

GOVERNANCE COMMITTEE CHARTER

NOVA CANNABIS INC.

Effective as and from June 21, 2021

PURPOSE

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

- oversee succession planning for the Chief Executive Officer ("**CEO**"), the Chief Financial Officer, the Chief Operating Officer, and other officers of the Corporation (collectively, "**management**"), the Board, all committee members and all committee chairs;
- establish a process for identifying, recruiting, appointing and providing ongoing development for directors, including identifying individuals qualified to become board members and to select, or to recommend that the Board select the director nominees for the next annual meeting of shareholders;
- oversee the evaluation of the Board;
- assist the Board in fulfilling its oversight responsibilities regarding the effectiveness of the Corporation's corporate governance system; and
- develop and recommend to the Board a set of corporate governance principles applicable to the Corporation.

MANDATE AND RESPONSIBILITIES OF THE COMMITTEE

The Committee is responsible for monitoring corporate governance developments and best practices for corporate governance and for furthering the effectiveness of the Corporation's corporate governance practices. The Committee will:

1. In Respect of the Board and Committees

- a. prior to each annual general meeting, and in consultation with the chair of the committee (the "**Committee Chair**"), review and recommend the composition of the Board (including the identification and recruitment of directors) and the committees and any necessary changes;
- b. annually, in consultation with the chair of the Board (the "**Chair**"), review and recommend the nominees for election as directors at the Corporation's annual general meetings and, as required, candidates to fill any casual vacancy occurring in the Board or committees;
- c. review and recommend as required, candidates for appointment of the Chair and the CEO;
- d. annually, together with the Committee Chair and, where appropriate, the chairs of other committees, review and recommend the mandate, scope, duties and responsibilities of those committees and any amendments thereto, as well as the establishment or

disbanding of Board committees and changes to their composition, including the chairs thereof;

- e. annually review and recommend the Corporation's policies, position descriptions and any amendments thereto for each committee; and
- f. at appropriate intervals, review and recommend compensation and benefits for the directors of the Corporation, and its major subsidiaries and affiliates, including the Chair.

2. In Respect of Director Selection, Education, Evaluation and Criteria

- a. recommend to the Board for approval, a process for the selection of new directors and periodically review such process and recommend any changes thereto to the Board for approval;
- b. recommend to the Board for approval the criteria to be met by all directors of the Corporation in order to be eligible to serve as a director and periodically review and recommend any changes to the eligibility criteria to the Board for approval;
- c. recommend to the Board for approval, a process for the determination of the "independence" of the directors and the "financial literacy" of the members of the audit committee, as well as the actual determinations, as those terms are defined under applicable securities laws, and periodically review such process and recommend any changes thereto to the Board for approval;
- d. approve orientation processes for new directors and annual plans for the ongoing education of existing directors;
- e. in consultation with the Chair, conduct an annual evaluation of the performance of individual directors, the Chair, the chair of all committees, and the Board as a whole; and
- f. establish and annually review a Board skills matrix and a gap analysis.

3. In Respect of Other Items

- a. as required, report to the Board on the necessity or advisability of appointing an independent committee to evaluate and confirm to the Board the fairness of any material conflict of interest transactions involving the Corporation;
- b. recommend to the Board any reports required or recommended on corporate governance for inclusion in public disclosure documents of the Corporation;
- c. periodically review directors' and officers' third party liability insurance coverage and the indemnification afforded them by the Corporation;
- d. recommend to the Board for approval, at least every two years and as required, any changes to the delegation of authority framework between the Board and management;
- e. approve annually, the Corporation's charitable and political contribution policies, budget and practices;

- f. approve annually, the Corporation's policies with respect to public policy and external relations matters;
- g. monitor legislation affecting the duties, responsibilities and potential liability of directors;
- h. approve, as needed, policies regarding the engagement of outside advisors for individual directors or by committees; and
- i. 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, the majority 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 fewer 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 shall be communicated to the CEO by the Committee Chair.
5. The CEO shall be available to attend at 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 the mandate of the Board and its committees and make recommendations to the Board as to proposed changes.

GOVERNANCE 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 Chair, 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 complies with its obligations, assisting 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 consideration of 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.