

COMPENSATION COMMITTEE CHARTER

NOVA CANNABIS INC

Effective as and from June 21, 2021

PURPOSE

The Compensation Committee (the "**Committee**") is a standing committee appointed by the board of directors (the "**Board**") of Nova Cannabis Inc. (the "**Corporation**") to:

- develop the Corporation's philosophy and guidelines on executive compensation;
- determine the chief executive officer ("**CEO**") goals and objectives relevant to compensation;
- review and recommend for Board approval the CEO's compensation based on the Committee's evaluation of the CEO's performance relative to the CEO's goals and objectives;
- review the performance of the Corporation's Chief Financial Officer, Chief Operating Officers and/or vice presidents ("**management**") and directors, and determine compensation for the Chief Financial Officer, Chief Operating Officers and/or Presidents and directors;
- oversee succession planning for non-CEO officers and directors;
- review and administer the Corporation's incentive compensation plans; and
- evaluate human resource policies, trends and/or organizational issues including in respect of recruitment, performance management, compensation, benefit programs, resignations/terminations, training and development, succession planning and organizational planning and design.

MANDATE AND RESPONSIBILITIES OF THE COMMITTEE

The Committee will:

1. In Respect of CEO Compensation

- a. lead the review of CEO performance and report the results to the Board; and
- b. at least once annually, review and recommend to the Board for approval the CEO's compensation, based on the Committee's evaluation of CEO performance and its review of the form and adequacy of CEO compensation, provided that the Committee's recommendation of annual variable pay will be subject to the approval of and establishment by the Board of guidelines with respect to variable pay compensation.

2. In Respect of Incentive Compensation Plans

- a. following the approval of and establishment by the Board of any incentive compensation plans, and within any guidelines established by the Board and subject to any authority otherwise reserved or delegated by the Board with respect to such plans, the Committee

will review management's recommendations, and subject to confirmation by the Board, approve the granting of awards under such plans to eligible participants and administer such plans; and

- b. propose and review material changes to incentive compensation plans and employee benefit plans, including guidelines and policies relating to such plans, and present its recommendations to the Board for approval.

3. In Respect of Other Items

- a. develop and recommend to the Board for its approval, the Corporation's compensation philosophy and guidelines for management and any material changes thereto. At least annually, the Committee will review the Corporation's compensation philosophy and guidelines for management and recommend any material changes to the Board for its approval. In its review, the Committee will:
 - i. assess the linkage of executive compensation philosophy and executive incentive compensation plans to the Corporation's financial and non-financial performance, support of the Corporation's business strategy, and alignment with the Corporation's executive compensation philosophy; and
 - ii. review and consider the implications of the risks associated with the Corporation's executive compensation policies and practices, specifically, situations that could potentially encourage management to expose the Corporation to inappropriate or excessive risks;
- b. review and recommend to the Board for approval the proposed appointment of any person to management and the proposed appointment of any member of management as an officer of the Corporation;
- c. review and, as appropriate, pre-approve the provision of services by compensation consultants and advisors, including services other than compensation services provided for members of the Board or management and, as applicable, make recommendations to the Board in respect of any disclosure of such services that is required to be included in the Corporation's management information circular;
- d. review and recommend to the Board for publication, reports on executive compensation for inclusion in the Corporation's information circulars and similar disclosure documents as required by applicable law;
- e. annually review and evaluate the adequacy of this Charter and the position description of the chair of this Committee (the "**Committee Chair**") contained herein, the Committee's performance, and report its evaluation and any recommendations for changes to the Board;
- f. report on its activities and deliberations to the Board as soon as practicable, and report to the Board at its next regular meeting all such actions which the Committee has taken since the previous report;
- g. within any guidelines established by the Board, and any authority reserved by the Board, the Committee may consider and determine all matters concerning incentive awards,

perquisites and other remuneration matters with respect to management, provided that any determination with respect to CEO remuneration will be subject to the approval of the Board; and

h. other duties and responsibilities as are delegated to it from time to time by the Board.

COMPOSITION

1. This Committee shall be comprised of at least three individuals appointed by the Board from amongst its members, all of whom shall be "independent" (as defined under applicable securities laws). The Board, on the recommendation of the Committee, will appoint and remove the members of the Committee by a majority vote. The members will sit on the Committee at the pleasure of the Board.
2. The Board shall appoint the Committee Chair annually.
3. The secretary to the Board or another individual as selected by the Committee shall act as secretary of the Committee (the "**Secretary**").
4. A quorum shall be a majority of the members of the Committee. A quorum once established is maintained even if members of the Committee choose to leave the meeting prior to its conclusion.
5. All Committee members should be free from any direct or indirect material relationship that could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment.
6. Members should have or obtain sufficient knowledge of the Corporation's corporate governance requirements to assist in providing advice and counsel on ongoing compliance and improvements to the Corporation's governance activities.
7. Any member of the Committee may be removed or replaced at any time by the Board and shall automatically cease to be a member of the Committee upon ceasing to be a director. The Board may fill vacancies on the Committee by appointment from among its members. The Board shall fill any vacancy if the membership of the Committee is less than three directors. If and whenever a vacancy exists on the Committee, the remaining members may exercise all its power so long as a quorum remains in office. Subject to the foregoing, the members of the Committee shall be elected by the Board annually and each member of the Committee shall hold office as such until the next annual meeting of shareholders after his or her election or until his or her successor is duly elected and qualified.

MEETINGS

1. The Committee shall meet at least four times per year and/or as deemed appropriate by the Committee Chair.
2. Effective agendas, with input from management, shall be circulated to Committee members and relevant management personnel along with background information on a timely basis prior to the Committee meetings.
3. Minutes of each meeting shall be prepared by the Secretary to the Committee.

4. Any issues arising from these meetings that bear on the relationship between the Board and management should be communicated to the CEO by the Committee Chair.
5. The CEO will be available to attend all meetings of the Committee upon invitation by the Committee.
6. Members of senior management as well as individuals representing human resources and such other staff as appropriate to provide information to the Committee may attend meetings upon invitation by the Committee.

REPORTING/ AUTHORITY

1. Following each meeting, the Committee will report to the Board by way of providing copies of the minutes of such Committee meeting at the next Board meeting after a meeting is held (these may still be in draft form).
2. Supporting schedules and information reviewed by the Committee shall be available for examination by any director.
3. The Committee may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of the Corporation.
4. The Committee shall review this charter annually and make recommendations to the Board as to proposed changes.

COMPENSATION COMMITTEE CHAIR

The Board, on the recommendation of the Committee, will appoint the Committee Chair from the Committee's members by a majority vote. The Committee Chair will hold such position at the pleasure of the Board and will be responsible for:

- a. coordinating with the CEO and the Corporation on major strategic issues, annual and long-term business plans, and other business related issues;
- b. coordinating with the Committee to ensure that the Committee is in compliance with its obligations, assist the Board in its recommendation of Committee members, establishing the frequency of Board meetings, chairing the Committee meetings, liaising and communicating with directors and other committee chairs to coordinate input from directors and other related matters;
- c. coordinating with the Board to monitor and review the general business affairs of the Corporation including considering measures it may take if performance of the Corporation falls short of its goals; and
- d. ensuring the Board is appropriately represented vis-à-vis major shareholder groups, and other stakeholder groups.