

**VERITAS PHARMA INC.**

**NOTICE OF POSTPONED ANNUAL GENERAL AND SPECIAL MEETING OF  
SHAREHOLDERS AND AMENDMENT TO INFORMATION CIRCULAR**

including with respect to a proposed

**ACQUISITION**

of all of the shares of

**INDIGENOUS BLOOM HEMP CORPORATION**

by

**VERITAS PHARMA INC.**

**MARCH 24, 2021**

## VERITAS PHARMA INC.

### AMENDED NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of holders (the “**Shareholders**”) of common shares (the “**Veritas Common Shares**”) of Veritas Pharma Inc. (“**Veritas**” or the “**Company**”) has been postponed to 12:00 noon (Pacific time) on April 29, 2021 and will be held at 3200 – 650 West Georgia Street, Vancouver, British Columbia for the following purposes:

1. To receive the Report of the Directors;
2. to receive the audited consolidated financial statements of the Company for the fiscal year ended April 30, 2020 and the report of the auditors thereon;
3. to determine the number of directors and elect directors for the ensuing year;
4. to appoint MNP LLP as the auditors of the Company for the ensuing year and to authorize the Directors to fix their remuneration;
5. to consider and, if thought advisable, to pass, with or without variation, a special resolution (the “**Amalgamation Resolution**”), the full text of which is set forth in Appendix A to the accompanying Amendment (as defined below), approving the acquisition of Indigenous Bloom Hemp Corporation (“**Hempco**”) by way of its amalgamation with the Company’s wholly-owned subsidiary, 12302161 Canada Inc. (“**Newco**”), and the transactions contemplated in the Business Combination Agreement dated September 4, 2020, as amended February 17, 2021, among the Company, Hempco and Newco;
6. to consider and, if thought advisable, to pass, with or without variation, a special resolution (the “**Consolidation Resolution**”), the full text of which is set forth in Appendix B to the Circular (as defined below), consolidating the issued and outstanding Veritas Common Shares on the basis of 2 pre-consolidation common shares for one post-consolidation common share; and
7. to transact such other business, including amendments to the foregoing, as may properly come before the Meeting or any adjournment or adjournments thereof.

An Information Circular (the “**Circular**”) for the Meeting was mailed to Shareholders on or about March 9, 2021. This Amended Notice of Meeting is accompanied by an amendment (the “**Amendment**”) to the Circular and either a form of proxy for registered Shareholders or a voting instruction form for beneficial Shareholders. The nature of the business to be transacted at the Meeting is described in further detail in the accompanying Amendment and in the Circular. The Amendment and the Circular are deemed to form part of this Notice of Meeting. Please read both the Circular and the Amendment carefully before you vote on the matters to be presented at the Meeting.

The Directors of the Company have fixed the close of business on March 1, 2021 as the record date for determining Shareholders entitled to receive notice of and to vote at the Meeting. Only Shareholders whose names have been entered into the register of the holders of Veritas Common Shares as at March 1, 2021 will be entitled to receive notice of and to vote at the Meeting in respect of such Veritas Common Shares.

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

- (a) by completing, dating and signing the enclosed form of proxy and returning it to the Company's transfer agent, Computershare Investor Services Inc., by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, Canada, M5J 2Y1, or by hand delivery to the 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, Canada, V6C 3B9;
- (b) by using a touch-tone phone to transmit voting choices to a toll-free number. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed Proxy form for the holder's account number and the Proxy control number; or
- (c) by using the internet through the website of the Company's transfer agent at [www.investorvote.com](http://www.investorvote.com). Registered shareholders must follow the instructions that are given by the website and refer to the enclosed proxy form for the holder's account number and the proxy access number;

and in all cases ensuring that the proxy is received before 12:00 noon (Pacific time) on April 27, 2021 or no less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the postponed Meeting or any adjournment thereof.

**The enclosed proxy supersedes and replaces the form of proxy mailed to Shareholders with the Meeting Materials on or about March 9, 2021. The previously mailed proxy is now void.**

All non-registered Shareholders who receive these materials through a broker or other intermediary should complete and return the materials in accordance with the instructions provided to them by such broker or intermediary.

All capitalized terms used in this Amended Notice of Meeting and in the Amendment have the same meaning as in the Circular unless otherwise defined.

**In light of ongoing public health concerns related to the COVID-19 pandemic and in order to comply with government decrees, the Company is requesting that Shareholders not attend the Meeting in person. Rather, the Company encourages Shareholders to submit their vote by proxy ahead of the Meeting in accordance with the instructions described above, in this Amendment and in the Circular.**

**Shareholders who have within 14 days of the date of the Meeting: (i) COVID-19 symptoms, (ii) been in close contact with another person with COVID-19 symptoms, or (iii) travelled outside of Canada, cannot attend the Meeting and should therefore vote only by proxy. For those Shareholders who attend the Meeting, physical distancing measures will be applicable, as directed by the Provincial Health Officer. The Company also reserves the right to change the location, date and time of the Meeting, based on developments with the COVID-19 pandemic.**

DATED at Vancouver, British Columbia, as of this 24th day of March, 2021.

By order of the Board of Directors

*“Peter McFadden”*

Peter McFadden,  
Interim Chief Executive Officer and Chief Financial Officer

## GENERAL PROXY INFORMATION

### Solicitation of Proxies

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

### Record Date

The directors of Veritas have fixed March 1, 2021 as the Record Date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting.

### Appointment of Proxyholder

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers and/or directors of the Company. **IF YOU ARE A SHAREHOLDER ENTITLED TO VOTE AT THE MEETING, YOU HAVE THE RIGHT TO APPOINT A PERSON OR COMPANY OTHER THAN EITHER OF THE PERSONS DESIGNATED IN THE PROXY, WHO NEED NOT BE A SHAREHOLDER, TO ATTEND AND ACT FOR YOU AND ON YOUR BEHALF AT THE MEETING. YOU MAY DO SO EITHER BY STRIKING OUT THE NAMES OF MANAGEMENT’S NOMINEES AND INSERTING THE NAME OF THAT OTHER PERSON IN THE BLANK SPACE PROVIDED IN THE PROXY OR BY COMPLETING AND DELIVERING ANOTHER SUITABLE FORM OF PROXY.** If your Veritas Common Shares are held in physical form (i.e., paper form) and are registered in your name, then you are a registered shareholder (“**Registered Shareholder**”). However, if, like most shareholders, you keep your Veritas Common Shares in a brokerage account, then you are a Beneficial Shareholder. The manner for voting is different for Registered Shareholders and Beneficial Shareholders. The instructions below should be read carefully by all shareholders.

### Voting by Proxyholder

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

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

- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the Management Appointee acting as a proxyholder will vote the Veritas Common Shares represented by the Proxy in favour of each matter identified on the Proxy.**

### **Notice and Access**

The Company is not sending this Amendment or the Circular to registered or beneficial shareholders using “notice-and-access” as defined under NI 54-101.

### **Registered Shareholders**

Registered Shareholders may wish to vote by Proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a Proxy may do so by:

- (a) completing, dating and signing the enclosed form of proxy and returning it to the Company’s transfer agent, Computershare Investor Services Inc., by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, Canada, M5J 2Y1, or by hand delivery to the 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, Canada, V6C 3B9;
- (b) using a touch-tone phone to transmit voting choices to a toll-free number. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed Proxy form for the holder’s account number and the Proxy control number; or
- (c) using the Internet through the website of the Company’s transfer agent at [www.investorvote.com](http://www.investorvote.com). Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed Proxy form for the holder’s account number and the Proxy control number.

In all cases, Registered Shareholders should ensure that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.

Should you wish to contact Computershare, please refer to the following:

#### **General Shareholder Inquiries:**

By phone:	1-800-564-6253
By fax:	1-866-249-7775
By email:	<a href="mailto:service@computershare.com">service@computershare.com</a>
By regular mail:	Computershare Investor Services Inc. 100 University Avenue, 8th Floor Toronto, Ontario, M5J 2Y1

## **Beneficial Shareholders**

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

If Veritas Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Veritas Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Veritas Common Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Veritas Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

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

Management of the Company does not intend to pay for Intermediaries to forward to OBOs under NI 54-101 the proxy-related materials and Form 54-101F7 – Request for Voting Instructions Made by Intermediary, and, in the case of an OBO, the OBO will not receive the materials unless the OBO's Intermediary assumes the cost of delivery.

Every Intermediary that mails proxy-related materials to Beneficial Shareholders has its own mailing procedures and provides its own return instructions to clients. Beneficial Shareholders should follow the instructions of their Intermediary carefully to ensure that their Veritas Common Shares are voted at the Meeting.

Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge mails a voting instruction form (the “**Broadridge VIF**”) which will be similar to the Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the Intermediary on how to vote on your behalf. The Broadridge VIF will appoint the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Shareholder of the Company), other than the persons designated in the Broadridge VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Broadridge VIF. The completed Broadridge VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Veritas Common Shares to be represented at the Meeting. **If you receive a Broadridge VIF, you cannot use it to vote Veritas Common Shares directly at the Meeting –**

**the Broadridge VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Veritas Common Shares voted.**

**Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Veritas Common Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your Veritas Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Veritas Common Shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.**

Alternatively, you can request in writing that your broker send you a legal Proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your Veritas Common Shares.

#### **Revocation of Proxies**

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

- (a) executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date to Computershare or at the address of the registered office of the Company at Suite 3200, 650 West Georgia Street, Vancouver, British Columbia, V6B 4P7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the Registered Shareholder's Veritas Common Shares.

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

## AMENDMENT TO CIRCULAR

The Circular is amended by deleting everything under the heading “The Amalgamation” commencing on page 11 of the Circular and inserting the following in its place.

### THE AMALGAMATION

#### Acquisition of Hempco

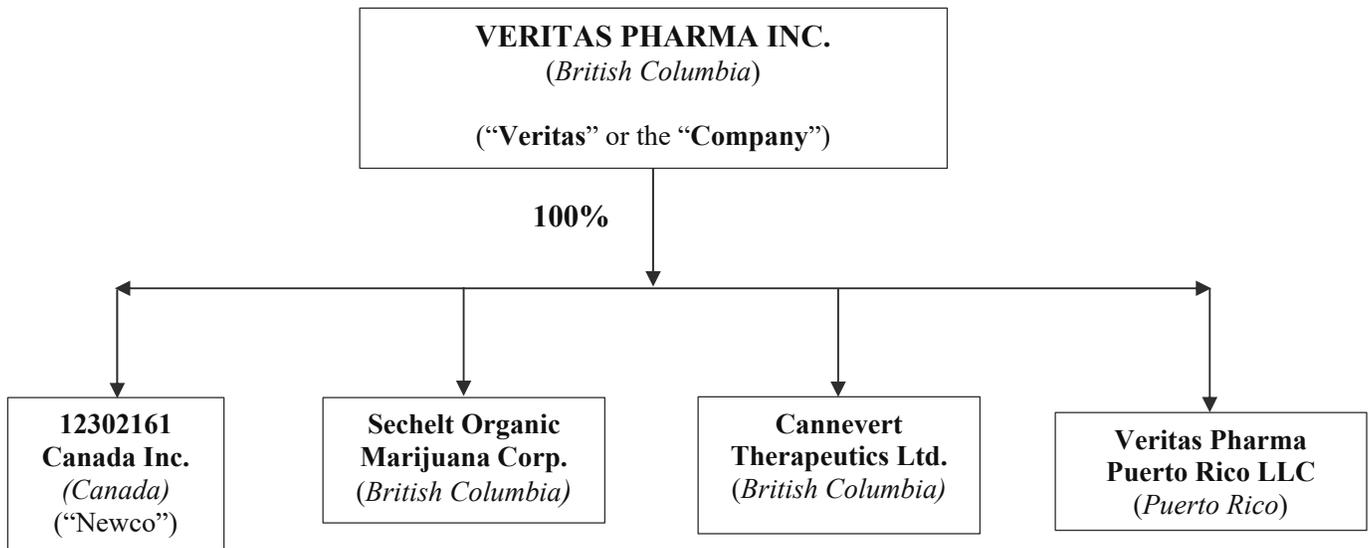
Veritas, Hempco and Newco (a wholly-owned subsidiary of Veritas) entered into the Business Combination Agreement and the Amalgamation Agreement which provides for the Amalgamation and for Veritas to thereby acquire all of the outstanding Hempco Shares, with Hempco Shareholders to receive Consolidated Veritas Common Shares valued at \$28,000,000, such number of shares to be determined on the basis of the Exchange Ratio. Pursuant to the Amalgamation, Newco and Hempco will amalgamate to form Newco, which will be a wholly-owned subsidiary of Veritas. Newco will be named Indigenous Bloom Hemp Corporation and Veritas will change its name to Indigenous Bloom Hemp Corp. The Amalgamation constitutes a fundamental change of Veritas pursuant to the policies of the CSE, and in accordance with CSE Policy 8, trading in the Veritas Common Shares has been halted pending the acceptance and posting of certain documents as required by CSE Policy 8.

Since the Exchange Ratio will be based on the closing price of the Consolidated Veritas Common Shares on the CSE on the last trading day prior to the Effective Date, the actual number of Consolidated Veritas Common Shares to be issued to the Hempco Shareholders pursuant to the Amalgamation cannot be determined as of the date of this Amendment or as of the date of the Circular. However, based on the last closing price of the Veritas Common Shares on the CSE prior to the trading halt (\$0.15) multiplied by the Consolidation ratio of 2:1 (\$0.30), an estimated 93,333,333 Consolidated Veritas Common Shares would be issued to the Hempco Shareholders pursuant to the Amalgamation.

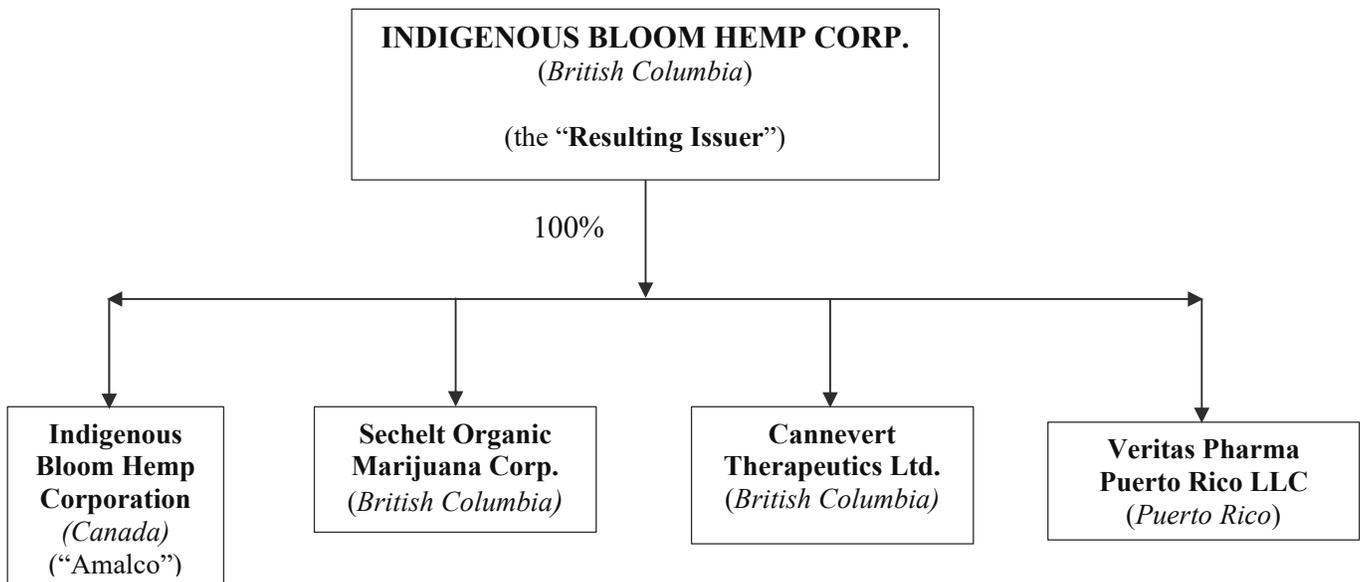
Certain of the Consolidated Veritas Common Shares held by the current Hempco Shareholders will be subject to escrow conditions as required by applicable CSE policy. See “*Appendix D – Information Concerning the Resulting Issuer – Escrowed Securities*” in the Circular.

Concurrently with the Effective Date, the Board of Directors of Veritas intend to change the name of the Company to “Indigenous Bloom Hemp Corp.”

The chart below illustrates the corporate structure of Veritas prior to the completion of the Amalgamation.



The chart below illustrates the corporate structure of the Resulting Issuer immediately following the completion of the Amalgamation.



The descriptions of the Business Combination Agreement and the Amalgamation Agreement in this Amendment and in the Circular are summaries only, are not exhaustive and are qualified in their entirety by reference to the terms of the Business Combination Agreement and the Amalgamation Agreement, which are available on Veritas’s SEDAR profile at [www.sedar.com](http://www.sedar.com) and which are incorporated by reference herein. Copies of the Business Combination Agreement and the Amalgamation Agreement are also available for inspection during normal business hours at the Company’s records office, 3200 – 650 West Georgia Street, Vancouver, British Columbia, V6B 4P7 up to and including the day of the Meeting.

## Valuation Report

The Valuation Report was prepared for Hempco. Within the scope, assumptions and limitations of its engagement, the Valuator concluded that the fair market value of Hempco's business enterprise on August 31, 2020 was in the range of \$25,500,000 to \$31,800,000. This is the estimated value of the net business assets of Hempco (including goodwill), before taking account of assumed and contingent liabilities. After deducting long-term loans and long-term lease liabilities and making a notional adjustment for the latent or notional tax on goodwill, the Valuator concluded that the fair market value of Hempco's shares on August 31, 2020 was in the range \$24,000,000 to \$30,000,000. The Valuator's calculations are contained in the Valuation Report, a copy of which is available under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com). The Valuation Report is available for inspection during normal business hours at the Company's registered office, 3200 – 650 West Georgia Street, Vancouver, British Columbia, V6B 4P7, and a copy will be sent to any security holder of the Company without charge upon request to the Company.

Fair market value (FMV) is value in a "fair" market and for the purposes of the Valuation Report is defined as "the highest price available in an open and unrestricted market, between informed and prudent parties, acting at arm's length and under no compulsion to act. Fair market value is expressed in terms of current cash or money's worth." FMV is a notional concept and its calculation does not involve exposing the business to the market for sale. FMV is not the same as price. The price at which a business may ultimately be sold is influenced by many factors, such as unique negotiating positions, non-cash settlement terms or differing motivations for undertaking the sale, which are not usually considered in determining FMV.

In the calculation of the fair market value of the shares of Hempco, the Valuator used the discounted cashflow method. This method is considered suitable for businesses that have limited financial history, but which are expected to generate strong cash flows for at least the next few years, within a changing risk environment.

Key assumptions made in the Valuation Report include the following:

1. That all contracts required for the fulfillment of management's projections, none of which were verified by the Valuator, will be in place in a timely manner and that the crop will be grown, processed and sold commencing in the 2021 calendar year;
2. That management's inputs used for the base case scenario are broadly achievable, notwithstanding that it is realistic to expect some variations and shortfalls;
3. That production will reach full capacity in 2021;
4. That the final market for Hempco's products will be sufficient to absorb all of HEMPCO's production of oil starting in 2021; and
5. That the impact of the Covid-19 pandemic on Hempco's business would be limited.

The Valuation Report was an update and replacement to two previous reports by the Valuator, one dated February 29, 2020 and one dated April 30, 2020.

In the February 29, 2020 report, the Valuator concluded that the fair market value of Hempco's business enterprise on February 29, 2020 was in the range of \$51,000,000 to \$62,000,000. This is the estimated value of the net business assets of Hempco (including goodwill), before taking account of assumed and contingent liabilities. After deducting an assumed liability to related parties for capital inputs and making a notional adjustment for the latent or notional tax on goodwill, the Valuator concluded that the fair market value of Hempco's shares on February 29, 2020 was in the range \$48,000,000 to \$59,000,000.

In the April 30, 2020 report, the Valuator concluded that the fair market value of Hempco's business enterprise on April 30, 2020 was in the range of \$24,700,000 to \$30,100,000. This is the estimated value of the net business assets of Hempco (including goodwill), before taking account of assumed and contingent liabilities. After deducting an assumed liability to related parties for capital inputs and making a notional adjustment for the latent or notional tax on goodwill, the Valuator concluded that the fair market value of Hempco's shares on April 30, 2020 was in the range \$23,000,000 to \$28,000,000.

Both the February 29, 2020 report and the April 30, 2020 report are available under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com). Both the February 29, 2020 report and the April 30, 2020 report are available for inspection during normal business hours at the Company's registered office, 3200 – 650 West Georgia Street, Vancouver, British Columbia, V6B 4P7, and a copy will be sent to any security holder of the Company without charge upon request to the Company.

### **Shareholder Approval**

Under the policies of the CSE, the Amalgamation is considered to be a “fundamental change”. The policies of the CSE require that a “fundamental change” must be approved by the Shareholders prior to completion of the Amalgamation in order to qualify the Consolidated Veritas Common Shares for Listing. All of the directors of the Company are also shareholders of Hempco and pursuant to the provisions of the BCBCA have a disclosable interest in the Amalgamation. Under the BCBCA, where all of the directors of a corporation have a disclosable interest in a contract or transaction, the directors may vote on a directors' resolution approving the contract or transaction and the contract or transaction may be approved by a special resolution of shareholders. Accordingly, at the Meeting, Shareholders will be asked to consider the Amalgamation Resolution, which is a special resolution, to approve the Amalgamation. The full text of the Amalgamation Resolution is set forth in Appendix A to this Amendment. To be effective, the Arrangement Resolution must be approved by at least two-thirds (2/3) of affirmative votes cast by the Shareholders present in person or represented by proxy at the Meeting and entitled to vote thereat.

Lorne Mark Roseborough, the Chairman of the Board and a director of Veritas, Blair Lowther, a director of Veritas, Sharon Blady, a director of Veritas, Peter McFadden, the Interim CEO and CFO of Veritas and Michael Matviessen, who holds more than 10% of the issued and outstanding Veritas Common Shares, and Nick Standish, a former director of Veritas, are also shareholders of Hempco (the foregoing collectively the “**Interested Parties**”). Mr. Roseborough owns 2,414,214 Hempco Shares representing 12.07% of the issued and outstanding Hempco Shares, Mr. Lowther owns 345,266 Hempco Shares representing 1.73% of the issued and outstanding Hempco Shares, Ms. Blady owns 226,415 Hempco Shares representing 1.13% of the issued and outstanding

Hempco Shares, Mr. McFadden owns 322,624 Hempco Shares representing 1.61% of the issued and outstanding Hempco Shares, Mr. Matviashen owns, or controls or directs, directly or indirectly, 3,432,387 Hempco Shares representing 17.16% of the issued and outstanding Hempco Shares and Mr. Standish owns 387,754 Hempco shares representing 1.94% of the issued and outstanding Hempco Shares. For information on the number of Consolidated Veritas Common Shares each of them (other than Mr. Standish) will hold on completion of the Amalgamation refer to “*Appendix D – Information Concerning the Resulting Issuer – Escrowed Securities*” in the Circular.

The Amalgamation constitutes a “related party transaction” in accordance with the provisions of MI 61-101 and, unless exemptions are available, would require a formal valuation and minority approval of Shareholders. Veritas has an exemption from the formal valuation requirements of MI 61-101 under section 5.5(b) thereof in that no securities of Veritas are listed on the Toronto Stock Exchange, Aequis NEO Exchange, the New York Stock Exchange, the American Stock Exchange, the NASDAQ Stock market, or a stock exchange outside of Canada and the United States other than the Alternative Investment market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

Under MI 61-101 there is no exemption available from the minority approval requirement, so in addition to being passed as a special resolution the Amalgamation Resolution must receive minority shareholder approval. A separate tabulation of votes will be done to determine minority shareholder approval. Pursuant to the minority shareholder approval requirements of MI 61-101, the votes attached to Veritas Common Shares which are beneficially owned by, or over which control or direction is exercised by, the Interested Parties, will be excluded from voting on the Arrangement Resolution. The total number of votes which will be excluded is 4,637,146 votes representing 27.78% of the votes attached to all of the issued and outstanding Veritas Common Shares (Bair Lowther – 560,000 Veritas Common Shares; Peter McFadden – 553,813 Veritas Common Shares; Michael Matviashen – 3,100,000 Veritas Common Shares; Nick Standish – 423,333 Veritas Common Shares). To be effective, the Amalgamation Resolution must be approved by a simple majority of affirmative votes cast by the Shareholders, other than the Interested Parties, present in person or represented by proxy at the Meeting and entitled to vote thereat.

### **Amalgamation Effective Date**

If the Amalgamation Resolution is passed, and all other conditions disclosed under the heading “*The Business Combination Agreement - Conditions to Closing the Amalgamation and Required Approvals*” in the Circular are satisfied or waived, the Amalgamation will become effective on a date determined by Hempco and Veritas. Veritas and Hempco currently expect that the Amalgamation will be completed on or about May 16, 2021.

### **Recommendation of the Board**

EACH MEMBER OF THE BOARD BELIEVES THAT THE AMALGAMATION IS IN THE BEST INTERESTS OF THE COMPANY, BUT SINCE EACH MEMBER OF THE BOARD HAS A DISCLOSABLE INTEREST IN THE AMALGAMATION, THE BOARD IS NOT

## MAKING A RECOMMENDATION TO SHAREHOLDERS IN RESPECT OF THE AMALGAMATION RESOLUTION.

### ***Background and Reasons for the Amalgamation***

As part of the strategic plan of management of Veritas to generate revenue, management was looking to leverage its expertise and enter into mergers and acquisitions with suitable cannabis industry participants or with participants in other industries with revenue generating potential. Veritas had discontinued the clinical research being conducted by its wholly owned subsidiary, Cannevert (refer to “*Information Concerning Veritas – General Development of the Business*” in the Circular) and, being without any revenue generating assets, was looking for revenue generating opportunities in emerging industries. Veritas explored potential acquisitions in x-ray technology and CBD food and beverage additives but was unable to finalize a mutually beneficial business relationship.

Knowing that Manitoba has some of the best growing environments for hemp, management sought to find an opportunity within the hemp industry in this region. In early December 2019, Lorne Mark Roseborough initiated contact with Hempco management. Hempco had already begun research and development of proprietary applications to streamline harvesting and processing hemp biomass. Meetings between Mr. Roseborough and Allen Szmyrko of Hempco took place in late December 2019 and early January 2020. Veritas recognized the value of HempCo’s proprietary intellectual property and sought to negotiate a mutually beneficial business combination. In March of 2020, Veritas and Hempco commenced negotiating a letter of intent, and in May of 2020 a letter of intent was executed.

Lorne Mark Roseborough and Peter McFadden were assigned to conduct due diligence on Hempco and, in conjunction with legal counsel, to negotiate and finalize the terms of the Business Combination Agreement. Messrs. Roseborough and McFadden conducted due diligence throughout the summer of 2020 and in September of 2020 the Business Combination Agreement was executed.

In connection with the Amalgamation, the Board consulted with Veritas’s management and advisers and considered the Amalgamation with reference to the general industry, economic and market conditions as well as the financial condition of Veritas, its future prospects, strategic alternatives, competitive position and the risks related to Veritas’s ongoing financing requirements.

The Board, in consultation with Veritas’s management and advisers, considered a number of potential issues regarding the Amalgamation and the risks (as described in greater detail under the heading “*Risk Factors*” in the Circular) relating to the Amalgamation, including:

1. the risks to the Company and the Shareholders if the Amalgamation is not completed, including the costs to the Company of pursuing the Amalgamation and the diversion of the Company’s management from the conduct of the Company’s business in the ordinary course;
2. Veritas may not have been able to verify the reliability of all information regarding Hempco included in this Amendment or in the Circular and information not known

to Veritas may result in unanticipated liabilities or expenses, or adversely affect the operating plans of the Resulting Issuer and its results of operations and financial condition;

3. Veritas and Hempco may fail to realize the anticipated benefits of the Amalgamation;
4. the Consolidation and the dilutive effect on the interests of the Shareholders;
5. the conditions to Hempco's obligations to complete the Amalgamation; and
6. the right of Hempco to terminate the Amalgamation under certain circumstances.

The Board's reasons for entering into the Business Combination Agreement include certain assumptions relating to forward-looking information, and such information and assumptions, are subject to various risks. The Board believes that, overall, the anticipated benefits of the Amalgamation to Veritas outweigh these risks and negative factors. In the Circular, see "*Cautionary Notice Regarding Forward-Looking Statements*", "*Risk Factors*" and "*Appendix D – Information Concerning the Resulting Issuer – Risk Factors*".

The foregoing summary of information and factors considered by the Board is not intended to be exhaustive. In view of the variety of factors and the amount of information considered in connection with its evaluation of the Amalgamation, the Board did not find it practical to, and did not, quantify or otherwise attempt to assign any relative weight to each specific factor considered in reaching its determination and recommendation. The Board's decisions were made after considering all of the above-noted factors and in light of its knowledge of the business, financial condition and prospects of Veritas, and was also based on the advice of advisors. Individual directors may have assigned or given different weights to different factors.

## APPENDIX A

### AMALGAMATION RESOLUTION

“BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The acquisition of all the issued and outstanding common shares of Indigenous Bloom Hemp Corporation (“**Hempco**”) by the Company by way of a three-cornered amalgamation (the “**Amalgamation**”) involving the Company, 12302161 Canada Inc. (“**Newco**”) and Hempco, as more particularly described and set forth in the Management Information Circular of the Company dated March 1, 2021 and in the Amendment to the Circular dated March 24, 2021, is hereby authorized, approved and adopted;
2. The Business Combination Agreement dated September 4, 2020, as amended February 17, 2021, among the Company, Hempco and Newco (the “**Business Combination Agreement**”) and all transactions contemplated thereby, and the performance by the Company of its obligations thereunder, is hereby approved and adopted;
3. The Amalgamation Agreement dated February 17, 2021 among the Company, Hempco and Newco (the “**Amalgamation Agreement**”) and all transactions contemplated thereby, and the performance by the Company of its obligations thereunder, is hereby approved and adopted;
4. The actions of the directors of the Company in approving the Business Combination Agreement and the Amalgamation Agreement and the actions of the directors and officers of the Company in executing and delivering the Business Combination Agreement and the Amalgamation Agreement and any amendments thereto in accordance with its terms are hereby ratified and approved;
5. Notwithstanding that this resolution has been passed by the shareholders of the Company, the directors of the Company are hereby authorized and empowered (a) to amend the Business Combination Agreement and the Amalgamation Agreement to the extent permitted by the Business Combination Agreement and the Amalgamation Agreement, and (b) not to proceed with the Amalgamation at any time prior to the Effective Date (as defined in the Amalgamation Agreement); and
6. Any officer or director is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or cause to be delivered, all such documents and instruments and to perform or cause to be performed all such other acts and things as in such person’s opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such authorization to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.”