020;
- An independent director services agreement between Red Light and Brad Lamb dated May 25, 2020.

Securities Authorized for Issuance Under Equity Compensation Stock Option Plans

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at the end of the Corporation's most recently completed financial year ended March 31, 2021.

13,750,000 Options were granted during the most recently completed financial year and 5,549,166 Options vested during the most recently completed financial year.

| Stock Option Plan Category | Number of Common Shares to be issued upon exercise of outstanding options, warrants and rights | Weighted average exercise price of outstanding options, warrants and rights | Number of Common Shares remaining available for issuance under equity compensation plans (excluding outstanding securities reflected in Column 1) |
|---|--|---|---|
| Equity compensation plans approved by securityholders | 86,804,994 | \$0.15 | 21,501,949 |
| Equity compensation plans not approved by securityholders | 18,512,043 | N/A | 16,739,906 |
| Total | Nil | N/A | 2,989,906 |

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than as disclosed in this Circular (including in the financial statements of the Corporation for the fiscal years ended March 31, 2021 and 2020), no directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Corporation are indebted to the Corporation as of the date hereof or were indebted to the Corporation at any time during the fiscal year ended March 31, 2021, and no indebtedness of such individuals to another entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Management is not aware of any material interest, direct or indirect, of any informed person of the

Corporation, or any associate or affiliate of any such informed person, in any transaction since March 31, 2021, or in any proposed transaction, that has materially affected or would materially affect the Corporation or any of its subsidiaries.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No director or member of Management of the Corporation or any associate of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of Common Shares or otherwise in the matters to be acted upon at the Meeting, other than the election of directors and the RSU Plan Resolution, except for any interest arising from the ownership of Common Shares where the Shareholder will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of shares in the capital of the Corporation.

PARTICULARS OF MATTERS TO BE ACTED UPON

Audited Financial Statements

The audited financial statements of the Corporation for the financial years ended March 31, 2021 and 2020 and the report of the auditors thereon, will be submitted to the Meeting, although no vote by the Shareholders with respect thereto is required or proposed to be taken.

Number of Directors

The Board is currently composed of four directors. At the Meeting, the shareholders will be asked to consider and, if thought fit, to approve an ordinary resolution (the “**Fixing of the Directors Resolution**”):

- fixing at four (4) the number of directors to be elected at the Meeting, to hold office until the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed pursuant to the articles of the Corporation, unless their offices are earlier vacated in accordance with the provisions of the OBCA or the Corporation’s articles.

Unless otherwise directed, it is the intention of the persons named in the enclosed form of proxy to vote proxies IN FAVOUR of the Fixing of the Directors Resolution as set out above. If you do not specify how you want your Common Shares to be voted at the Meeting, the persons named as proxyholders in the enclosed form of proxy will cast the votes represented by your proxy at the Meeting FOR the Fixing of the Directors Resolution.

Election of Directors

At the Meeting, Shareholders will be asked to consider, and if thought appropriate, pass an ordinary resolution to re-elect Todd Shapiro, Ann Barnes, Binyomin Posen and Brad Lamb (the “**Corporation Nominees**”) as directors of the Corporation to hold office until the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed pursuant to the articles of the Corporation, unless their offices are earlier vacated in accordance with the provisions of the OBCA or the Corporation’s articles.

The Board unanimously recommends that the Shareholders vote their Common Shares FOR the election of the Corporation Nominees.

Unless otherwise directed, it is the intention of the persons named in the enclosed form of proxy to vote proxies IN FAVOUR of the election of the Corporation Nominees as directors of the Corporation as set out above. If you do not specify how you want your Common Shares to be voted

at the Meeting, the persons named as proxyholders in the enclosed form of proxy will cast the votes represented by your proxy at the Meeting FOR the election of the Corporation Nominees.

The Corporation Nominees

The following table sets forth certain information regarding the individuals nominated for election as directors of the Corporation, including their place of residence, status as independent or non-independent director, the period of time for which each director has served as a director of Red Light Holland, each nominee's principal occupation, business or employment for the past five years and the number of Common Shares beneficially owned by each nominee, directly or indirectly, or over which each nominee exercised control or direction, as at the date of this Circular.

| | |
|---|---|
| Todd Shapiro Chief Executive Officer and Director Ontario, Canada Red Light Holland Chief Executive Officer since May 22, 2020 Not Independent | Principal Occupation: Chief Executive Officer of Red Light Biography: Mr. Shapiro is a top rated Sirius-XM radio show host and a seasoned marketing entrepreneur with over twenty years of experience, having assisted with brand strategy and investor relations for several public companies, such as Halo Labs Inc., Namaste Technologies, and Enthusiast Gaming Inc. Mr. Shapiro is one of North America's most creative brand ambassadors, having worked with recognized brand name companies such as Canopy Growth Corporation, Samsung Electronics Co., and Canada Goose Holdings Inc. He is an Honorary Chair of the Road Hockey to Conquer Cancer, the Princess Margaret Cancer Foundation, and is a dedicated supporter of the Centre for Addiction and Mental Health and the Polar Bear Foundation. |
|---|---|

| Red Light Holland Securities Held | | |
|--|------------------|------------------|
| Shares | Options | RSUs |
| 5,775,000 | 1,200,000 | 5,000,000 |

| | |
|---|--|
| Ann Barnes Director Ontario, Canada Red Light Holland Director since July 22, 2020 Independent | Principal Occupation: Chief Executive Officer of Edica Group Inc. Biography: Ms. Barnes has over a decade of combined managerial experience, spanning across the health and nutrition, and cannabis industries. Ms. Barnes is presently the Chief Executive Officer of Edica Group Inc. (carrying on business as Edica Naturals), a plant-based supplement company, a position she has held since September 2015. Prior to her role with Edica Group Inc., she served as the Chief Executive Officer of Mum's Original Inc., a plant-based health food company, from January 2012 to September 2015. Ms. Barnes is a Director of Instadose Pharma Inc., a global commodity cannabis company, a position held since February 2021. Between April 2013 to October 2017, she served as the Chairman of Peace Naturals Project Inc., a licensed cannabis producer. Ms. Barnes holds a Honours B.A. from York University (Political Science and Economics) and a Law Degree (LLB) from Windsor University. |
|---|--|

| Red Light Holland Securities Held | | |
|--|----------------|----------------|
| Shares | Options | RSUs |
| 2,000,000 | 500,000 | 820,000 |

| | |
|--|---|
| Brad Lamb Director Ontario, Canada Red Light Holland | Principal Occupation: Chief Executive Officer and founder of Brad J Lamb Realty Inc. and Lamb Development Corp. Biography: Mr. Lamb is the Chief Executive Officer and founder of Brad J Lamb Realty Inc. and Lamb Development Corp., and is one of Canada's most prominent real estate developers, with over 30 years of widespread experience in the real estate |
|--|---|

| | |
|--|--|
| Director since May 25, 2020 Independent | industry. Mr. Lamb brings a wealth of experience leading successful sales and marketing campaigns for condominium projects across major Canadian cities. |
|--|--|

Red Light Holland Securities Held

| Shares | Options | RSUs |
|------------------|----------------|----------------|
| 3,166,665 | 500,000 | 820,000 |

| | |
|--|--|
| Binyomin Posen Director Ontario, Canada Red Light Holland Director since July 22, 2020 Independent | Principal Occupation: Senior Analyst at Plaza Capital Limited Biography: Mr. Posen is a Senior Analyst at Plaza Capital Limited, where he focuses on corporate finance, capital markets and helping companies to go public. After three and a half years of studies overseas, he returned to complete his baccalaureate degree in Toronto. Upon graduating (on the Dean's List) he began his career as an analyst at a Toronto boutique investment bank where his role consisted of raising funds for IPO and RTO, business development for portfolio companies and client relations. |
|--|--|

Red Light Holland Securities Held

| Shares | Options | RSUs |
|----------------|----------------|----------------|
| 166,667 | 250,000 | 328,000 |

Details of the committees of the Board are provided under the heading “*Statement of Corporate Governance*”.

Corporate Cease Trade Orders or Bankruptcies

For the purposes of this Circular, “order” means: (a) a cease trade order; (b) an order similar to a cease trade order; or (c) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

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

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

No proposed director is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company 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 proposed director has, within the 10 years before the date of this Circular, 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.

No proposed director 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 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

At the Meeting, the Shareholders will be asked to consider and, if thought advisable, to pass, with or without variation, an ordinary resolution to appoint McGovern Hurley LLP, Chartered Professional Accountants to serve as the auditor of the Corporation until the close of the next annual meeting of Shareholders and to authorize the Board to set the auditor's remuneration.

McGovern Hurley LLP Chartered Professional Accountants is currently the auditor of the Corporation and was first appointed as the auditor of the Corporation on April 5, 2013.

The Board unanimously recommends that Shareholders vote their Common Shares FOR the re-appointment of McGovern Hurley LLP Chartered Professional Accountants as auditors of Red Light Holland and to authorize the Board to fix their remuneration.

Unless otherwise directed in a properly completed form of proxy, it is the intention of individuals named in the enclosed form of proxy to vote FOR the re-appointment of McGovern Hurley LLP Chartered Professional Accountants as auditors of Red Light Holland and to authorize the Board to fix their remuneration. If you do not specify how you want your Common Shares voted at the Meeting, the persons named as proxyholders in the enclosed form of proxy will cast the votes represented by your proxy at the Meeting FOR the re-appointment of McGovern Hurley LLP Chartered Professional Accountants as auditors of Red Light Holland and to authorize the Board to fix their remuneration.

Adoption of Restricted Share Unit Plan

The Corporation is seeking Shareholder approval to adopt a new equity incentive plan (the "RSU Plan") providing for the grant of restricted share units ("RSUs") to certain eligible persons in accordance with the terms and conditions of the RSU Plan. At the Meeting, Shareholders will be asked to consider, and if thought advisable, to pass, an ordinary resolution (the "RSU Plan Resolution") approving the RSU Plan. In order to be effective, the RSU Plan Resolution must be approved, with or without variation, by the affirmative vote of at least a simple majority of the votes cast by Shareholders present virtually or represented by proxy and entitled to vote at the Meeting. The full text of the RSU Plan is attached hereto as Schedule "D."

Summary of the RSU Plan

The principal features of the RSU Plan are summarized below.

Purpose

The purpose of the RSU Plan is promote the interests and long-term success of Red Light Holland by: (i) furnishing certain directors, officers, and employees of the Corporation with greater incentive to develop and promote the business and financial success of Red Light Holland, (ii) aligning the interests of persons to whom RSUs may be granted with those of Shareholders generally through a proprietary ownership interest in Red Light Holland; and (iii) assisting the Corporation in attracting, retaining and motivating its directors, officers, and employees.

Eligibility

RSU grants may be made under the RSU Plan to directors, officers, employees, and consultants of Red Light Holland or of any affiliate of the Corporation (each an “**Eligible Person**”), excluding individuals or consultants engaging in Investor Relations Activities (as such term is defined in the policies of the CSE). Any Eligible Person shall be designated a participant for the purposes of the RSU Plan (a “**Participant**”). The Corporation and a Participant shall be required to confirm that any Eligible Person that is an employee is a *bona fide* employee of Red Light Holland or its affiliates for the purposes of participating in the RSU Plan. In determining whether an Eligible Person shall receive an RSU and the terms thereof, the Board or a committee of the Board may take into account the nature of the services rendered by the Eligible Person, his or her present and potential contributions to the success of the Corporation, and such other relevant factors.

Administration

The RSU Plan will be administered by the Board, which at any time may appoint a committee of the Board (the “**Compensation Committee**”) to, among other things, interpret, administer and implement the RSU Plan on behalf of the Board. The Compensation Committee is authorized, subject to the provisions of the RSU Plan, to establish such rules and regulations as it deems necessary for the proper administration of the RSU Plan, and to make determinations and take such other action in connection with or in relation to the RSU Plan as it deems necessary or advisable.

Red Light Shares Available for Awards

The maximum number of Common Shares that may be issuable pursuant to RSU Plan may not exceed in the aggregate, that amount of Common Shares which is equal to 10% of the issued and outstanding Common Shares as at the effective date of the RSU Plan, being 36,361,528 Common Shares as of November 22, 2021. The number of Common Shares covered by a grant of RSUs will be counted on the date of grant of such RSUs against the aggregate number of Common Shares available under the RSU Plan. Fractional RSUs are permitted under the RSU Plan.

Grant of Awards

The Compensation Committee may from time to time grant to any Eligible Person one or more RSUs as the Compensation Committee deems appropriate, provided that:

- (a) the number of Common Shares reserved for issuance to any Participant combined with all of the Corporation’s other security based arrangements within any one year period shall not, in aggregate, exceed five percent (5%) of the total number of Common Shares, or in the case of consultants, two percent (2%) of the issued and outstanding Common Shares to each consultant in any one year period, unless disinterested shareholder approval is obtained for such issuances;
- (b) the number of Common Shares reserved for issuance to any one Participant within any one-year period shall not, in aggregate, exceed 1% of the total number of Common Shares, unless disinterested shareholder approval is obtained for such issuance;
- (c) the maximum number of Common Shares which may be reserved for issuance to a related group of persons, together with any other security based compensation agreements, may not exceed 10% of the issued and outstanding Common Shares at any given time,
- (d) the number of Common Shares (i) issuable, at any time, to Participants that are insiders; and (ii) issued to Participants that are Insiders (as such term is defined in the RSU Plan) within any one-year period when combined with all of the Corporation’s other security-based

compensation arrangements that provide for the issuance from treasury or potential issuance from treasury of Common Shares shall not, in aggregate, exceed 5% of the total number of Common Shares at any given time; and

- (e) the number of Common Shares reserved for issuance to Participants that are Insiders pursuant to the RSU Plan within any one year period shall not, in aggregate, exceed 2% of the total number of Common Shares, unless disinterested shareholder approval is obtained for such issuances.

Each RSU grant will be evidenced by an Award Agreement (as such term is defined in the RSU Plan) which incorporates such terms and conditions, including all vesting conditions, as the Compensation Committee in its discretion deems appropriate and consistent with the provisions of the RSU Plan.

Termination of Services

Upon the termination of a Participant's employment (as determined under criteria established by the Compensation Committee), including by way of death, retirement, disability, termination without cause and termination for cause during the term of an RSU, all unvested RSUs held by the Participant shall be forfeited and cancelled; provided, however, that the Compensation Committee may, if it determines that a waiver would be in the best interest of the Corporation, waive in whole or in part any or all remaining restrictions or conditions with respect to any such RSU grant.

Vesting

RSUs granted pursuant to the RSU Plan will vest, and the corresponding Common Shares will be issued, no later than December 15 of the third calendar year following the end of the Service Year (defined herein) in respect of each such RSU grant. For the purposes of this paragraph: (i) where an RSU is granted within the first half of a calendar year, the "**Service Year**" in respect of such RSU shall be the immediately preceding year; and (ii) where an RSU is granted within the second half of a calendar year, the "**Service Year**" in respect of such RSU shall be the year of grant.

Each vested, whole RSU granted is payable in Common Shares and confers on the holder thereof the right to receive one Common Share from treasury immediately upon the completion of certain conditions during such periods as the Compensation Committee may establish. The conditions to be completed during any period, the length of any period, the amount of any RSUs granted, the number of Common Shares receivable pursuant to any RSU and any other terms and conditions of the RSU are to be determined by the Compensation Committee at the time of grant.

Amendments to the RSU Plan

The following amendments to the RSU Plan will require the prior approval of the CSE and disinterested shareholder approval:

- (a) increasing the maximum number of Common Shares reserved for issuance under the RSU Plan;
- (b) extending the term of an RSU beyond its original expiry time; or
- (c) any amendment that results in a modification to the section of the RSU Plan that deals with the maximum number of Common Shares available for issuance under the RSU Plan.

The Compensation Committee may make any other amendment to the RSU Plan not set out above,

including the following:

- (a) amendments of a clerical or housekeeping nature, including but not limited to the correction of grammatical or typographical errors or clarification of terms;
- (b) amendments to reflect any requirements of any regulatory authorities to which the Corporation is subject, including the CSE;
- (c) amendments to any vesting provisions of an RSU, provided that such amendments shall not extend vesting beyond December 15 of the third calendar year following the end of the Service Year in respect of such RSU; and
- (d) amendments to the expiration date of an RSU that does not extend the term of an RSU past the original date of expiration for such RSU.

Adjustments

In the event of any share distribution, share split, combination or exchange of shares, merger, consolidation, spin-off or other distribution of the Corporation's assets to the Shareholders, or any other change affecting the Common Shares, the outstanding RSUs shall be adjusted in such manner, if any, as the Compensation Committee may in its discretion deem appropriate to reflect the event, provided that no amount will be paid to a Participant and no additional RSUs will be granted to such Participant to compensate for a downward fluctuation in the market price of the Common Shares, nor will any other form of benefit be conferred upon, or in respect of a Participant for such purpose.

In the event of a Merger and Acquisition Transaction (as such term is defined the RSU Plan) the Compensation Committee will determine any adjustment to the number and type of Common Shares (or other securities) that shall thereafter underlie the then outstanding and any future RSUs and determine the manner in which all unvested RSUs granted will be treated including, without limitation, requiring the acceleration of the time for the vesting of such RSUs by the Participants, the time for the fulfilment of any conditions or restrictions on such vesting, and the time for the expiry of such RSUs. Notwithstanding anything to the contrary in the RSU Plan, any unvested RSUs issued to a Participant at the time of a Merger and Acquisition Transaction shall immediately vest if either (i) the Participant is either terminated without cause or resigns with good reason (as such term has been defined under common law, including any reason that would be considered to amount to constructive dismissal by a court of competent jurisdiction) from their position with Red Light Holland within the period ending 12 months from the date of the completion of the Merger and Acquisition Transaction, or (ii) the Compensation Committee, acting reasonably, determines that an adjustment to the number and type of Common Shares (or other securities) resulting from a Merger and Acquisition Transaction is impractical or impossible.

Withholding Tax

Each Participant in the RSU Plan is responsible for all applicable withholding taxes in respect the issuance, transfer, amendment or vesting of an RSU or the issuance of Common Shares thereunder in order to satisfy any applicable withholding taxes, the Corporation is entitled to, among other things, withhold or offset such amounts from any salary or other amounts otherwise due or to become due from the Corporation to the Participant, or may require that a Participant pay such amounts to the Corporation.

RSUs non-Transferable

Each RSU granted is non-transferrable or assignable except to (i) an executor or administrator for the estate of the Participant upon the death of the Participant, or (ii) a committee or duly appointed attorney of the

Participant, upon the Participant becoming incapable, by reason of physical or mental infirmity, of managing his or her affairs. A change in the status, office, position or duties of a Participant from the status, office, position or duties held by such Participant on the date on which the RSU was granted to such Participant will not result in the termination of the RSU granted to such Participant provided that such Participant remains an Eligible Person.

At the Meeting, Shareholders will be asked to consider, and if thought advisable, to approve and authorize the RSU Plan Resolution, as follows:

BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

- (a) the restricted share unit plan (the “**RSU Plan**”) of Red Light Holland Corp. (the “**Corporation**”) all as more particularly described and set forth in the management information circular of the Corporation dated November 26, 2021, is hereby ratified, confirmed and approved;
- (b) the number of common shares of the Corporation (the “**Common Shares**”) issuable pursuant to the RSU Plan is hereby set at 10% of the aggregate number of Common Shares issued and outstanding from time to time, subject to any limitations imposed by applicable regulations, laws, rules and policies; and
- (c) any one or more director or officer of the Corporation is hereby authorized, for and on behalf and in the name of Corporation, to execute and deliver, whether under corporate seal of Corporation or otherwise all such agreements, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do or cause to be done all such other acts and things, as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

The Board unanimously recommends that Shareholders vote their Common Shares FOR the RSU Plan Resolution.

Unless otherwise directed in a properly completed form of proxy, it is the intention of individuals named in the enclosed form of proxy to vote FOR the RSU Plan Resolution. If you do not specify how you want your Common Shares voted at the Meeting, the persons named as proxyholders in the enclosed form of proxy will cast the votes represented by your proxy at the Meeting FOR the RSU Plan Resolution.

Share Consolidation

At the Meeting, the Shareholders will be asked to consider and, if thought advisable, to pass, with or without variation, a special resolution providing for the consolidation (the “**Consolidation**”) of the Corporation’s issued and outstanding Common Shares at such a consolidation ratio, to be determined by the Board in its sole discretion, to permit the Corporation to satisfy all conditions and necessary regulatory approvals to list the Common Shares on the NASDAQ, NYSE, or such other U.S. national securities exchange as the Board may determine in its sole discretion.

Effect of Consolidation

If approved and implemented, the Consolidation will occur simultaneously for all of the Company's issued and outstanding Common Shares. The Common Shares will be consolidated at a ratio to be determined by

the Board in its sole discretion, such that following the Consolidation, the Corporation will be able to satisfy NASDAQ, NYSE or other U.S. national securities exchange listing requirements. The implementation of the Consolidation would not affect the total Shareholders' equity of the Corporation or any components of Shareholders' equity as reflected on the Corporation's financial statements except to change the number of issued and outstanding Common Shares to reflect the Consolidation.

Effect on Convertible Securities

The exercise or conversion price and/or the number of Common Shares issuable under any outstanding convertible securities, including under outstanding Options, RSUs, warrants, rights, and any other similar securities will be proportionately adjusted upon the implementation of the Consolidation, in accordance with the terms of such securities, on the same basis as the Consolidation.

Implementation

The Consolidation resolution (the "**Consolidation Resolution**"), as set out below, provides that the Board is authorized, in its sole discretion, to determine not to proceed with the proposed Consolidation without further approval of the Shareholders of the Corporation. The Board is authorized to revoke the Consolidation Resolution in its sole discretion without further approval of the Shareholders of the Corporation at any time prior to implementation of the Consolidation.

Shareholder Approval

In order to effect the Consolidation, the Corporation will file articles of amendment pursuant to the OBCA to amend its current articles (the "**Articles of Amendment**"). Such Articles of Amendment shall only be filed upon the Board deciding, in its sole discretion, to proceed with the Consolidation in order to permit the Corporation to satisfy NASDAQ, NYSE or other U.S. national securities exchange listing requirements. The Consolidation will become effective on the date shown in the certificate of amendment issued pursuant to the OBCA. In accordance with the OBCA, the Consolidation Resolution must be approved by not less than sixty-six and two-thirds percent (66 2/3%) of the votes cast by the Shareholders represented at the Meeting by proxy.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve and authorize the Consolidation Resolution, as follows:

BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

- (d) the board of directors (the "**Board**") of Red Light Holland Corp. (the "**Corporation**") is authorized to take such actions as are necessary to consolidate (the "**Consolidation**") all of the issued and outstanding common shares in the capital of the Corporation (the "**Common Shares**") at such a consolidation ratio to be determined by the Board in its sole discretion, to permit the Corporation to satisfy all conditions and necessary regulatory approvals to list the Common Shares on the NASDAQ, NYSE or such other U.S. national securities exchange as the Board may determine in its sole discretion (the "**American Exchange Listing Approval**");
- (e) the Board be and is hereby authorized in its sole direction to fix the ratio to be used in the Consolidation in connection with the American Exchange Listing Approval;
- (f) in the event that the Consolidation would otherwise result in the issuance of a fractional Common Shares, no fractional Common Share shall be issued and such fraction will be rounded down to the nearest whole number;

- (g) the Board, in its sole discretion, may act upon this resolution to effect the Consolidation, or, if deemed appropriate and without any further approval from the shareholders of the Corporation, may choose not to act upon this special resolution notwithstanding shareholder approval of the Consolidation, and it is authorized to revoke this special resolution in its sole discretion at any time prior to effecting the Consolidation;
- (h) any officer or director of the Corporation is authorized to cancel (or cause to be cancelled) any certificates evidencing the existing Common Shares and to issue (or cause to be issued) certificates representing the new Common Shares to the holders thereof; and
- (i) any one officer or director of the Corporation is authorized to do all acts and to execute and deliver all documents or instruments desirable to give effect to the foregoing, including, without limitation, articles of amendment in the form required pursuant to the *Business Corporations Act* (Ontario).

The Board unanimously recommends that Shareholders vote their Common Shares FOR the Consolidation Resolution.

Unless otherwise directed in a properly completed form of proxy, it is the intention of individuals named in the enclosed form of proxy to vote FOR the Consolidation Resolution. If you do not specify how you want your Common Shares voted at the Meeting, the persons named as proxyholders in the enclosed form of proxy will cast the votes represented by your proxy at the Meeting FOR the Consolidation Resolution.

Effective Date

Subject to applicable regulatory requirements, the Consolidation Resolution will be effective on the date on which Articles of Amendment are filed and certified by the Ministry, on which the directors of the Corporation determine to carry out the Consolidation.

If the Consolidation Resolution is approved, no further action on the part of the Shareholders will be required in order for the Board to implement the Consolidation.

INDICATION OF OFFICER AND DIRECTORS

All of the directors and executive officers of the Corporation have indicated that they intend to vote their Common Shares in favour of each of the above resolutions. In addition, unless authority to do so is indicated otherwise, the persons named in the enclosed form of proxy intend to vote the Common Shares represented by such proxies in favour of each of the above resolutions.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is on SEDAR at www.sedar.com. Shareholders may also contact Todd Shapiro, Chief Executive Officer of the Corporation at 604-204-7129.

Financial information is provided in the Corporation's comparative financial statements and management discussion and analysis for the fiscal years ended March 31, 2021 and 2020 and subsequent interim periods, which are filed on SEDAR.

OTHER MATTERS

Management of the Corporation is not aware of any other matter to come before the Meeting other than as

set forth in the Notice. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

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

DATED November 26, 2021.

BY ORDER OF THE BOARD

Signed "Todd Shapiro"

Todd Shapiro
Chief Executive Officer and Director

SCHEDULE A
Compensation and Governance Charter
[*See attached*]



RED LIGHT HOLLAND
UNDERGROUND TO MAINSTREAM

COMPENSATION AND GOVERNANCE COMMITTEE CHARTER

Name

The compensation and governance committee (the “**Committee**”) is a committee of the board of directors (the “**Board**”) of Red Light Holland Corp. (the “**Corporation**”).

General Purpose

The Committee has been established to assist the Board in (i) identifying potential nominees to the Board, (ii) assessing the effectiveness of the directors, the Board and the various committees of the Board and the composition of the Board and its committees, (iii) developing, reviewing and planning the Corporation’s approach to corporate governance issues, including the public disclosure of the Corporation’s corporate governance practices, (iv) discharging its responsibilities regarding compensation of the Corporation’s executives and the members of the Board, (v) setting objectives for the Chief Executive Officer (the “**CEO**”) and evaluating the CEO’s performance, (vi) monitoring management’s succession plan for the CEO and other members of senior management, and (vii) overseeing enforcement of and compliance with the Corporation’s compensation and corporate governance policies in effect from time to time. The Committee also prepares reports and reviews disclosure, if and when required, for inclusion in the Corporation’s disclosure documents.

Composition

The Committee membership shall be comprised of as many members as the Board shall determine, but in any event not fewer than two (2) members. The Committee’s composition shall meet all independence, legal and regulatory requirements. The Board shall designate the Chairman of the Committee from amongst its members, and in so doing shall consider the recommendation of the Committee. Each member shall continue to be a member until a successor is appointed, unless the member resigns, is removed or ceases to be a director. The Board, following consultation with the Committee, may fill a vacancy at any time.

Committee Meetings

The Chairman of the Committee, following consultation with Committee members, shall determine the schedule and frequency of the Committee meetings, provided that the Committee shall also meet once prior to the Board meeting to approve the disclosure relating to all compensation matters contained in the Corporation’s Management Information Circular for the Corporation’s Annual Meeting. Additional meetings will be scheduled as required in response to specific circumstances. The Committee may, at its discretion, hold in camera meetings or meetings by telephone or meetings through any other electronic means which enable all Committee members to fully participate in the meeting. The Chairman of the Committee shall develop and set the Committee’s agenda in consultation with members of the Committee, the Board and management. To the extent possible, a schedule for each of the meetings will be disseminated to Committee members as early advance as practicable.

Responsibilities

The Committee is mandated to carry out the following responsibilities:

1. *Board Composition:* The Committee shall review with the Board on an annual basis the current composition of the Board with a view to ensuring that the members of the Board have the independence, expertise, experience, personal qualities and ability to make the necessary time commitment to the Corporation in light of the opportunities and risks facing the Corporation.
2. *Nominations to the Board:* The Committee shall propose to the Board nominees they believe to be qualified to be directors, and in doing so, shall consider both the opportunities and risks facing the Corporation and the independence, expertise, experience, personal qualities and ability to make the necessary time commitment of a proposed nominee in order to add value to the Corporation.



3. *Committee Memberships:* The Committee shall identify and recommend to the Board the names of directors to serve as members of the audit committee of the Corporation and such other committees as may exist from time to time, as well as the Committee itself. In addition, the Committee shall recommend to the Board a member of each of the aforementioned committees to serve as Chairman of the respective committees. The Committee shall identify names of directors to fill vacancies on committees.
4. *Effectiveness:* The Board shall be responsible for developing and implementing a program for assessing the effectiveness of the individual directors, the Board and its committees, including considering the experience and expertise of members against the needs of each committee and the Board. The Committee shall seek to conduct an annual evaluation of individual directors', the Board's and its committees' effectiveness and shall report the results of the evaluation to the Chairman of the Board.
5. *Directors' Compensation:* The Committee shall consider the form and amount of directors' compensation. The Committee shall seek to periodically review such compensation, taking into consideration such factors as time commitment, compensation at comparable public corporations, and responsibilities, to ensure such compensation is reasonable, competitive, aligns the interests of directors with those of shareholders and is consistent with the time commitment, risks and responsibilities involved in being an effective director.
6. *Orientation and Education:* The Committee shall cause to be provided an orientation and education program to new Board members and continuing education as necessary.
7. *Approval of Independent Advice for Directors:* The Committee shall consider and approve, if appropriate, requests by individual directors to engage external special advisors and approve the necessary funding to compensate such advisors.
8. *Executive Compensation:* The Committee shall:
 - a. Establish and administer policies with respect to the compensation of executive officers of the Corporation.
 - b. Establish compensation levels annually for the executive officers of the Corporation (giving consideration to third party competitive data, information from independent consultants and the responsibilities and time commitments of each position) including:
 - base salaries and salary ranges for executive officers;
 - all bonus and benefit schemes;
 - all special arrangements including automobile allowances, perquisites, and any termination provisions in respect of change of control of the Corporation;
 - deferred or other compensation;
 - stock options and other equity-based compensation; and
 - incidental benefits.
 - c. Review, and oversee the administration by management of, the Corporation's general compensation and benefit programs and assess the extent to which the programs are meeting their intended objectives.
 - d. Review and approve the corporate goals and objectives relevant to the compensation of the CEO annually and in the context of the Corporation's strategic plan. Evaluate the performance of the CEO in light of those goals and objectives, and set the compensation level of the CEO based on this evaluation.
 - e. Assess the performance of the CEO, and where applicable, determine the appropriate level of performance compensation (bonuses). Bonuses will be awarded on the basis of achievement of specific current year financial and operating targets set by the Board including, without limitation,



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relative shareholder return as well as achievement of the objectives outlined in the strategic plan of the Corporation.

- f. Review annually the objectives set by the CEO for executive officers in the context of the Corporation's strategic plan and, in concert with the CEO, review the performance assessment of individual executive officers and determine their levels of performance compensation and targets.
 - g. Administer the incentive stock option plan and other equity based compensation plans of the Corporation and make recommendations to the Board with respect to the granting of options thereunder.
 - h. Upon request by the Board, prepare a report with respect to executive compensation for inclusion in the annual management information circular.
 - i. Review and, where appropriate, make recommendations to the Board regarding all new employment, consulting, retirement and severance agreements and arrangements proposed for the Corporation's senior management.
 - j. Periodically evaluate existing agreements with the Corporation's senior management for continuing appropriateness.
9. *Organization Structure and Succession Planning:* The CEO has the responsibility for the organizational structure of the Corporation and its management team and to, from time to time, present to the Committee an assessment of its effectiveness and any proposed changes of a significant or strategic nature. The Committee shall:
 - a. Monitor and report to the Board on the organizational structure of the Corporation's management, including an assessment of the effectiveness of the structure, and any organizational changes proposed by the CEO.
 - b. Monitor management's succession plan for the CEO and other senior management and periodically report to the Board with recommendations on succession planning issues.
 10. *Corporate Governance:* The Committee shall:
 - a. Review and assess the adequacy of the Corporation's corporate governance system annually and report to the Board, which report shall include any recommendations regarding the Corporation's corporate governance practices which the Committee deems appropriate.
 - b. Review the disclosure of the Corporation's system of governance to be contained in the Corporation's Annual Information Form and/or Management Information Circular to ensure it constitutes full and complete disclosure of such system in response to legal and regulatory requirements.
 11. *Review of Policies:* The Committee shall review on an annual basis and approve the Corporation's strategic corporate policies from time to time in effect and material amendments thereto as well as other relevant policies associated with ensuring an effective system of corporate governance.
 12. *Report to Board:* The Committee shall report periodically, but no less than once annually, to the Board and shall submit to the Board the minutes of its meetings except where such meetings are held *in camera*.
 13. *Other:* The Committee shall perform any other activities consistent with this Charter and the Corporation's by-laws and other constating documents, or as otherwise delegated by the Board from time to time.

Resources

The Committee shall have the sole authority to retain (or terminate) consultants to assist the Committee in the



evaluation of director, CEO or executive compensation or to identify candidates for nomination as directors or appointment as the CEO or other senior management position. The Committee shall be provided with the necessary funding to compensate any advisors retained by the Committee.

The Committee shall have full access to the Corporation's books, records, facilities and personnel.

Review of Mandate

The Board will seek to review the mandate of this Committee at least once per year and modify it if necessary.

Delegation of Authority

The Committee may delegate its authority and duties to subcommittees or individual members of the Committee as it deems appropriate.

Limitation on the Oversight Role of the Committee

Nothing in this Charter is intended, or may be construed, to impose on any member of the committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board of Directors are subject.

Each member of the Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Corporation from whom he or she receives information, and the accuracy of the information provided to the Corporation by such persons or organizations.

This Charter was implemented by the Board on June 1, 2020.

SCHEDULE “B”
RED LIGHT HOLLAND CORP.
(the “Corporation”)

CHARTER OF THE AUDIT COMMITTEE

Mandate

To assist the board of directors of the Corporation in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control over financial reporting, the audit process, and the Corporation’s process for monitoring compliance with laws and regulations and the code of conduct.

Authority

The audit committee has authority to conduct or authorize investigations into any matters within its mandate. It is empowered to:

- Retain outside counsel, accountants or others to advise the committee.
- Seek any information it requires from employees – all of whom are directed to co-operate with the committee’s requests – or external parties.
- Meet with the Corporation’s officers, external auditors or outside counsel and review Corporation books and records, as necessary.

Composition

The audit committee will consist of three members of the board of directors. The board will appoint committee members and the committee chair. In the absence of the chair at any particular meeting, the other committee members shall appoint a member for such purpose. Any member of the committee may be removed or replaced at any time by the board and shall cease to be a member of the committee upon ceasing to be a director. Subject to the foregoing, each member of the committee shall hold office as such until the next annual meeting of shareholders.

Subject to applicable exemptions, each committee member will be both independent of management and is an unrelated director, and shall be able to read and understand a balance sheet, an income statement and a cash flow statement. At least one member shall have accounting or related financial expertise, which shall be defined as having sufficient experience, in the opinion of the board, to be able to appreciate the significance of the information in the financial statements.

Meetings

The committee will meet at least four times a year, with authority to convene additional meetings, as circumstances require. All committee members are expected to attend each meeting, in person or via tele- conference; however, two members of the audit committee, present in person or via teleconference, will constitute a quorum. The committee will invite members of management, auditors or others to attend meetings and provide pertinent information, as necessary. It will hold private meetings with auditors and meetings with management. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes will be prepared by the secretary of the committee (who shall be appointed from among its members and may include the chair of the committee). Subject to the foregoing, the times of meetings and the places where meetings of the committee shall be held and the calling of, and procedures at, such meetings shall be determined from time to time by the committee, provided that meetings shall be convened with the auditors of the Corporation whenever requested by them in accordance with the *Business Corporations Act* (Ontario) and generally accepted auditing standards. Meetings with the Corporation’s auditors shall, in any event, occur at least annually and with the Corporation’s management, at least four times a year.

Duties

The committee will carry out the following duties in furtherance of its mandate:

Financial Statements

- Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understanding their impact on the financial statements.
- Review with management and the external auditors the results of the audit, including any difficulties encountered, and resolving disagreements between management and the external auditors regarding financial reporting.
- Review the annual financial statements, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles.
- Review other sections of the annual report (including annual management discussion and analysis) and related securities regulatory filings (including the annual information form) before release and consider the accuracy and completeness of the information.
- Review with management and the external auditors all matters which the external auditors communicate to the committee pursuant to generally accepted auditing standards.
- Understand how management develops interim financial information, and the nature and extent of external auditor involvement.
- Review interim financial reports (including interim management discussion and analysis) with management and the external auditors, before filing with regulators, and consider whether they are complete and consistent with the information known to committee members.

Internal Control

- Consider effectiveness of the Corporation's internal control over the conduct of financial transactions and over annual and interim financial reporting, including information technology security and control.
- Understand the scope of external auditors' review of internal control over the conduct of financial transactions and over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

External Audit

- Review the external auditors' proposed audit scope and approach.
- Review the performance of the external auditors, and exercise final approval on the recommended appointment or discharge of the auditors, who are ultimately accountable to the board and the audit committee as representatives of shareholders.
- Review and confirm the independence of the external auditors by obtaining written statements, at least annually, from the auditors on all relationships between the auditors and the Corporation, including non-audit services, and the fees paid or payable with respect thereto, and discussing the relationships with the auditors.
- Pre-approve all non-audit services to be provided to the Corporation or its subsidiaries by the Corporation's external auditors, delegate a member of the committee to perform such pre-approval function, or establish policies and procedures with respect to the provision of non-audit services in accordance with applicable law.
- On a regular basis, meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

Compliance

- Review the effectiveness of the system of monitoring compliance with laws and regulations relating to financial reporting and securities law matters and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.
- Review the findings of any examinations by regulatory agencies, and any auditor observations.
- Review the process for communicating the code of conduct to Corporation personnel, and for monitoring compliance therewith.
- Review the procedures relating to the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters and the confidential submissions by employees of concerns regarding questionable accounting or auditing matters.
- Obtain regular updates from management and Corporation's legal counsel regarding compliance with laws and regulations relating to financial reporting and securities law matters and other matters that may have a material impact on financial statements.

Reporting Responsibilities

- Regularly report to the board of directors about committee activities, issues and related recommendations.
- Provide an open avenue of communication between the external auditors and the board of directors.
- Review any other reports the Corporation issues that relate to committee responsibilities.
- Other Responsibilities
- Perform other activities related to this charter as requested by the board of directors and as required by law.
- Institute and oversee special investigations as needed.
- Review and assess the adequacy of the committee charter annually, requesting board approval for proposed changes.
- Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the Corporation's present and former external auditors.
- Confirm annually that all responsibilities outlined in this charter have been carried out.
- Evaluate the committee's and individual members' performance on a regular basis.

Limitations

While the committee has the responsibilities and powers set forth in this charter, it is not the duty of the committee to plan or conduct audits or to determine that generally accepted accounting principles have been utilized in generating the Corporation's financial statements. This is the responsibility of management and the independent auditor. Nor is it the duty of the committee to conduct investigations or to assure compliance with laws and regulations and the business conduct guidelines of the Corporation.

SCHEDULE C
STOCK OPTION PLAN

1. PURPOSE

The purpose of this stock option plan (the "Plan") is to authorize the grant to service providers for Added Capital Inc. (the "**Corporation**") of options to purchase common shares ("**shares**") of the Corporation's capital and thus benefit the Corporation by enabling it to attract, retain and motivate service providers by providing them with the opportunity, through share options, to acquire an increased proprietary interest in the Corporation.

2. ADMINISTRATION

The Plan shall be administered by the board of directors of the Corporation or a committee established by the board of directors for that purpose (the "**Committee**"). Subject to approval of the granting of options by the board of directors or Committee, as applicable, the Corporation shall grant options under the Plan.

3. SHARES SUBJECT TO PLAN

The aggregate number of shares of the Corporation reserved for issuance and which may be issued and sold under the Plan, or any other stock option plans of the Corporation, shall not exceed ten percent (10%) of the total number of issued and outstanding shares (calculated on a non-diluted basis) from time to time. The total number of shares which may be reserved for issuance to any one individual under the Plan within any one year period shall not exceed 5% of the outstanding issue. The Corporation shall not, upon the exercise of any option, be required to issue or deliver any shares prior to (a) the admission of such shares to listing on any stock exchange on which the Corporation's shares may then be listed, and (b) the completion of such registration or other qualification of such shares under any law, rules or regulation as the Corporation shall determine to be necessary or advisable. If any shares cannot be issued to any optionee for whatever reason, the obligation of the Corporation to issue such shares shall terminate and any option exercise price paid to the Corporation shall be returned to the optionee.

4. LIMITS WITH RESPECT TO INSIDERS

- (a) The maximum number of shares which may be reserved for issuance to insiders under the Plan, any other employer stock option plans or options for services, shall be 10% of the shares issued and outstanding at the time of the grant (on a non-diluted basis).
- (b) The maximum number of shares which may be issued to insiders under the Plan, together with any other previously established or proposed share compensation arrangements, within any one year period shall be 10% of the outstanding issue. The maximum number of shares which may be issued to any one insider and his or her associates under the Plan, together with any other previously established or proposed share compensation arrangements, within a one year period shall be 5% of the shares outstanding at the time of the grant (on a non-diluted basis).

5. ELIGIBILITY

Options shall be granted only to Eligible Persons, any registered savings plan established by an Eligible Person or any corporation wholly-owned by an Eligible Person. The term "Eligible Person" means:

- (a) an officer, director or insider of the Corporation or any of its subsidiaries;
- (b) either:
 - (i) an individual who is considered an employee under the Income Tax Act;
 - (ii) an individual who works full-time for the Corporation providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source, or
 - (iii) an individual who works for the Corporation on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source,

any such individual being referred to herein as, an "**Employee**";

- (c) an individual employed by a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual (a "**Company**") or an individual (together with a Company, a "**Person**") providing management services to the Corporation, which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a Person engaged in Investor Relations Activities (as hereafter defined) (a "**Management Company Employee**");
- (d) an individual (or a company wholly-owned by individuals) who:
 - (i) provides ongoing consulting services to the Corporation or an Affiliate of the Corporation under a written contract;
 - (ii) possesses technical, business or management expertise of value to the Corporation or an Affiliate of the Corporation;
 - (iii) spends a significant amount of time and attention on the business and affairs of the Corporation or an Affiliate of the Corporation;
 - (iv) has a relationship with the Corporation or an Affiliate of the Corporation that enables the individual to be knowledgeable about the business and affairs of the Corporation; and
 - (v) does not engage in Investor Relations Activities (as hereafter defined)

any such individual, a "**Consultant**"; or

- (e) any Employee engaged to provide services that promote the purchase or sale of the issued securities (an "**Investor Relations Employee**").

For purposes of the foregoing, a Company is an "**Affiliate**" of another Company if: (a) one of them is the subsidiary of the other; or (b) each of them is controlled by the same Person.

The term "**Investor Relations Activities**" means any activities or oral or written communications, by or on behalf of the Corporation or shareholder of the Corporation, that promote or reasonably could be expected to promote the purchase or sale of securities of the Corporation, but does not include:

- (a) the dissemination of information provided, or records prepared, in the ordinary course of business of the Corporation
 - (i) to promote the sale of products or services of the Corporation, or
 - (ii) to raise public awareness of the Corporation, that cannot reasonably be considered to promote the purchase or sale of securities of the Corporation;
- (b) activities or communications necessary to comply with the requirements of
 - (i) applicable securities laws, policies or regulations,
 - (ii) the rules, and regulations of any stock exchange on which the shares are listed for trading or dealing network where the shares trade (the "**Exchange**") or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Corporation;
- (c) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if
 - (i) the communication is only through the newspaper, magazine or publication, and
 - (ii) the publisher or writer received no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (d) activities or communications that may be otherwise specified by the Exchange.

For stock options to Employees, Consultants or Management Company Employees, the Corporation must represent that the optionee is a bonafide Employee, Consultant or Management Company Employee as the case maybe. The terms "insider", "controlled" and "subsidiary" shall have the meanings ascribed thereto in the Securities Act (Ontario) from time to time. Subject to the foregoing, the board of directors or Committee, as applicable, shall have full and final authority to determine the persons who are to be granted options under the Plan and the number of shares subject to each option.

6. LIMITS WITH RESPECT TO CONSULTANTS AND INVESTOR RELATIONS EMPLOYEES

- (a) The maximum number of shares which may be reserved for issuance to any one Consultant under the Plan, any other employer stock options plans or options for services, within anyone year period, shall be 2% of the shares issued and outstanding at the time of the grant (on a non-diluted basis).
- (b) The maximum number of shares which may be reserved for issuance to Investor Relations Employees under the Plan, any other employer stock options plans or options for services, within any one year period shall be 2% of the shares issued and outstanding at the time of the grant (on a non-diluted basis).

7. PRICE

The purchase price (the "**Price**") for the shares of the Corporation under each option shall be determined by the board of directors or Committee, as applicable, on the basis of the market price, where "market price" shall mean the prior trading day closing price of the shares of the Corporation on the Exchange, and where there is no such closing price or trade on the prior trading day, "market price" shall mean the average of the most recent bid and ask of the shares of the Corporation on any stock exchange on which the shares are listed or dealing network on which the shares of the Corporation trade. In the event the shares are listed on the TSX Venture Exchange, the price maybe the market price less any discounts from the market price allowed by TSX Venture Exchange, subject to a minimum price of \$0.05.

8. PERIOD OF OPTION AND RIGHTS TO EXERCISE

Subject to the provisions of this paragraph 8 and paragraphs 9, 10 and 17 below, options will be exercisable in whole or in part, and from time to time, during the currency thereof and Options shall not be granted for a term exceeding five years. The shares to be purchased upon each exercise of any option (the "**optioned shares**") shall be paid for in full at the time of such exercise. Except as provided in paragraphs 9, 10 and 17 below, no option which is held by a service provider may be exercised unless the optionee is then a service provider for the Corporation.

9. CESSATION OF PROVISION OF SERVICES

Subject to paragraph 10 below, if any optionee who is a service provider shall cease to be a service provider for the Corporation for any reason (whether or not for cause) the optionee may, but only within the period of ninety days, or thirty days if the service provider is an Investor Relations Employee, next succeeding such cessation and in no event after the expiry date of the optionee's option, exercise the optionee's option unless such period is extended as provided in paragraph 10 below.

10. DEATH OF OPTIONEE

In the event of the death of an optionee during the currency of the optionee's option, the option theretofore granted to the optionee shall be exercisable within, but only within, the period of one year next succeeding the optionee's death. Before expiry of an option under this paragraph 10, the board of directors or Committee, as applicable, shall notify the optionee's representative in writing of such expiry.

11. NON-ASSIGNABILITY AND NON-TRANSFERABILITY OF OPTION

An option granted under the Plan shall be non-assignable and non-transferable by an optionee otherwise than by will or by the laws of descent and distribution, and such option shall be exercisable, during an optionee's lifetime, only by the optionee.

12. ADJUSTMENTS IN SHARES SUBJECT TO PLAN

The aggregate number and kind of shares available under the Plan shall be appropriately adjusted in the event of a reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering or any other change in the corporate structure or shares of the Corporation. The options granted under the Plan may contain such provisions as the board of directors, or Committee, as applicable, may determine with respect to adjustments to be made in the number and kind of shares covered by such options and in the option price in the event of any such change. If there is a reduction in the exercise price of the options of an insider of the Corporation, the Corporation will be required to obtain approval from disinterested shareholders.

13. AMENDMENT AND TERMINATION OF THE PLAN

The board of directors or Committee, as applicable, may at any time amend or terminate the Plan, but where amended, such amendment is subject to regulatory approval.

14. EFFECTIVE DATE OF THE PLAN

The Plan becomes effective on the date of its approval by the shareholders of the Corporation.

15. EVIDENCE OF OPTIONS

Each option granted under the Plan shall be embodied in a written option agreement between the Corporation and the optionee which shall give effect to the provisions of the Plan.

16. EXERCISE OF OPTION

Subject to the provisions of the Plan and the particular option, an option may be exercised from time to time by delivering to the Corporation at its registered office a written notice of exercise specifying the number of shares with respect to which the option is being exercised and accompanied by payment in cash or certified cheque for the full amount of the purchase price of the shares then being purchased.

Upon receipt of a certificate of an authorized officer directing the issue of shares purchased under the Plan, the transfer agent is authorized and directed to issue and countersign share certificates for the optioned shares in the name of such optionee or the optionees legal personal representative or as may be directed in writing by the optionee's legal personal representative.

17. VESTING RESTRICTIONS

Options issued under the Plan may vest at the discretion of the board of directors or Committee, as applicable, provided that (a) the number of shares which may be acquired pursuant to the Plan shall not exceed a specified number or percentage during the term of the option; and (b) options issued to Investor Relations Employees must vest in stages over not less than 12 months with no more than one-quarter (1/4) of the options vesting in any three month period.

18. NOTICE OF SALE OF ALL OR SUBSTANTIALLY ALL SHARES OR ASSETS

If at any time when an option granted under this Plan remains unexercised with respect to any optioned shares:

- (a) the Corporation seeks approval from its shareholders for a transaction which, if completed, would constitute an Acceleration Event; or

- (b) a third party makes a bona fide formal offer or proposal to the Corporation or its shareholders which, if accepted, would constitute an Acceleration Event;

the Corporation shall notify the optionee in writing of such transaction, offer or proposal as soon as practicable and, provided that the board of directors or Committee, as applicable, has determined that no adjustment shall be made pursuant to section 12 hereof, (i) the board of directors or Committee, as applicable, may permit the optionee to exercise the option granted under this Plan, as to all or any of the optioned shares in respect of which such option has not previously been exercised (regardless of any vesting restrictions), during the period specified in the notice (but in no event later than the expiry date of the option), so that the optionee may participate in such transaction, offer or proposal; and (ii) the board of directors or Committee, as applicable, may require the acceleration of the time for the exercise of the said option and of the time for the fulfilment of any conditions or restrictions on such exercise.

For these purposes, an Acceleration Event means:

- (a) the acquisition by any "offeror" (as defined in Part XX of the Securities Act (Ontario)) of beneficial ownership of more than 50% of the outstanding voting securities of the Corporation, by means of a takeover bid or otherwise;
- (b) any consolidation or merger of the Corporation in which the Corporation is not the continuing or surviving corporation or pursuant to which shares of the Corporation would be converted into cash, securities or other property, other than a merger of the Corporation in which shareholders immediately prior to the merger have the same proportionate ownership of stock of the surviving corporation immediately after the merger;
- (c) any sale, lease exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Corporation; or
- (d) the approval by the shareholders of the Corporation of any plan of liquidation or dissolution of the Corporation.

19. RIGHTS PRIOR TO EXERCISE

An optionee shall have no rights whatsoever as a shareholder in respect of any of the optioned shares (including any right to receive dividends or other distributions therefrom or thereon) other than in respect of optioned shares in respect of which the optionee shall have exercised the option to purchase hereunder and which the optionee shall have actually taken up and paid for.

20. GOVERNING LAW

This Plan shall be construed in accordance with and be governed by the laws of the Province of Ontario and shall be deemed to have been made in said Province, and shall be in accordance with all applicable securities laws.

21. EXPIRY OF OPTION

On the expiry date of any option granted under the Plan, and subject to any extension of such expiry date permitted in accordance with the Plan, such option hereby granted shall forthwith expire and terminate and be of no further force or effect whatsoever as to such of the optioned shares in respect of which the option has not been exercised.

SCHEDULE D
RSU Plan

[*See attached*]

RESTRICTED SHARE UNIT AWARD PLAN

ARTICLE 1 PURPOSE OF THIS PLAN

1.1 Purpose of this Plan

The purpose of this Plan is to promote the interests and long-term success of the Corporation by:

- (a) furnishing certain directors, officers, and employees of the Corporation or its Affiliates with greater incentive to develop and promote the business and financial success of the Corporation;
- (b) aligning the interests of persons to whom Restricted Awards may be granted with those of the shareholders of the Corporation generally through a proprietary ownership interest in the Corporation; and
- (c) assisting the Corporation in attracting, retaining and motivating its directors, officers, and employees.

The Corporation believes that these purposes may best be effected by granting Restricted Awards and affording such persons an opportunity to acquire a proprietary interest in the Corporation.

ARTICLE 2 DEFINITIONS

2.1 Definitions

In this Plan, unless there is something in the subject matter or context inconsistent therewith, capitalized words and terms will have the following meanings:

- (a) “**Affiliate**” means an affiliate as defined in the Securities Act and includes issuers that are similarly related, whether or not any of the issuers are companies, partnerships, limited partnerships, trusts, income trusts or investment trusts or any other organized entity issuing securities;
- (b) “**Applicable Withholding Taxes**” means all taxes and other source deductions or other amounts which the Corporation or an Affiliate of the Corporation is or may be required by law to withhold in respect of the Plan or in respect of a Restricted Award, including in respect of the issuance transfer, amendment or vesting of a Restricted Award or the issuance of Shares thereunder;
- (c) “**Associate**” means an associate as defined in the Securities Act;
- (d) “**Award Agreement**” means any written agreement, contract or other instrument or document evidencing any Restricted Award granted under this Plan. Each Award Agreement shall be subject to the applicable terms and conditions of this Plan and any other terms and conditions (not inconsistent with this Plan) determined by the Compensation Committee;

- (e) “**Blackout Period**” means an interval of time during which the Corporation has determined that one or more Participants may not trade any securities of the Corporation because they may be in possession of undisclosed material information pertaining to the Corporation;
- (f) “**Board**” means the board of directors of the Corporation as constituted from time to time;
- (g) “**Change in Control**” means:
 - (i) any merger or amalgamation in which voting securities of the Corporation possessing more than fifty percent (50%) of the total combined voting power of the Corporation’s outstanding securities are transferred to a person or persons different from the persons holding those securities immediately prior to such transaction;
 - (ii) any acquisition, directly or indirectly, by a person or Related Group of Persons (other than a person that is a registered dealer as described in Section 2.1(t)(iii) and other than the Corporation or a person that directly or indirectly controls, is controlled by, or is under common control with, the Corporation) of beneficial ownership of voting securities of the Corporation possessing more than fifty percent (50%) of the total combined voting power of the Corporation’s outstanding securities;
 - (iii) any acquisition, directly or indirectly, by a person or Related Group of Persons of the right to appoint a majority of the directors of the Corporation or otherwise directly or indirectly control the management, affairs and business of the Corporation;
 - (iv) any sale, transfer or other disposition of all or substantially all of the assets of the Corporation;
 - (v) a complete liquidation or dissolution of the Corporation; or
 - (vi) any transaction or series of transactions involving the Corporation or any of its Affiliates that the Board in its discretion deems to be a Change in Control;

provided however, that a Change in Control shall not be deemed to have occurred if such Change in Control results from:

- (i) the issuance, in connection with a bona fide financing or series of financings by the Corporation or any of its Affiliates, of voting securities of the Corporation or any of its Affiliates or any rights to acquire voting securities of the Corporation or any of its Affiliates which are convertible into voting securities;
- (ii) a transaction or series of transactions involving the Corporation or any of its Affiliates whereby the holders of the voting securities of the Corporation continue to hold voting securities in the capital of the surviving or successor entity in substantially the same proportion as such holders held voting securities in the Corporation immediately prior to the commencement of such transaction or series of transactions; or

- (iii) a reverse take-over of the Corporation, so long as more than one-half of the members of the Board immediately prior to the reverse take-over constitute more than one-half of the members of the board of directors of the other company involved in the reverse take-over of the Corporation following the reverse take-over.
- (h) “**Compensation Committee**” means the Compensation Committee of the Board or such other committee of the Board to which the Board has delegated responsibility for administration of the Plan or, if the Board has not made such delegation, “Compensation Committee” shall mean the Board;
- (i) “**Consultant**” means a person or company, other than an employee, executive officer or director of the Corporation, that: (i) is engaged to provide services to the Corporation, other than services provided in relation to a distribution of securities or services provided in relation to Investor Relations Activities; (ii) provides the services under a written agreement with the Corporation; and (iii) spends or will spend a significant amount of time and attention on the affairs and business of the Corporation, and includes, for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, and a partnership of which the individual consultant is an employee or partner;
- (j) “**Corporation**” means Red Light Holland Corp. and any successor corporation and any reference herein to action by the Corporation means action by or under the authority of its Board or a duly empowered committee appointed by the Board;
- (k) “**Eligible Person**” means director, officer, employee or Consultant of the Corporation or its Affiliates, excluding individuals or Consultants engaging in Investor Relations Activities;
- (l) “**Exchange**” means the Canadian Stock Exchange, TSX Venture Exchange or such stock exchanges or other organized markets on which the Shares are listed or posted for trading;
- (m) “**Insider**” in relation to the Corporation means:
 - (i) a director or senior officer of the Corporation;
 - (ii) a director or senior officer of a company that is an Insider or subsidiary of the Corporation; or
 - (iii) a person that beneficially owns or controls, directly or indirectly, Shares carrying more than ten percent (10%) of the voting rights attached to all Outstanding Shares.
- (n) “**Investor Relations Activities**” has the meaning ascribed thereto in Canadian Stock Exchange policies;
- (o) “**Merger and Acquisition Transaction**” means:

- (i) any merger;
 - (ii) any acquisition;
 - (iii) any amalgamation;
 - (iv) any offer for Shares which if successful would entitle the offeror to acquire all of the voting securities of the Corporation; or
 - (v) any arrangement or other scheme of reorganization; that results in a Change in Control;
- (p) **“Outstanding Shares”** at the time of any issuance of Shares means the number of Shares that are outstanding immediately prior to the issue of the Shares in question, on a non-diluted basis, or such other number as may be determined under the applicable rules and regulations of all regulatory authorities to which the Corporation is subject, including the Exchange;
- (q) **“Participant”** means an Eligible Person designated to be granted a Restricted Award under this Plan;
- (r) **“Permitted Assign”** in respect of a Participant means:
- (i) an executor or administrator for the estate of the Participant upon the death of the Participant, or
 - (ii) a committee or duly appointed attorney of the Participant, upon the Participant becoming incapable, by reason of physical or mental infirmity, of managing his or her affairs.
- (s) **“Plan”** means this restricted share unit award plan, as the same may from time to time be supplemented or amended and in effect;
- (t) **“Related Group of Persons”** in respect of a person means:
- (i) the person together with any one or more of the person’s Associates or Affiliates; and
 - (ii) any two or more persons who have an agreement, commitment or understanding, whether formal or informal, with respect to:
 - (A) the acquisition of or the intention to acquire, directly or indirectly, beneficial ownership of, or control and direction over, voting securities of the Corporation; or
 - (B) the exercise of voting rights attached to the securities of the Corporation beneficially owned by such persons, or over which such persons have control and direction, on matters regarding the appointment of directors or control of the management, affairs and business of the Corporation;

- (iii) despite the above Section 2.1(t)(ii)(A), a registered dealer acting solely in an agency capacity for a person or Related Group of Persons in connection with the acquisition of beneficial ownership of, or control and direction over, securities of the Corporation, and not executing principal transactions for its own account or performing services beyond customary dealer's functions, shall not be deemed solely by reason of such agency relationship to be a related person for the purposes of the definition of Related Group of Persons; and
- (u) "**Restricted Award**" means restricted share unit award granted pursuant to Section 8.1, for which the form of Award Agreement is attached hereto as Schedule "A";
- (v) "**Securities Act**" means the *Securities Act* (Ontario), as amended from time to time;
- (w) "**Shares**" means the common shares in the capital of the Corporation; and
- (x) "**Shareholder**" means a holder of Shares.

ARTICLE 3 EFFECTIVE DATE OF PLAN

- 3.1 This Plan became effective on June 7, 2021 (the "**Effective Date**").

ARTICLE 4 ADMINISTRATION OF PLAN

- 4.1 The Board may at any time appoint a committee of the Board (the "**Compensation Committee**") to, among other things, interpret, administer and implement this Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan (provided that if at any such time such a committee has not been appointed by the Board, this Plan will be administered by the Board, and in such event references herein to the Compensation Committee shall be construed to be a reference to the Board). The Board will take such steps that in its opinion are required to ensure that the Compensation Committee has the necessary authority to fulfil its functions under this Plan.
- 4.2 The Compensation Committee is authorized, subject to the provisions of the Plan, to establish such rules and regulations as it deems necessary for the proper administration of the Plan, and to make determinations and take such other action in connection with or in relation to the Plan as it deems necessary or advisable. Each determination or action made or taken pursuant to the Plan, including interpretation of the Plan, shall be final and conclusive for all purposes and binding on all parties, absent manifest error.
- 4.3 The Corporation will be responsible for all costs relating to the administration of the Plan.
- 4.4 Unless otherwise determined by the Board, the Plan shall remain an unfunded obligation of the Corporation and the rights of Participants under the Plan shall be general unsecured obligations of the Corporation.
- 4.5 The Corporation is authorized to take such steps as may be necessary to ensure all Applicable Withholding Taxes are withheld, deducted and remitted as required by law.

ARTICLE 5 **SHARES AVAILABLE FOR AWARDS**

- 5.1 Subject to adjustment as provided in Article 16 of this Plan, the maximum number of Shares that may be issuable pursuant to this Plan shall not exceed in the aggregate, that amount of Shares which is equal to 10% of the issued and outstanding Shares of the Corporation at the Effective Date. It is anticipated that the number of authorized but unissued Shares available for issuance under the Plan on the Effective Date will be 33,288,876 Shares.
- 5.2 For purposes of Section 5.1 and subject to Section 5.3, the number of Shares covered by a Restricted Award or to which a Restricted Award relates shall be counted on the date of grant of such Restricted Award against the aggregate number of Shares available for granting Restricted Awards under this Plan.
- 5.3 If an outstanding Restricted Award for any reason expires or is terminated or cancelled without having been settled in full, the Shares shall only be available again for issuance under this Plan upon approval of the Exchange.
- 5.4 The Board will reserve for issuance from time to time out of the authorized but unissued Shares sufficient Shares to provide for issuance of all Shares which are issuable under all Restricted Awards.
- 5.5 Fractional Restricted Awards are permitted under this Plan.

ARTICLE 6 **GRANT OF AWARDS**

- 6.1 Subject to the provisions of this Plan, the Compensation Committee may from time to time grant to any Eligible Person one or more Restricted Awards as the Compensation Committee deems appropriate.
- 6.2 The date on which a Restricted Award will be deemed to have been granted under this Plan will be the date on which the Compensation Committee authorizes the grant of such Restricted Award or such other future date as may be specified by the Compensation Committee at the time of such authorization (including, but not limited to, the date the Award Agreement is entered into pursuant to Section 6.4).
- 6.3 The number of Shares that may be issued under any Restricted Award will be determined by the Compensation Committee, provided that:
 - (a) subject to Section 6.3(b), the number of Shares reserved for issuance to any one Participant pursuant to this Plan combined with all of the Corporation's other security based arrangements, including the Corporation's stock option plan, within any one year period shall not, in aggregate, exceed five percent (5%) of the total number of Outstanding Shares, or in the case of Consultants, two percent (2%) of the issued and outstanding Shares to each Consultant in any one year period, unless disinterested Shareholder approval is obtained for such issuances;
 - (b) the number of Shares reserved for issuance to any one Participant pursuant to this Plan within any one-year period shall not, in aggregate, exceed one percent (1%) of the total

- number of Outstanding Shares, unless disinterested Shareholder approval is obtained for such issuance;
- (c) the maximum number of Shares which may be reserved for issuance to a Related Group of Persons, together with any other security based compensation agreements, may not exceed ten percent (10%) of the issued Shares
 - (d) subject to Section 6.3(e), the number of Shares:
 - (i) issuable, at any time, to Participants that are Insiders; and
 - (ii) issued to Participants that are Insiders within any one-year period; pursuant to this Plan, or when combined with all of the Corporation's other security-based compensation arrangements that provide for the issuance from treasury or potential issuance from treasury of Shares shall not, in aggregate, exceed 5% of the total number of Outstanding Shares;
 - (e) the number of Shares reserved for issuance to Participants that are Insiders pursuant to this Plan within any one year period shall not, in aggregate, exceed 2% of the total number of Outstanding Shares, unless disinterested Shareholder approval is obtained for such issuances,
- 6.4 Each Restricted Award will be evidenced by an Award Agreement which incorporates such terms and conditions (including all vesting conditions) as the Compensation Committee in its discretion deems appropriate and consistent with the provisions of this Plan (and the execution and delivery by the Corporation of an Award Agreement with a Participant shall be conclusive evidence that such Award Agreement incorporates terms and conditions determined by the Compensation Committee and is consistent with the provisions of this Plan). Each Award Agreement will be executed by the Participant to whom the Restricted Award is granted and on behalf of the Corporation by any member of the Compensation Committee or any officer of the Corporation or such other person as the Compensation Committee may designate for such purpose.
- 6.5 Restricted Awards granted pursuant to this Plan shall vest, and the corresponding Shares shall be issued, no later than December 15 of the third calendar year following the end of the Service Year in respect of each such Restricted Award. For the purposes of this paragraph: (i) where a Restricted Award is granted within the first half of a calendar year, the "**Service Year**" in respect of such Restricted award shall be the immediately preceding year; and (ii) where a Restricted Award is granted within the second half of a calendar year, the "**Service Year**" in respect of such Restricted award shall be the year of grant.

ARTICLE 7 ELIGIBILITY

- 7.1 Any Eligible Person shall be eligible to be designated a Participant. The Corporation and a Participant shall confirm that any Eligible Person that is an employee is a *bona fide* employee of the Corporation or its Affiliates. In determining whether an Eligible Person shall receive a Restricted Award and the terms of any Restricted Award, the Compensation Committee may take into account the nature of the services rendered by the Eligible Person, his or her present and

potential contributions to the success of the Corporation, and such other factors as the Compensation Committee, in its discretion, shall deem relevant.

ARTICLE 8 **RESTRICTED AWARD GRANTS**

- 8.1 The Compensation Committee is hereby authorized to grant Restricted Awards to an Eligible Person subject to the terms of this Plan. Each vested, whole Restricted Award granted under this Plan shall be denominated or payable in Shares and shall confer on the holder thereof the right to receive one Share from treasury (subject to adjustment in accordance with this Plan), immediately upon the completion of certain conditions during such periods as the Compensation Committee shall establish. Subject to the terms of this Plan, the conditions to be completed during any period, the length of any period, the amount of any Restricted Award granted, the number of treasury Shares receivable pursuant to any Restricted Award and any other terms and conditions of the Restricted Award shall be determined by the Compensation Committee at the time of grant. A Restricted Award will be subject to an Award Agreement containing such terms and conditions, not inconsistent with the provisions of this Plan, as the Compensation Committee shall determine.
- 8.2 Except as otherwise determined by the Compensation Committee or as set forth in the applicable Award Agreement, upon the termination of a Participant's employment (as determined under criteria established by the Compensation Committee), including by way of death, retirement, disability, termination without cause and termination for cause during the term of a Restricted Award, all unvested Restricted Awards held by the Participant shall be forfeited and cancelled; provided, however, that the Compensation Committee may, if it determines that a waiver would be in the best interest of the Corporation, waive in whole or in part any or all remaining restrictions or conditions with respect to any such Award.

ARTICLE 9 **GENERAL TERMS OF RESTRICTED AWARDS**

- 9.1 Restricted Awards may be granted for no cash consideration.
- 9.2 Restricted Awards may, in the discretion of the Compensation Committee, be granted either alone or in addition to or in tandem with any award granted under any plan of the Corporation or any Affiliate. Restricted Awards granted in addition to or in tandem with awards granted under any such other plan of the Corporation or any Affiliate may be granted either at the same time as or at a different time from the grant of such other awards.
- 9.3 All Shares delivered pursuant to a Restricted Award shall be subject to such stop transfer orders and other restrictions as the Compensation Committee may deem advisable, applicable Canadian provincial or foreign securities laws and regulatory requirements, applicable Exchange policies and rules, and applicable Canadian corporate laws, and the Compensation Committee may direct appropriate stop transfer orders and cause other legends to be placed on the certificates for such Shares to reflect such restrictions.

ARTICLE 10 **CHANGE IN STATUS**

- 10.1 A change in the status, office, position or duties of a Participant from the status, office, position

or duties held by such Participant on the date on which the Restricted Award was granted to such Participant will not result in the termination of the Restricted Award granted to such Participant provided that such Participant remains an Eligible Person.

ARTICLE 11 NON-TRANSFERABILITY OF RESTRICTED AWARDS

- 11.1 Each Award Agreement will provide that the Restricted Award granted thereunder is not transferable or assignable to anyone other than a Permitted Assign.

ARTICLE 12 REPRESENTATIONS AND COVENANTS OF PARTICIPANTS

- 12.1 Each Award Agreement will contain representations and covenants of the Participant that:

- (a) the Participant is a director, officer, employee or Consultant of the Corporation or its Affiliates or a person otherwise determined as an Eligible Person under this Plan by the Compensation Committee;
- (b) the Participant has not been induced to enter into such Award Agreement by the expectation of employment or continued employment with the Corporation or its Affiliates; and
- (c) the Participant is aware that the grant of the Restricted Award and the issuance by the Corporation of Shares thereunder are exempt from the obligation under applicable securities laws to file a prospectus or other registration document qualifying the distribution of the Restricted Awards of the Shares to be distributed thereunder under any applicable securities laws.

ARTICLE 13 WITHHOLDING TAX

- 13.1 Each Participant shall be responsible for all taxes in respect of the Plan and in respect of the issuance, transfer, amendment or vesting of a Restricted Award or the issuance of Shares thereunder. The Corporation makes no guarantee to any person regarding the tax consequences of becoming a Participant in the Plan and none of the Corporation, its Affiliates or any of their respective employees or representatives shall have any liability to any Participant with respect thereto. The Corporation shall be entitled to take all reasonable and necessary steps and to obtain all reasonable or necessary indemnities, assurances, payments or undertakings to satisfy any obligation to pay or withhold an amount on account of Applicable Withholding Taxes. Without limiting the generality of the foregoing, the Corporation may for such purposes withhold or offset such amounts from any salary or other amounts otherwise due or to become due from the Corporation to the Participant or may require that a Participant pay such amounts to the Corporation.
- 13.2 Participant will be solely responsible for paying any Applicable Withholding Taxes arising from the grant, vesting or issuance or payment of underlying Shares or cash of any Restricted Award and payment is to be made in a manner satisfactory to the Corporation. Notwithstanding the foregoing, the Corporation will have the right to withhold from any Restricted Award or any Shares issuable pursuant to a Restricted Award or from any cash amounts otherwise due or to become due from the Corporation to the Participant, an amount equal to any such taxes.

ARTICLE 14 **CONDITIONS**

- 14.1 Notwithstanding any provision in this Plan, other than pursuant to an Award Agreement, the Corporation's obligation to issue Shares to a Participant pursuant to the terms of any Restricted Award will be subject to, if applicable:
- (a) completion of such registration or other qualification of such Shares or obtaining approval of such governmental authority as the Corporation will determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; and
 - (b) the receipt from the Participant of such representations, agreements and undertakings, including as to future dealings in such Shares, as the Corporation or its counsel determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.

ARTICLE 15 **SUSPENSION, AMENDMENT OR TERMINATION OF PLAN**

- 15.1 The Compensation Committee will have the right at any time and from time to time to suspend or terminate this Plan (including, without limitation, in the event that the termination of this Plan is required by the Exchange) and, subject to Section 15.2, may:
- (a) with the prior approval of the Exchange and disinterested Shareholders of the Corporation by ordinary resolution make any amendment to any Restricted Award Agreement or this Plan, including any amendment that would:
 - (i) increase the number of Shares, or rolling maximum, reserved for issuance under this Plan as set out in Section 5.1;
 - (ii) extend the term of a Restricted Award beyond its original expiry time;
 - (iii) result in any modification to this Section 15.1; or
 - (b) without the prior approval of Shareholders of the Corporation and without limiting the generality of the foregoing, the Compensation Committee may make any other amendments not listed in (a) above to any Award Agreement or this Plan, as follows:
 - (i) amendments of a clerical or housekeeping nature, including but not limited to the correction of grammatical or typographical errors or clarification of terms;
 - (ii) amendments to reflect any requirements of any regulatory authorities to which the Corporation is subject, including the Exchange;
 - (iii) amendments to any vesting provisions of a Restricted Award, provided that such amendments shall not extend vesting beyond December 15 of the third calendar year following the end of the Service Year in respect of such Restricted Award; and
 - (iv) amendments to the expiration date of a Restricted Award that does not extend the

term of a Restricted Award past the original date of expiration for such Restricted Award.

Notwithstanding the foregoing, all procedures and necessary approvals required under the applicable rules and regulations of all regulatory authorities to which the Corporation is subject shall be complied with and obtained in connection with any such suspension, termination or amendment to this Plan or amendments to any Award Agreement, including, but not limited to, the receipt of necessary approvals from disinterested Shareholders and the Exchange, if applicable, in connection with any renewals and amendments to this Plan.

- 15.2 In exercising its rights pursuant to Section 15.1, the Compensation Committee will not have the right to affect in a manner that is materially adverse to, or that materially impairs, the benefits and rights of any Participant under any Restricted Award previously granted under this Plan except: (a) with the consent of such Participant; (b) as permitted pursuant to Article 16; or (c) for the purpose of complying with the requirements of any regulatory authorities to which the Corporation is subject, including the Exchange.
- 15.3 The full powers of the Compensation Committee as provided for in this Plan will survive the termination of this Plan until all Restricted Awards have been vested in full (including the issuance of any underlying Shares) or have otherwise expired.

ARTICLE 16 ADJUSTMENTS

- 16.1 In the event of any Share distribution, Share split, combination or exchange of Shares, merger, consolidation, spin-off or other distribution of the Corporation's assets to the Shareholders, or any other change affecting the Shares, the Restricted Awards of each Participant and the Restricted Awards outstanding under the Plan shall be adjusted in such manner, if any, as the Compensation Committee may in its discretion deem appropriate to reflect the event. However, no amount will be paid to, or in respect of, a Participant under the Plan or pursuant to any other arrangement, and no additional Restricted Awards will be granted to such Participant to compensate for a downward fluctuation in the market price of the Shares, nor will any other form of benefit be conferred upon, or in respect of a Participant for such purpose.
- 16.2 In the event of a Merger and Acquisition Transaction or proposed Merger and Acquisition Transaction, the Compensation Committee shall determine in an appropriate and equitable manner:
 - (a) any adjustment to the number and type of Shares (or other securities) that thereafter shall be made the subject of Restricted Awards; and
 - (b) the number and type of Shares (or other securities) subject to outstanding Restricted Awards; and
 - (c) determine the manner in which all unvested Restricted Awards granted under this Plan will be treated including, without limitation, requiring the acceleration of the time for the vesting of such Restricted Awards by the Participants, the time for the fulfilment of any conditions or restrictions on such vesting, and the time for the expiry of such Restricted Awards.

Subsections (a) through (c) of this Section 16.2 may be utilized independently of, successively

with, or in combination with each other and Section 16.1, and nothing therein contained shall be construed as limiting or affecting the ability of the Compensation Committee to deal with Restricted Awards in any other manner. All determinations by the Compensation Committee under this Article 16 will be final, binding and conclusive for all purposes.

- 16.3 Notwithstanding anything else in this Plan, any unvested Restricted Awards issued to a Participant at the time of a Merger and Acquisition Transaction shall immediately vest if either (i) the Participant is either terminated without cause or resigns with good reason (as such term has been defined under common law, including any reason that would be considered to amount to constructive dismissal by a court of competent jurisdiction) from their position with the Corporation within the period ending 12 months from the date of the completion of the Merger and Acquisition Transaction, or (ii) the Compensation Committee, acting reasonably, determines that an adjustment to the number and type of Shares (or other securities) resulting from a Merger and Acquisition Transaction is impractical or impossible. In the event this Section 16.3 is applicable, the Compensation Committee shall, acting reasonably, determine the extent to which the Participant met the conditions for vesting of Restricted Awards.
- 16.4 The grant of any Restricted Awards under this Plan will in no way affect the Corporation's right to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, amalgamate, reorganize, consolidate, dissolve, liquidate or sell or transfer all or any part of its business or assets or engage in any like transaction.

ARTICLE 17 GENERAL

- 17.1 Nothing herein or otherwise shall be construed so as to confer on any Participant any rights as a Shareholder of the Corporation with respect to any Shares reserved for the purpose of any Restricted Award.
- 17.2 Except as required by law, the rights of a Participant hereunder are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant. The rights and obligations hereunder may be assigned by the Corporation to a successor in the business of the Corporation.
- 17.3 Nothing in this Plan or any Award Agreement will confer upon any Participant any right to continue in the employ of or under contract with the Corporation or its Affiliates or affect in any way the right of the Corporation or any such Affiliate to terminate his or her employment at any time or terminate his or her consulting contract, nor will anything in this Plan or any Award Agreement be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any such Affiliate to extend the employment of any Participant beyond the time that he or she would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or its Affiliates or any present or future retirement policy of the Corporation or its Affiliates, or beyond the time at which he or she would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or its Affiliates. Neither any period of notice nor any payment in lieu thereof upon termination of employment shall be considered as extending the period of employment for the purposes of this Plan.
- 17.4 Nothing contained in this Plan will restrict or limit or be deemed to restrict or limit the right or power of the Board in connection with any allotment and issuance of Shares, which are not

allotted and issued under this Plan including, without limitation, with respect to other compensation arrangements.

- 17.5 The Plan and any Award Agreement granted hereunder will be governed, construed and administered in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
- 17.6 References herein to any gender include all genders and to the plural includes the singular and vice versa. The division of this Plan into Sections and Articles and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Plan.

SCHEDULE "A"
FORM OF AWARD AGREEMENT

RED LIGHT HOLLAND CORP.

(THE "CORPORATION")

RESTRICTED SHARE UNIT AWARD

PLAN AWARD AGREEMENT

This Award Agreement is entered into between the Corporation and the Participant named below pursuant to the Corporation's restricted share unit award plan (the "**Plan**"). All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Plan.

This Agreement confirms that:

1. on _____, 20____ (the "**Award Date**");
2. _____ (the "**Participant**");
3. was granted _____ Restricted Awards in respect of employment services to be rendered by the Participant to the Corporation or its Affiliates each of which entitles the Participant to receive one Share upon vesting, provided the following conditions are met:
 - (a) [conditions of vesting to be included at time of grant.]
4. the vesting of the Restricted Awards shall occur on the following schedule: Vesting Date Percentage Vested

[Timing of vesting to be included at time of grant.]
5. The Corporation shall issue to the Participant all amounts receivable by the Participant all Shares receivable by the Participant pursuant to this Agreement from treasury;
6. by execution of this Agreement and acceptance of the Restricted Awards hereby granted, the Participant hereby represents and warrants to the Corporation that the Participant:
 - (a) is director, officer, employee or Consultant of the Corporation or its Affiliates or a person otherwise determined as an Eligible Person under this Plan by the Compensation Committee;
 - (b) has not been induced to enter into such Agreement by the expectation of employment or continued employment with the Corporation or its Affiliates;
 - (c) is aware that the grant of the Restricted Award and the issuance by the Corporation of Shares thereunder are exempt from the obligation under applicable securities laws to file a prospectus or other registration document qualifying the distribution of the Restricted Awards of the Shares to be distributed thereunder under any applicable securities laws;

7. without restricting the generality of Section 4.5 of the Plan, the Corporation is expressly authorized to withhold and remit all Applicable Withholding Taxes arising as a consequence of the issuance, transfer, amendment or vesting of a Restricted Award granted pursuant to this Agreement or the issuance of Shares thereunder, (the “**Applicable Withholding Taxes Amount**”), in any of the following ways or any combination thereof:
 - (a) by requiring the Participant, as a precondition to the Corporation’s obligation to issue Shares from treasury, to pay to the Corporation in cash the Applicable Withholding Taxes Amount, to be remitted by the Corporation to the appropriate government authorities for the Participant’s account;
 - (b) by offset against any salary or other amounts otherwise due or to become due from the Corporation to the Participant and remitting such amounts to the appropriate government authorities for the Participant’s account; and
 - (c) by selling, as the Participant’s agent, sufficient of the Shares issued to the Participant in payment and settlement of the Restricted Awards to raise, net of commissions and other related expenses, cash in an amount not less than the Applicable Withholding Taxes Amount and remitting the Applicable Withholding Taxes Amount to the appropriate government authorities for the Participant’s account, and the Participant hereby irrevocably appoints the Corporation as the Participant’s agent to effect such sale or sales and receive the proceeds therefrom;

otherwise all on the terms and subject to the conditions and restrictions set out in the Plan.

By signing this Agreement, the Participant acknowledges that the Participant has read and understands the Plan and agrees to the terms and conditions of the Plan and this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the _____ day of _____, 20____.

RED LIGHT HOLLAND CORP.

By: _____
Participant

By: _____
Authorized Signatory