



*The*  
**TINLEY BEVERAGE  
COMPANY**  
Est. 2015

**NOTICE OF ANNUAL GENERAL MEETING**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**Dated January 16, 2017**

**with respect to the**

**Annual and Special Meeting of Shareholders**

**to be held on February 28, 2017**



## THE TINLEY BEVERAGE COMPANY INC.

### NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON FEBRUARY 28, 2017

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the "**Meeting**") of the holders ("**Shareholders**") of Common Shares of The Tinley Beverage Company Inc. ("**Tinley**" or the "**Corporation**") will be held at the St. Andrews Club, 150 King Street West, 27<sup>th</sup> Floor, Toronto, Ontario on Tuesday, February 28, 2017, at 10:00 a.m. (Toronto time), for the following purposes:

1. to receive the consolidated financial statements of the Corporation for the fiscal year ended December 31, 2015, together with the report of the auditors thereon and related management discussion and analysis;
2. to fix the number of directors of the Corporation at four;
3. to elect directors of the Corporation;
4. to re-appoint auditors and to authorize the directors to fix the auditors' remuneration; and
5. to transact such other business as may properly come before the Meeting or any adjournment thereof.

The nature of the business to be transacted at the Meeting is described in further detail in the Information Circular under the section "Matters to be Acted Upon" and at:

<http://noticeinsite.tsxtrust.com/TheTinleyBeverageCompanyAGM2017>

The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting is January 12, 2017 (the "**Record Date**"). Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of, and to vote, at the Meeting or any adjournments or postponements thereof.

#### **Notice-and-Access**

The Corporation is utilizing the notice-and-access mechanism (the "**Notice-and-Access Provisions**") under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations*, for distribution of Meeting materials to registered and beneficial Shareholders.

#### **Website Where Meeting Materials are Posted**

The Notice-and-Access Provisions allow reporting issuers to post electronic versions of proxy-related materials, such as the Information Circular and annual financial statements, ("**Proxy-Related Materials**") on-line, via the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of the Information Circular, financial statements of the Corporation for the year ended December 31, 2015 ("**Financial Statements**") and management's discussion and analysis of the Corporation's results of operations and financial condition for 2015 ("**MD&A**") may be found on the Corporation's SEDAR profile at [www.sedar.com](http://www.sedar.com) and also on the corporation's transfer agent TSX Trust Company ("**TSX Trust**") website at <http://noticeinsite.tsxtrust.com/TheTinleyBeverageCompanyAGM2017>. The Corporation will not use procedures known as "stratification" in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Information Circular to some Shareholders with this notice package. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of the Information Circular nor the Financial Statements.

#### **Obtaining Paper Copies of Materials**

The Corporation anticipates that using the Notice-and-Access Provisions for delivery to all Shareholders will directly benefit the Corporation through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials. Shareholders with questions about notice-and-access can call the Corporation's transfer agent, TSX Trust, toll-free at 1-866-600-5869. Shareholders may also obtain paper copies of the Proxy Related Materials free of charge by contacting TSX Trust toll-free at 1-866-600-5869 or upon request to the Corporation's Corporate Secretary.

A request for paper copies which are required in advance of the Meeting should be sent so that they are received by the Corporation or TSX Trust as applicable, by Friday, February 17, 2017 in order to allow sufficient time for Shareholders to receive the paper copies and to return their proxies or voting instruction forms to intermediaries before February 24, 2017, at 10:00 a.m. local time, being the date that is not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof.

### **Voting**

**All Shareholders are invited to attend the Meeting and may attend in person or may be represented by proxy.**

### **FORM OF PROXY FOR REGISTERED SHAREHOLDERS**

Completed proxies, for Registered Shareholders, must be returned to TSX Trust, the Corporation's transfer agent, (i) by mail to TSX Trust Company, 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1; or (ii) by facsimile at (416) 595-9593; or (iii) via email to [TMXEInvestorServices@tmx.com](mailto:TMXEInvestorServices@tmx.com); or (iv) by internet at [www.voteproxyonline.com](http://www.voteproxyonline.com); or by 10:00 am (Eastern time) February 24, 2017 or, being the date that is not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof (the "**Proxy Deadline**").

### **VOTING INSTRUCTION FORMS FOR NON-REGISTERED SHAREHOLDERS**

Non-Registered Shareholders, who have not waived the right to receive the Proxy-Related Materials will either: (i) receive a voting instruction form; or (ii) be given a proxy which has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed.

Non-Registered Shareholders should carefully follow the instructions that accompanying the voting instruction form or the proxy, including those indicating when and where the voting instruction form or the proxy is to be delivered. Voting instructions must be deposited by the Proxy Deadline, however your voting instruction form may provide for an earlier date in order to process your votes in a timely manner. Voting instruction forms permit the completion of the voting instruction form online or by telephone. A Non-Registered Shareholder wishing to attend and vote at the Meeting in person should follow the corresponding instructions on the voting instruction form or, in the case of a proxy, strike out the names of the persons named in the proxy and insert the Non-Registered Shareholder's name in the space provided.

**DATED** this 16th day of January, 2017.

### **BY ORDER OF THE BOARD OF DIRECTORS**

(signed) "*Jeff Maser*"

Jeff Maser, Chief Executive Officer

**THE TINLEY BEVERAGE COMPANY INC.**  
**MANAGEMENT INFORMATION CIRCULAR**

as at January 16, 2017

The Tinley Beverage Company Inc. (the "**Corporation**") is utilizing the notice-and-access mechanism (the "**Notice-and-Access Provisions**") under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") and National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**") for distribution of this Management Information Circular (the "**Information Circular**") to both registered and non-registered (or beneficial) holders (collectively, the "**Shareholders**") of Common Shares of the Corporation (the "**Common Shares**"). Further information on the Notice-and-Access Provisions is contained below under the heading "General Information Respecting the Meeting – "Notice-and-Access" and Shareholders are encouraged to read this information for an explanation of their rights.

**GENERAL INFORMATION RESPECTING THE MEETING**

This **Information Circular** is furnished in connection with the solicitation of proxies by the management of the Corporation for use at the annual and special meeting (the "**Meeting**") of the Shareholders of Common Shares of the Corporation to be held on the 28<sup>th</sup> day of February, 2017, at 10:00 a.m. (Toronto time) at the St. Andrews Club, 150 King Street West, 27<sup>th</sup> Floor, Toronto, Ontario, and at any adjournment(s) thereof, for the purposes set forth in the accompanying Notice of Meeting.

In this Information Circular, references to "the Corporation", "we" and "our" refer to The Tinley Beverage Company Inc. and "Common Shares" means common shares without par value in the capital of the Corporation. "Beneficial Shareholders" means Shareholders who do not hold Common Shares in their own name and "intermediaries" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

**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 Corporation. The Corporation will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to Beneficial Shareholders held by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

**Appointment of Proxy Holders**

The individuals named in the accompanying form of proxy (the "**Proxy**") are officers of the Corporation. **If you are a Shareholder entitled to vote at the Meeting, you have the right to appoint a person or Corporation 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 inserting the name of that other person in the blank space provided in the Proxy (and striking out the names now designated) or by completing and delivering another suitable form of proxy.** For instructions regarding the delivery of instruments of proxy, see below under the heading "Registered Shareholders".

## Voting by Proxy Holder

The persons named in the Proxy will vote or withhold from voting the 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 Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified;
- (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 persons named in the Proxy will vote the Common Shares represented by the Proxy FOR the approval of such matter. Management is not currently aware of any other matter that could come before the Meeting.**

## 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 completing, dating and signing the enclosed Proxy and returning it to the Corporation's transfer agent, TSX Trust Company ("**TSX Trust**"), 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1; or (ii) by facsimile at (416) 595-9593; or (iii) via email to [TMXEInvestorServices@tmx.com](mailto:TMXEInvestorServices@tmx.com); or (iv) by internet at [www.voteproxyonline.com](http://www.voteproxyonline.com); or (v) hand delivery to 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1 not less than forty-eight (48) hours, excluding Saturdays, Sundays or statutory holidays in the Province of Ontario, before the time set for the holding of the Meeting or any adjournment(s) thereof.

## Beneficial Shareholders

The following information is of significant importance to Shareholders who do not hold 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 Corporation as the registered holders of Common Shares).

If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered 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).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

**If you are a Beneficial Shareholder:** You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the Proxy provided to Registered Shareholders by the Corporation. However, its purpose is limited to instructing the intermediary on how

to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**"). Broadridge mails a voting instruction form in lieu of a Proxy provided by the Corporation. The voting instruction form will name the same persons as the Corporation's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Shareholder of the Corporation), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should follow the instructions on the voting instruction form. The completed voting instruction form 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 Common Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting - the voting instruction form must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting 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 Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker, or have a person designated by you to 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 Common Shares.

### **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a Shareholder who has given a proxy may revoke it by 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 TSX Trust, by fax at 416-595-9593; or by mail TSX Trust, 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1; or by email: [TMXEInvestorServices@tmx.com](mailto:TMXEInvestorServices@tmx.com); or hand delivery to 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.

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

### **Notice and Access**

As noted above, the Corporation is utilizing the Notice-and-Access Provisions under NI 54-101 and NI 51-102 for distribution to this Information Circular to all registered Shareholders and Non-Registered Shareholders.

The Notice-and-Access Provisions allow reporting issuers to post electronic versions of proxy-related materials, such as proxy, Information Circulars and annual financial statements, (the "**Proxy-Related Materials**") on-line, via the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of the

Information Circular, financial statements of the Corporation for the year ended December 31, 2015 ("**Financial Statements**") and management's discussion and analysis of the Corporation's results of operations and financial condition for 2015 ("**MD&A**") may be found on the Corporation's SEDAR profile at [www.sedar.com](http://www.sedar.com) and also on TSX Trust's web site <http://noticeinsite.tsxtrust.com/TheTinleyBeverageCompanyAGM2017>. The Corporation will not use procedures known as "stratification" in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of this Information Circular to some Shareholders with the notice package. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of this Information Circular. **Shareholders are reminded to review this Information Circular before voting.**

Although this Information Circular, the Financial Statements and the MD&A will be posted electronically on-line as noted above, Shareholders will receive paper copies of a "notice package" via prepaid mail containing the Notice with information prescribed by NI 54-101 and NI 51-102, a form of proxy or voting instruction form, and supplemental mail list return card for Shareholders to request they be included in the Corporation's supplementary mailing list for receipt of the Corporation's annual financial statements for the 2015 fiscal year.

The Corporation anticipates that relying on the Notice-and-Access Provisions will directly benefit the Corporation through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials.

Shareholders with questions about the Notice-and-Access can call the Corporation's transfer agent, TSX Trust at 416-361-0930 or toll-free at 1-866-600-5869. Shareholders may also obtain paper copies of Proxy Related Material free of charge by contacting TSX Trust at 416-361-0930; or toll-free at 1-866-600-5869; or [TMXEInvestorServices@tmx.com](mailto:TMXEInvestorServices@tmx.com); or upon request to the Corporate Secretary of the Corporation.

A request for paper copies which are required in advance of the Meeting should be sent so that they are received by the Corporation or TSX Trust, as applicable, by Friday, February 17, 2017, in order to allow sufficient time for Shareholders to receive their paper copies and to return a) their form of proxy to the Corporation or TSX Trust, or b) their voting instruction form to their Intermediaries by the Proxy Deadline.

#### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

No person who has been a director or executive officer of the Corporation since the beginning of the last financial year and no associate or affiliate of any such director or executive officer has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

Each holder of Common Shares of record at the close of business on January 12, 2017 (the "**Record Date**"), is entitled to vote at the Meeting or at any adjournment thereof, either in person or by proxy.

As of the Record Date, the Corporation had 71,662,386 issued and outstanding Common Shares. Each common share carries the right to one vote. The Common Shares are listed and posted for trading on the Canadian Securities Exchange (the "**CSE**") under the symbol "**TNY**"



To the knowledge of the directors and senior officers of the Corporation, no person or Corporation beneficially owns, or controls or directs, directly or indirectly, 10% or more of any class of voting securities of the Corporation, on a non-diluted basis.

### QUORUM

A quorum for any meeting of Shareholders shall be two individuals present in person, each of who is either a Shareholder or the proxyholder of such a Shareholder appointed by means of a valid proxy, holding or representing by proxy not less than 5% of the total number of the issued Common Shares. No business shall be transacted at any meeting unless the requisite quorum is presented at the time of the transaction of business. If a quorum is not present at the time appointed for a meeting of Shareholders or within such reasonable time thereafter as the Shareholders present may determine, the persons present and entitled to vote may adjourn the meeting to a fixed time and place but may not transact any other business and the provisions of this by-law with regards to notice shall apply to such adjournment.

### MATTERS TO BE ACTED ON AT THE MEETING

#### A. Election of Directors

The articles of incorporation of the Corporation provide that the Board of Directors (the "**Board**") shall consist of a minimum of one and a maximum of ten directors. The total number of directors is currently fixed at seven. The Corporation will be asking shareholders to fix the number of directors at four.

Management proposes that each of the persons named below be nominated at the Meeting for re-election or election, as the case may be, as directors of the Corporation to serve, until the next annual meeting of Shareholders or until his or her successor is elected or appointed. Management does not contemplate that any of the nominees will be unable to serve as a director. **However, if a nominee should be unable to so serve for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. Shares represented by proxies in favour of management nominees will be voted for the election of all of the nominees whose names are set forth below, unless a Shareholder has specified in his proxy that his shares are to be withheld from voting on the election of directors.**

The following table and the notes thereto state the names of all persons to be nominated for election as directors, all other positions or offices with the Corporation now held by them, their principal occupations of employment, the year in which they became directors for the Corporation, the approximate number of Commons Shares beneficially owned, or controlled or directed, directly or indirectly, by each of them, as of the date hereof, and the number of options to acquire Common Shares held by each of them as of the date hereof.

<b>Name and Municipality of Residence</b>	<b>Present Principal Occupation<sup>(1)</sup></b>	<b>Year first became director</b>	<b>Number of Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly<sup>(1)</sup></b>	<b>Number of Options Held</b>
Andrew Stodart <sup>(2)(3)(4)(5)</sup> Toronto, Ontario, Canada	Independent Business Consultant	2016	300,000	500,000
Ted Zittel <sup>(2)(3)(4)</sup> Toronto, Ontario, Canada	Independent Business Consultant	2016	Nil	350,000
David Ellison <sup>(2)(4)(6)</sup> Toronto, Ontario, Canada	Principal and founder of Acuity Corporate Securities Lawyers	2016	70,000	225,000
Jeffrey Maser Toronto, Ontario, Canada	CEO of Tinley	2015	4,525,833	910,000

## Notes:

- (1) Information supplied by nominees and does not include shares issuable upon exercise of other convertible securities.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation Committee.
- (4) Member of the Corporate Governance and Nominating Committee.
- (5) Mr. Stodart holds 100,000 Common Shares personally and holds 200,000 Common Shares through a wholly owned corporation, The Brands Group Inc.
- (6) Mr. Ellison holds all of his Common Shares through Maajic Management Inc., a wholly owned corporation.

Set forth below is a description of the principal occupation of each of the Board nominees during the past five years:

***Jeffrey Maser – CEO and Director Nominee***

Mr. Maser was previously at Jacob Securities Inc., an investment bank, where he focused on raising capital for companies in emerging industries, mainly marijuana, health and wellness and technology. He had previously worked at the Watt Design Group, the wholly-owned beverage strategy and branding division of Cott Corporation (TSX – BCB), which at the time was the third largest cola Corporation in the world.

***Andrew Stodart – Director Nominee***

Andrew Stodart is a seasoned beverage professional with over 20 years of management, marketing, sales and brand development experience at the executive level. Andrew is currently the president of The Brands Group Inc., a company that provides successful marketing and brand recognition solutions to its clients. Mr. Stodart also has extensive marketing and branding experience in the beverage industry, having worked with Diamond Estates Wines and Spirits, Patron Tequila, Crystal Head Vodka and on the launch of Dan Aykroyd Wines. Additionally, Mr. Stodart was the International Brand Director of Black Velvet Canadian Whisky, the Marketing Director at Everfresh Juice Ltd. and held sales and marketing positions with Coca-Cola. He also taught a course in Brand Management for several years as part of the MBA program at the Schulich School of Business.

***Ted Zittel – Director Nominee***

Ted Zittel consults internationally to market leading retail and product companies; he specializes in food and beverage and in the design of branded retail experience. His executive level engagements include advising leading private equity and investment groups on consumer product, service and retail portfolio opportunities.

*David Ellison – Director Nominee*

Mr. Ellison is a principal at and founder of Acuity Corporate Securities Lawyers in Toronto. Mr. Ellison is a corporate and securities lawyer who is frequently engaged to provide capital markets, legal and operational services to US-based cannabis cultivators, processors and extractors. He was previously worked in the International Structured Finance Group at the London, UK office of Clifford Chance LLP and was admitted as a Solicitor of the Supreme Court of England and Wales in 2002. After Clifford Chance, David returned to Canada in and practiced at a Bay Street law firm until co-founding Acuity Corporate Securities Lawyers in 2010.

**Corporate Cease Trade Orders, Penalties and Bankruptcies**

To the best of the Corporation's knowledge, no existing or proposed director is, at the date of the Information Circular, or has been, within the 10 years prior to the date of the Information Circular, a director or chief executive officer or chief financial officer of any Corporation (including the Corporation) that, while that person was acting in that capacity,

- (a) was subject to an order that was issued while the proposed director was acting in the capacity of 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.

For the purposes of the above section, the term "order" means:

- (i) a cease trade order;
- (ii) an order similar to a cease trade order; or
- (iii) an order that denied the relevant Corporation access to any exemption under securities legislation

that was in effect for a period of more than 30 consecutive days.

To the Corporation's knowledge, no existing or proposed director of the Corporation is or has been, within the 10 years before the date of this Information Circular, a director or executive officer of any Corporation 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.

To the Corporation's knowledge, no existing or proposed director of the Corporation has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

**Common Shares represented by proxies in favour of the management nominees will be voted FOR of the appointment of each of the nominees as a director of the Corporation, unless a Shareholder has specified in his proxy that his shares are to be withheld from voting for any or all of the nominees.**

#### **B. Re-Appointment of Auditors**

Management recommends the re-appointment of Lipton LLP, of Toronto, Ontario, as auditor of the Corporation to hold office until the close of the next annual meeting of the Shareholders, or until their successor is appointed by the Board. Lipton LLP was appointed as auditor of the Corporation on March 11, 2015.

**Common Shares represented by proxies in favour of the management nominees will be voted FOR of the appointment of Lipton LLP as auditor of the Corporation and authorizing the directors of the Corporation to fix their remuneration, unless a Shareholder has specified in his proxy that his shares are to be withheld from voting on the appointment of auditors.**

#### **Audit Fees**

The aggregate fees billed by the Corporation's external auditors for professional services rendered for the audit of the consolidated financial statements of the Corporation and its subsidiaries were \$11,800 in the fiscal year ended December 31, 2015 and \$16,000 in the fiscal year ended December 31, 2014.

#### **Audit Related Fees**

The aggregate fees (including reimbursed expenses) billed by the Corporation's external auditors for services related to the audit or review the Corporation's financial statements were \$600 in 2015 and \$800 in 2014.

#### **Tax Fees**

The aggregate fees (including reimbursed expenses) billed by the Corporation's external auditors for the preparation of corporate tax returns, tax compliance, tax advice and tax planning services were \$Nil in the fiscal year ended December 31, 2015 and 2014.

#### **All Other Fees**

The aggregate fees, including expenses reimbursed, billed by the Corporation's external auditors for services rendered to the Corporation and its subsidiaries, other than the services described above, were \$Nil in the fiscal year ended December 31, 2015 and 2014.

## EXECUTIVE COMPENSATION

Securities laws require that a "Statement of Executive Compensation" in accordance with Form 51-102F6 be included in this Information Circular. Form 51-102F6 prescribes the disclosure requirements in respect of the compensation of executive officers and directors of reporting issuers. Form 51-102F6 provides that compensation disclosure must be provided for the Chief Executive Officer and the Chief Financial Officer of an issuer and each of the issuer's three mostly highly compensated executive officers whose total compensation exceeds \$150,000. Based on these requirements, the executive officers of the Corporation for whom disclosure is required under Form 51-102F6 are Jeff Maser (Chief Executive Officer), Al Quong (former Chief Financial Officer) and Amy Stephenson (Chief Financial Officer), who are collectively referred to as the "**Named Executive Officers**" or "**NEO's**".

SUMMARY COMPENSATION TABLE							
Name and Principal Position of Named Executive Officer	Year	Salary (CDN\$)	Option-Based Awards (CDN\$) <sup>(4)</sup>	Non-Equity Incentive Plan Compensation		All Other Compensation (CDN\$)	Total Compensation (CDN\$)
				Annual Incentive Plans (CDN\$)	Long-Term Incentive Plans (CDN\$)		
Jeff Maser <sup>(1)</sup> Chief Executive Officer	2016	\$156,000	\$23,315	N/A	N/A	N/A	\$179,315
	2015	\$117,500	\$Nil	N/A	N/A	N/A	\$117,500
Al Quong <sup>(2)</sup> Former Chief Financial Officer	2016	\$5,000	\$2,871	N/A	N/A	N/A	\$7,871
	2015	\$12,000	\$Nil	N/A	N/A	N/A	\$12,000
	2014	\$3,000	\$Nil	N/A	N/A	N/A	\$3,000
Amy Stephenson <sup>(2)</sup> Chief Financial Officer	2016	\$15,000	\$Nil	N/A	N/A	N/A	\$7,500

Notes:

- (1) Mr. Maser was appointed as the Chief Executive Officer on October 30, 2015.
- (2) Al Quong was appointed the Chief Financial Officer on October 16, 2014 and resigned on May 19, 2016
- (3) Ms. Stephenson was appointed as Interim Chief Financial Officer on May 19, 2016. Ms. Stephenson is paid by Branson pursuant to the Branson Agreement. See "Executive Compensation - Termination and Change of Control Benefits and Management Contracts".
- (4) The fair value of each option granted is estimated at the time of grant using the Black-Scholes option-pricing model with weighted average assumptions for grants as follows: a 5 year expected term, 250% volatility, risk-free interest rate of 0.68% per annum, a dividend rate of 0% resulting in a weighted average grant-date fair value of stock options of \$0.06

### NEO Outstanding Option-Based Awards

The table below reflects all option-based awards for each Named Executive Officer outstanding as at December 31, 2016. The Corporation does not have any other equity incentive plans other than the Stock Option Plan.

NEO OPTION-BASED AWARDS OUTSTANDING AS AT DECEMBER 31, 2016				
Name of Named Executive Officer	Number of Securities Underlying Unexercised Options <sup>(1)</sup>	Option Exercise Price (CDN\$/Security)	Option Expiration Date	Value of Unexercised In-the-Money Options (CDN\$)
Jeff Maser Chief Executive Officer	910,000	\$0.11	December 23,2020	\$218,400
Amy Stephenson Chief Financial Officer	N/A	N/A	N/A	N/A

### Incentive Award Plans

The following table provides information concerning the incentive award plans of the Corporation with respect to each Named Executive Officer during the fiscal year ended December 31, 2016. The only incentive award plan of the Corporation during fiscal 2016 was the Stock Option Plan.

INCENTIVE AWARD PLANS – VALUE VESTED OR EARNED DURING THE FISCAL YEAR ENDED DECEMBER 31, 2016		
Name of Executive Officer	Option-Based Awards – Value Vested During Fiscal 2016 (CDN\$)	Non-Equity Incentive Plan Compensation – Value Earned During Fiscal 2016 (CDN\$)
Jeff Maser Chief Executive Officer	Nil	Nil
Amy Stephenson Chief Financial Officer	Nil	Nil

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Set out below is information as of December 31, 2016 with respect to compensation plans under which equity securities of the Corporation are authorized for issuance. The only incentive award plan of the Corporation during fiscal 2016 was the Stock Option Plan. See "Matters to be Acted on at the Meeting – Ratification and Approval of the Stock Option Plan".

## Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options, warrants and rights as at December 31, 2016 (a)	Weighted average exercise price of outstanding options, warrants and rights as at December 31, 2016 (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) as at December 31, 2016 (c)
Stock Option Plan	2,389,500	0.13	4,806,738

## Compensation Discussion and Analysis

### *Introduction*

The Compensation Discussion and Analysis section of this Information Circular sets out the objectives of the Corporation's executive compensation arrangements, the Corporation's executive compensation philosophy and the application of this philosophy to the Corporation's executive compensation arrangements. It also provides an analysis of the compensation design, and the decisions that the Board made in fiscal 2016 with respect to the Named Executive Officers. When determining the compensation arrangements for the Named Executive Officers, the Compensation Committee considers the objectives of: (i) retaining an executive critical to the success of the Corporation and the enhancement of Shareholder values; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and Shareholders of the Corporation; and (iv) rewarding performance, both on an individual basis and with respect to the business in general. See the "Statement of Corporate Governance" above for more discussion on the Compensation Committee.

### *Benchmarking*

The Compensation Committee considers a variety of factors when designing and establishing, reviewing and making recommendations for executive compensation arrangements for all executive officers of the Corporation. The Corporation typically does not position executive pay to reflect a single percentile within the junior mining industry for each executive. Rather, in determining the compensation level for each executive, the Compensation Committee looks at factors such as the relative complexity of the executive's role within the organization, the executive's performance and potential for future advancement, the compensation paid by the other companies in the junior mining and oil and gas industry, and pay equity considerations.

### *Elements of Compensation*

The compensation paid to the Named Executive Officers in any year consists of two primary components:

- (a) base salary; and
- (b) long-term incentives in the form of stock options granted under the Stock Option Plan.

The Corporation believes that making a significant portion of the Named Executive Officer's compensation based on a base salary and long-term incentives supports the Corporation's executive compensation philosophy, as these forms of compensation allow those most accountable for the Corporation's long-term

success to acquire and hold the Corporation's shares. The key features of these two primary components of compensation are discussed below:

1. Base Salary

Base salary recognizes the value of an individual to the Corporation based on his or her role, skill, performance, contributions, leadership and potential. It is critical in attracting and retaining executive talent in the markets in which the Corporation competes for talent. Base salaries for the Named Executive Officers are reviewed annually. Any change in base salary of a Named Executive Officer is generally determined by an assessment of such executive's performance, a consideration of competitive compensation levels in companies similar to the Corporation (in particular, companies in the junior mining industry) and a review of the performance of the Corporation as a whole and the role such executive officer played in such corporate performance.

2. Stock Option Awards

The Corporation provides long-term incentives to the Named Executive Officers in the form of stock options as part of its overall executive compensation strategy. (For a description of the material terms of the Stock Option Plan, see "Ratification and Approval of the Stock Option Plan" above). The Compensation Committee believes that stock option grants serve the Corporation's executive compensation philosophy in several ways: firstly, it helps attract, retain, and motivate talent; secondly, it aligns the interests of the Named Executive Officers with those of the Shareholders by linking a specific portion of the officer's total pay opportunity to share price; and finally, it provides long-term accountability for Named Executive Officers.

*Risk*

The Compensation Committee has considered the implications of the risks associated with the Corporation's compensation policies and practices

The Compensation Committee conducts a yearly review of Directors' compensation having regard to various reports on current trends in Directors' compensation and compensation data for Directors of reporting issuers of comparative size to the Corporation. Director compensation is currently limited to the grant of stock options pursuant to the Plan. Management of the Corporation reviews the compensation of officers of the Corporation for the prior year and in comparison to industry standards via information disclosed publicly and obtained through copies of surveys. Management makes recommendations on compensation to the Compensation Committee. The Compensation Committee reviews and makes suggestions with respect to compensation proposals, and then makes a recommendation to the Board of Directors.

The Compensation Committee is comprised of two Directors, Messrs. Stodart and Zittel.

The Compensation Committee's responsibility is to formulate and make recommendations to the Directors of the Corporation in respect of compensation issues relating to Directors and officers of the Corporation. Without limiting the generality of the foregoing, the Compensation Committee has the following duties:

- (i) to review the compensation philosophy and remuneration policy for officers of the Corporation and to recommend to the Directors of the Corporation changes to improve the Corporation's ability to recruit, retain and motivate officers;



(ii) to review and recommend to the Directors of the Corporation the retainer and fees to be paid to Directors of the Corporation;

(iii) to review and approve corporate goals and objectives relevant to the compensation of the CEO, evaluate the CEO's performance in light of those corporate goals and objectives, and determine (or make recommendations to the Directors of the Corporation with respect to) the CEO's compensation level based on such evaluation;

(iv) to recommend to the Directors of the Corporation with respect to non-CEO officer and Director compensation including to review management's recommendations for proposed stock option, share purchase plans and other incentive-compensation plans and equity-based plans for non-CEO officer and Director compensation and make recommendations in respect thereof to the Directors of the Corporation;

(v) to administer the stock option plan approved by the Directors of the Corporation in accordance with its terms including the recommendation to the Directors of the Corporation of the grant of stock options in accordance with the terms thereof; and

(vi) to determine and recommend for the approval of the Directors of the Corporation bonuses to be paid to officers and employees of the Corporation and to establish targets or criteria for the payment of such bonuses, if appropriate. The Compensation Committee is currently comprised of two members, however a greater number can be appointed by the Board from time to time. Pursuant to the mandate and terms of reference of the Compensation Committee, Meetings of the Committee are to take place at least once per year and at such other times as the Chair of the Compensation Committee may determine.

A compensation consultant has not, at any time since the Corporation became a reporting issuer, been retained to assist in determining compensation for any of the Corporation's Directors and officers; however, with respect to compensation matters, the Compensation Committee has gathered publicly available compensation information, and conducts ongoing discussions with other members of management in industry with respect to compensation.

### **Termination and Change of Control Benefits and Management Contracts**

As at December 31, 2016, other than for Tinley's Chief Executive Officer, Jeff Maser, there were no contracts, agreements or plans of arrangement that provide for payment to a Named Executive Officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of Tinley or a change in a Named Executive Officer's responsibilities.

#### *Jeff Maser – Chief Executive Officer*

On October 29, 2015, Jeff Maser entered into a consulting agreement with Tinley, under which Mr. Maser provides services to Tinley as the Chief Executive Officer. Under the consulting agreement, Mr. Maser is paid a consulting fee of \$13,000 per month. Mr. Maser also received 910,000 stock options under the consulting agreement which are exercisable at \$0.11 per Common Shares until December 23, 2020. Tinley may terminate the consulting agreement with Mr. Maser without cause upon providing 30 days written notice and the payment of 11 months of consulting fees (\$143,000). If the consulting agreement is terminated within 12 months of a change of control of Tinley, all of Mr. Maser's unvested stock options would immediately vest in addition to the termination payment noted above. Mr. Maser would not be entitled to any termination payment if he voluntarily resigned or if he is terminated for cause.

### *Branson Agreement*

On March 1, 2014, the Corporation entered into an agreement with Branson Corporate Services Inc. ("**Branson**") to provide a Chief Financial Officer, controllership and bookkeeping services, administrative services and general and back office services for a monthly fee of \$5,000 plus applicable taxes of which \$3,000 to be paid in cash and \$2,000 to be accrued; to be converted into Common Shares in the capital of the Corporation. On October 16, 2014, Al Quong was appointed the Chief Financial Officer of the Corporation, designated consultant to provide the services of Chief Financial Officer to the Corporation, who was succeeded by Amy Stephenson on May 19, 2016 as Interim Chief Financial Officer. On May 1, 2015, the Corporation entered into a revised agreement with Branson for a monthly fee of \$5,000 plus applicable taxes to be paid in cash. Amy Stephenson is employed by Branson and is compensated by Branson.

### **Compensation of Directors**

The Corporation did not pay any fees to directors for serving on the board (or any subcommittee) beyond reimbursing such directors for travel and related expenses.

The following table provides a summary of all amounts of compensation provided to the directors of the Corporation during the fiscal year ended December 31, 2016.

<b>DIRECTOR COMPENSATION TABLE FOR FISCAL 2016</b>					
<b>Name<sup>(1)</sup></b>	<b>Fee Earned (CDN\$)</b>	<b>Option-Based Awards (CDN\$)</b>	<b>Non-Equity Incentive Plan Compensation (CDN\$)</b>	<b>All Other Compensation (CDN\$)</b>	<b>Total (CDN\$)</b>
David Ellison	Nil	\$24,970	Nil	Nil	\$24,970
David Posner <sup>(2)</sup>	Nil	\$25,983	Nil	Nil	\$25,983
Andrew Stodart	Nil	\$55,000	Nil	Nil	\$55,000
Ted Zittel	Nil	\$5,821	Nil	Nil	\$5,821
Adam Szwera <sup>(3)</sup>	Nil	\$20,937	Nil	Nil	\$20,937
Yannis Banks <sup>(3)</sup>	Nil	\$3,902	Nil	Nil	\$3,902
Anthony Roodenberg <sup>(5)</sup>	Nil	\$5,047	Nil	Nil	\$5,047
Roger Dent <sup>(6)</sup>	Nil	\$6,281	Nil	Nil	\$6,281

Notes:

- (1) The relevant disclosure for Mr. Maser is provided in the Summary Compensation Table for NEO's above.
- (2) Mr. Posner has not been nominated by management as a director for the ensuing year.
- (3) Mr. Szwera resigned from the Board on September 29, 2016.
- (5) Mr. Banks resigned from the Board on March 3, 2016.
- (6) Mr. Roodenberg resigned from the Board on June 15, 2016
- (6) Mr. Dent resigned from the Board on September 29, 2016

### *Director Outstanding Option-Based Awards*

The table below reflects all option-based awards for each director of the Corporation outstanding as at December 31, 2016. The Corporation does not have any other equity incentive plans other than the Stock Option Plan.

<b>DIRECTOR OPTION-BASED AWARDS OUTSTANDING AS AT DECEMBER 31, 2016</b>				
<b>Name of Director <sup>(1)</sup></b>	<b>Number of securities Underlying Unexercised Options</b>	<b>Option Exercise Price (CDN\$/Security)</b>	<b>Option Expiration Date</b>	<b>Value of Unexercised In-the-Money Options (CDN\$)</b>
David Ellison	125,000	\$0.08	3 Mar, 2021	\$33,750
	100,000	\$0.33	4 Nov 2021	\$2,000
Andrew Stodart	500,000	\$0.33	4 Nov, 2021	\$10,000
Ted Zittel	350,000	\$0.08	4 Aug, 2021	\$94,500
David Posner <sup>(2)</sup>	250,000	\$0.11	27 Jan, 2021	\$60,000

Notes:

- (1) The relevant disclosure for Mr. Maser is provided in the Summary Compensation Table for NEO's above.  
(2) Mr. Posner has not been nominated by management as a director for the ensuing year.

The following table provides information concerning the incentive award plans of the Corporation with respect to each director of the Corporation during the fiscal year ended December 31, 2016. The only incentive award plans of the Corporation during fiscal 2016 was the Stock Option Plan.

<b>INCENTIVE AWARD PLANS – VALUE VESTED OR EARNED DURING THE FISCAL YEAR ENDED DECEMBER 31, 2016</b>		
<b>Name of Director <sup>(1)</sup></b>	<b>Option-Based Awards – Value Vested During Fiscal 2016 (CDN\$)</b>	<b>Non-Equity Incentive Plan Compensation – Value Earned During Fiscal 2016 (CDN\$)</b>
David Ellison	\$24,970	Nil
David Posner <sup>(2)</sup>	\$25,983	Nil
Andrew Stodart	\$55,000	Nil
Ted Zittel	\$5,821	Nil
Adam Szwera <sup>(3)</sup>	\$15,000	Nil
Yannis Banks <sup>(3)</sup>	Nil	Nil
Anthony Roodenberg <sup>(5)</sup>	Nil	Nil
Roger Dent <sup>(6)</sup>	\$4,500	Nil

Notes:

- (1) The relevant disclosure for Mr. Maser is provided in the Summary Compensation Table for NEO's above.  
(2) Mr. Posner has not been nominated by management as a director for the ensuing year.  
(3) Mr. Szwera resigned from the Board on September 29, 2016  
(5) Mr. Banks resigned from the Board on March 3, 2016.  
(6) Mr. Roodenberg resigned from the Board on June 15, 2016  
(6) Mr. Dent resigned from the Board on September 29, 2016

## STATEMENT OF CORPORATE GOVERNANCE MATTERS

### Corporate Governance

Corporate governance relates to the activities of 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 currently comprised of five directors: Messrs. Jeff Maser, David Ellison, David Posner, Andrew Stodart and Ted Zittel. Mr. Posner has not been nominated by management to continue as a director for the ensuing year. At the Meeting the Shareholders will be asked to elect four directors to the Board. Four of the aforementioned directors are proposed to be re-elected as directors at the Meeting, Messrs. Maser, Ellison Stodart and Zittel.

NI 58-101 defines an "independent director" as a director who has no direct or indirect material relationship with the Corporation. A "material relationship" is in turn defined as a relationship which could, in the view of the Board, is reasonably expected to interfere with such member's independent judgment.

Jeff Maser is not considered "independent" as a result of his current position as Chief Executive Officer of the Corporation. David Ellison acts as counsel to Tinley and receives fees for legal services provided to the Corporation and is therefore not independent. Ted Zittel and Andrew Stodart have consulting contracts with the Corporation and receive fees for their services as consultants. Accordingly, neither of Messrs. Zittel or Stodart are independent.

The Board believes that it functions independently of management. To enhance its ability to act independent of management, the members of the Board may meet in the absence of members of management and the non-independent directors or may excuse such persons from all or a portion of any meeting where a potential conflict of interest arises or where otherwise appropriate. The current Board did not hold any meetings of the independent directors during the fiscal year ended December 31, 2016.

### Other Reporting Issuer Directorships

Certain of the directors of the Corporation are also directors of other reporting issuers (or the equivalent). The following table sets forth such directors who currently hold directorships in other reporting issuers:

Name	Name of Reporting Issuer
David Posner	Nutritional High International Inc.(CSE) Lakeside Resources ??

### Orientation and Continuing Education

Each new director is given an outline of the nature of the business of the Corporation, its corporate strategy and current issues within the Corporation. New directors are also required to meet with management of the Corporation to discuss and better understand the Corporation's business and are given the opportunity to meet with counsel to the Corporation to discuss their legal obligations as directors of the Corporation.

In addition, management of the Corporation takes steps to ensure that its directors and officers are continually updated as to the latest corporate and securities policies which may affect the directors, officers and committee members of the Corporation as a whole. The Corporation continually reviews the latest securities rules and policies. Any such changes or new requirements are then brought to the attention of the Corporation's directors either by way of director or committee meetings or by direct communications from management to the directors.

### Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in the decision making of the Board in which the director has an interest as well as adherence to the standards contained in the Corporation's Code of Business Conduct and Ethics have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation. Further, the Corporation's auditors have full and unrestricted access to the audit committee of the Corporation (the "**Audit Committee**") at all times to discuss the annual audits of the Corporation's financial statements and any related findings as to the integrity of the financial reporting process.

### Nomination of Directors

The Corporation has established a Corporate Governance and Nominating Committee which is comprised of three directors: David Ellison, Andrew Stodart and Ted Zittel. Mr. Ellison serves as committee chair. The Corporate Governance and Nominating Committee is expected to meet at least twice annually and is responsible for: (a) reviewing the Board's Corporate Governance guidelines and all Committee's Charters to ensure that they are consistent with sound governance principles, and recommending any proposed changes to the Board for approval; (b) developing, and periodically updating, a Code of Business Ethics

(the "**Code**") for approval by the Board, and ensuring that management has established a system to disseminate and monitor compliance of the Code and is enforcing its application; (c) in consultation with the Audit Committee, monitoring and reviewing the Corporation's policies and procedures relating to compliance with laws and regulations and its Code; (d) considering what competencies and skills the Board, as a whole, should possess and seeking individuals qualified to become board members, including evaluating persons suggested by share owners or others; (e) recommending to the Board the director nominees for the next annual meeting of Shareholders; (f) evaluating and recommending to the Board when new members should be added to the Board, including factors of structure, size and composition of the Board and its committees; (g) reviewing the composition of each Board committee and presenting recommendations for committee memberships and committee chairmanships to the Board as needed; (h) developing and overseeing the annual performance assessment process for the Board and each Committee of the Board; and (i) reporting regularly to the Board on the Corporate Governance and Nominating Committee's activities and actions, as appropriate.

### **Compensation**

The Corporation has established a Compensation Committee which is composed of two directors: Messrs. Stodart and Zittel, both of whom are independent of management within the meaning of NI 58-101. We anticipate reorganising the Compensation Committee after the Meeting. The Compensation Committee meets at least twice annually and is responsible for making recommendations to the Board regarding: (a) Chief Executive Officer compensation; (b) compensation of other executives; (c) incentive compensation plans; and (d) employment agreements, severance agreements, retirement agreements, change in control agreements and provisions, and any special or supplemental benefits for each officer of the Corporation. The Board then determines whether to adopt such recommendations as submitted or otherwise.

### **Other Board Committees**

In addition to the Corporate Governance and Nominating and Compensation Committees, the Board also has an Audit Committee, the details of which are provided below.

### **Assessment of Board Performance**

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

## **AUDIT COMMITTEE INFORMATION**

The Audit Committee is responsible for the Corporation's financial reporting process and the quality of its financial reporting. In addition to its other duties, the Audit Committee reviews all financial statements, annual and interim, intended for circulation among Shareholders and reports upon these to the Board. In addition, the Board may refer to the Audit Committee other matters and questions relating to the financial position of the Corporation. In performing its duties, the Audit Committee maintains effective working relationships with the board, management and the external auditors and monitors independence of those auditors. The Audit Committee has formally adopted an Audit Committee charter, which sets forth purposes of the Audit Committee and guidelines for its practices. The full text of the Audit Committee Charter is annexed hereto as Schedule "A".

The members of the Audit Committee are: Messrs. David Posner (Chairman), David Ellison and Andrew Stodart, all of whom are financially literate, all of whom but David Ellison is independent. We expect the audit committee to be reorganized after the Meeting.

The Corporation is relying on the exemption in Section 6.1 of National Instrument 52-110 "Audit Committees" ("**NI 52-110**") (*Venture Issuers*). At no time since the commencement of the fiscal year ended December 31, 2012 has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Composition of the Audit Committee

The following are the members of the Audit Committee <sup>(3)</sup>:

<b>Name</b>	<b>Independent / Not Independent</b>	<b>Financial literacy</b>
David Posner <sup>(1)</sup>	Independent	Financially literate
David Ellison	Not Independent	Financially literate
Andrew Stodart	Not Independent	Financially literate

Notes:

(1) Mr. Posner has not been included as a management nominee as a director for the ensuing year.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

Since the beginning of the last completed financial year and up to the date hereof, no director, executive officer or employee or former executive officer, director or employee of the Corporation or any of its subsidiaries has been indebted to the Corporation.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

No informed person, director, executive officer, nominee for director, any person who beneficially owns, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding shares of the Corporation, nor any associated or affiliate of such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or any proposed transaction which has materially affected or would materially affect the Corporation.

**OTHER BUSINESS**

Management of the Corporation knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if matters not now known to management should come before the Meeting, Common Shares represented by proxies solicited by management will be voted on each such matter in accordance with the best judgment of the nominees voting same.

**REGISTRAR AND TRANSFER AGENT**

TSX Trust Company, at 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1, is the registrar and transfer agent for the Corporation's Common Shares.

**ADDITIONAL INFORMATION**

Additional information relating to the Corporation can be found on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Corporation's comparative financial statements and management discussion and analysis. Copies of the Corporation's financial statements and management discussion and analysis may

be obtained, without charge, upon request to the Corporate Secretary at Fogler, Rubinoff LLP, 77 King St. W, Suite 3000, Toronto, Ontario M5K 1G8.



**APPROVAL OF DIRECTORS**

The contents and the sending of this Information Circular have been approved by the directors of the Corporation.

**DATED at Toronto, Ontario this 16<sup>th</sup> day of January, 2017.**

*(signed)* "Jeff Maser"

Jeff Maser  
Chief Executive Officer

## **SCHEDULE "A"**

### **THE TINLEY BEVERAGE COMPANY INC. (the "Corporation")**

#### **AUDIT COMMITTEE CHARTER**

##### **1 Purpose**

The committee will assist the Board of Directors of the Corporation (the "Board") in fulfilling its responsibilities. The committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Corporation's process for monitoring compliance with laws and regulations and its own code of business conduct as it relates to financial reporting and disclosure. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors. The committee will also be responsible for reviewing the Corporation's financial strategies, its financing plans and its use of the equity and debt markets.

To perform his or her role effectively, each committee member will obtain an understanding of the responsibilities of committee membership as well as the Corporation's business, operations and risks.

##### **2 Committee Membership**

The Committee shall consist of no fewer than three members, a majority of whom shall not be officers or employees of the Corporation or any of its affiliates and who shall meet the independence requirements of Canadian securities laws and the TSX Venture Exchange. The members and chair of the Committee shall be appointed and removed by the Board in accordance with the rules of the Corporate Governance and Directors Nominating Committee.

##### **3 Committee Meetings**

The Committee shall meet quarterly each year. The Chairman will schedule regular meetings, and additional meetings may be held at the request of two or more members of the Committee, the CEO, or the Chairman of the Board. External auditors may convene a special meeting if they consider that it is necessary.

The committee may invite such other persons (e.g. the CEO and/or CFO) to its meetings, as it deems appropriate. The external auditors should be present at each quarterly audit committee meeting and should be expected to comment on the financial statements in accordance with best practices.

The Committee shall keep adequate minutes of all its proceedings, and the Committee Chairman will report its actions to the next meeting of the Board. Committee members will be furnished with copies of the minutes of each Committee meeting and any action taken by unanimous consent.

##### **4 Committee Authority and Responsibilities**

In carrying out its responsibilities, the Committee will:

- 4.1 Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.
- 4.2 Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.
- 4.3 Review the Corporation's strategic and financing plans to assist the Board's understanding of the underlying financial risks and the financing alternatives.
- 4.4 Review management's plans to access the equity and debt markets and to provide the Board with advice and commentary.
- 4.5 Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- 4.6 Review any legal matters which could significantly impact the financial statements as reported on by the general counsel and meet with outside counsel whenever deemed appropriate.

- 4.7 Review the annual and quarterly financial statements including Management's Discussion and Analysis and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles, stock exchange requirements and governmental regulations.
- 4.8 Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.
- 4.9 Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.
- 4.10 Review audit issues related to the Corporation's material associated and affiliated companies that may have a significant impact on the Corporation's equity investment.
- 4.11 Meet with management and the external auditors to review the annual financial statements and the results of the audit.
- 4.12 Assess the fairness of the interim financial statements and disclosures, and obtain explanations from management on whether:
  - a. actual financial results for the interim period varied significantly from budgeted or projected results;
  - b. generally accepted accounting principles have been consistently applied;
  - c. there are any actual or proposed changes in accounting or financial reporting practices; and
  - d. there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure.
- 4.13 Review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.
- 4.14 Review the performance of the external auditors and approve in advance provision of services other than auditing.
- 4.15 Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Corporation.
- 4.16 Make recommendations to the Board regarding the reappointment of the external auditors.
- 4.17 Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.
- 4.18 Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.
- 4.19 Obtain regular updates from management and the Corporation's legal counsel regarding compliance matters, as well as certificates from the Chief Financial Officer as to required statutory payments and bank covenant compliance and from senior operating personnel as to permit compliance.
- 4.20 Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.
- 4.21 Perform other functions as requested by the full Board.
- 4.22 If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist.
- 4.23 Review and update the charter; receive approval of changes from the Board.

