



THE MEDICAL GRADE STANDARD™

CORPORATE GOVERNANCE AND COMPENSATION COMMITTEE CHARTER

1 PURPOSE

The purpose of the Corporate Governance and Compensation Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of MedReleaf Corp. (the “**Corporation**”) is to assist the Board in providing stewardship and oversight to the Corporation with respect to the following:

- (a) monitoring the composition and performance of the Board and its committees;
- (b) overseeing the development and regular assessment of the Corporation’s approach to corporate governance issues, and ensuring that such approach supports the effective functioning of the Corporation with a view to the best interests of the Corporation;
- (c) overseeing the process, structure and effective system of communication, engagement, and accountability by management and the Board to the Corporation’s shareholders and other stakeholders;
- (d) overseeing the development and regular assessment of the Corporation’s compensation structure for directors and members of the senior executive team (the “**Senior Executives**”); and
- (e) the development and regular assessment of the performance of the Senior Executives.

2 COMPOSITION AND TERM

Committee members shall be appointed by the Board, and shall serve at the pleasure of the Board. Any member of the Committee may be removed or replaced at any time by the Board and shall, in any event, cease to be a member of the Committee upon ceasing to be a member of the Board. The Board may designate one member as chair of the Committee (the “**Chair**”).

Subject to applicable laws, the Committee shall be composed of three directors, each of whom shall be independent. A member of the Committee is independent if he or she would be considered independent for the purposes of National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

3 MANDATE AND RESPONSIBILITIES

The mandate and responsibilities of the Committee are as follows:

3.1 Performance goals and objectives

The Committee will annually review and assess the performance goals and objectives relevant to the Chief Executive Officer (“**CEO**”), the Chief Financial Officer (“**CFO**”) and other Senior Executives, and may recommend any changes to such goals and objectives to the Board for consideration.

3.2 Evaluation of performance

The Committee will annually review and evaluate the performance of the Senior Executives against the pre-established performance goals and objectives for the preceding year and report its conclusions to the Board.

3.3 Executive compensation

The Committee will annually review the compensation structure and policies of the Senior Executives and may recommend any changes to such structure and policies to the Board for consideration.

The Committee will seek and consider the CEO's recommendations for compensation of the other Senior Executives and may recommend any changes to such compensation to the Board for consideration.

The Committee will review the Corporation's incentive compensation and other equity-based plans and recommend changes to such plans to the Board when necessary. The Committee shall have and shall exercise all the authority of the Board with respect to the administration of such plans.

The Committee will annually review directors' compensation and may recommend any changes to the Board for consideration.

3.4 Compensation policies

The Committee will develop the Corporation's compensation structure and ensure compensation policies for the directors and the Senior Executives:

- (a) properly reflect their respective duties and responsibilities;
- (b) are competitive in attracting, retaining and motivating qualified candidates for such roles;
- (c) align the interests of the directors and the Senior Executives with that of shareholders and the Company as a whole; and
- (d) are based on established corporate and individual performance goals and objectives.

3.5 Succession planning

The Committee will annually review the Corporation's succession plan for the CEO, the CFO and Senior Executives, including appointment, training and evaluation.

3.6 Compensation disclosure

The Committee assist in the preparation of and will review all annual executive compensation disclosure before it is publicly released.

3.7 Corporate governance documents and Assessment of the Board and Committees

The Committee will annually:

- (a) review the Corporation's Board of Directors Charter, including the position description for the Chair of the Board;
- (b) review the position description for the CEO;
- (c) review this Committee's Charter and any other committee charters;

- (d) review Board policies and any principal corporate policies;
- (e) recommend any other changes to the Board for consideration;
- (f) review and assess the size, composition and operation of the Board to ensure effective decision making; and
- (g) review and assess the size, composition and chairs of all of the Committees of the Board.

3.8 Nomination of directors

The Committee will:

- (a) consider what competencies and skills the Board, as a whole, should possess;
- (b) assess what competencies and skills each existing director possesses;
- (c) recommend to the Board the necessary and desirable competencies of directors, taking into account the Corporation's strategic direction and changing circumstances and needs;
- (d) identify individuals qualified to become new Board members and recommending to the Board the new director nominees for the next annual general meeting of shareholders; in doing so the Committee shall consider the competencies and skills necessary for the Board, the competencies and skills of existing directors and each new nominee as well as the time a new nominee can devote to the Board; and
- (e) annually conduct, review and report to the Board the results of an assessment of the Board's performance and effectiveness.

3.9 Other duties

The Committee will perform such other duties as may be assigned to it by the Board from time to time or as may be required by applicable regulatory authorities or legislation.

4 MEETINGS AND PROCEDURES

4.1 Meetings

The time at which and the place where the meetings of the Committee shall be held, the calling of meetings and the procedure at such meetings shall be determined by the Chair. The Committee shall meet as many times as it considers necessary to carry out its responsibilities effectively.

4.2 Quorum

Unless otherwise determined by the Committee, two or more members of the Committee shall constitute a quorum.

4.3 Attendance

The Committee may invite such officers, directors or employees of the Corporation, financial, technical or legal advisors, or other persons as it sees fit, from time to time, to attend at meetings of the Committee and to assist in the discussion of matters being considered by the Committee.

4.4 Chair

The Chair shall preside at all meetings of the Committee. In the Chair's absence, or if the position is vacant, the Committee may select another member as Chair. The Chair will have the right to exercise all powers of the Committee between meetings but will attempt to involve all other members as appropriate prior to the exercise of any powers and will, in any event, advise all other members of any decisions made or powers exercised. In case of an equality of votes on any matter voted on by the Committee, the Chair shall have a second casting vote.

4.5 Decisions

Decisions of the Committee shall be evidenced by resolutions passed at meetings of the Committee and recorded in the minutes of such meetings or by an instrument in writing signed by all of the members of the Committee.

4.6 Secretary and Minutes

The Chair shall appoint a secretary for each meeting to keep minutes of such meeting. The minutes of the Committee will be in writing and duly entered into the books of the Corporation. The minutes of the Committee will be circulated to all members of the Board, redacted as may be determined necessary by the Chair to remove any sensitive personnel information not otherwise material to the Board.

4.7 Reporting to the Board

The Chair shall report to the Board on such matters and questions relating to the mandate and activities of the Committee as the Committee may deem appropriate or as the Board may from time to time request or refer to the Committee.

4.8 Authority to engage advisors

The Committee shall have the authority to engage, at the expense of the Corporation, such outside advisors as it determines necessary or advisable to carry out its duties, including legal, financial, technical and accounting advisors, and establish the compensation of such advisors.

This Charter is not intended to give rise to civil liability on the part of the Corporation or its directors or officers to shareholders, other security holders, customers, suppliers, competitors, employees or other persons or to any other liability whatsoever on their part.

Effective Date: June 7, 2017