

Jushi

JUSHI HOLDINGS INC.

**NOTICE OF ANNUAL AND SPECIAL MEETING OF
SHAREHOLDERS TO BE HELD ON
JUNE 29, 2022
AND
MANAGEMENT INFORMATION CIRCULAR**

May 20, 2022

JUSHI HOLDINGS INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS (the "Notice")

NOTICE IS HEREBY GIVEN that the Annual and Special meeting of shareholders (the "**Meeting**") of Jushi Holdings Inc. (the "**Corporation**") will be held at 301 Yamato Road, Suite 3250, Boca Raton, FL 33431, USA on Wednesday, June 29, 2022 at 10:00 a.m. (Eastern time) to:

- (a) receive the financial statements of the Corporation for the financial year ended December 31, 2021 together with the auditors' report thereon;
- (b) fix the number of directors of the Corporation at six and elect the five nominees proposed by management of the Corporation as directors of the Corporation for the forthcoming year;
- (c) appoint Marcum LLP, Certified Public Accountants, as auditors of the Corporation and authorize the board of directors of the Corporation (the "**Board**") to fix the auditors' remuneration and terms of engagement;
- (d) consider, and if deemed appropriate, approve an ordinary resolution approving an amendment to the Corporation's equity incentive plan (the "**Plan**") to increase the number of Subordinate Voting Shares that may be issued pursuant to the exercise of incentive stock options under the Plan, as more particularly described in the management information circular of the Corporation dated May 20, 2022 (the "**Information Circular**");
- (e) consider, and if deemed appropriate, approve a special resolution approving an amendment to the Corporation's Notice of Articles and Articles to create a new class of preferred shares issuable in series, as more particularly described in the Information Circular; and
- (f) transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

To reduce printing and mailing costs, we are using the notice and access provisions under National Instrument 54-101 to deliver the Information Circular and other materials for the Meeting. You can access copies of the Information Circular and our management's discussion and analysis and annual audited financial statements for the year ended December 31, 2021 on our website, www.jushico.com, and on our SEDAR profile, www.sedar.com. To receive free printed copies, please contact our Investor Relations Department by: (i) email: investors@jushico.com; phone: +1 (561) 617 9100; or mail: 301 Yamato Road, Suite 3250, Boca Raton, FL 33431, USA.

While the Corporation intends to hold the Meeting in person as of the date of this Notice, the Corporation is continuously monitoring the ongoing and rapidly evolving COVID-19 pandemic. In light of the COVID-19 pandemic, the Corporation asks that, in considering whether to attend the Meeting in person, shareholders consider the guidelines and instructions of the Centers for Disease Control and Prevention (CDC) (www.cdc.gov) and the Public Health Agency of Canada (PHAC) (www.canada.ca/en/public-health.html), as well as any other applicable additional state, provincial and local guidelines and/or instructions. Access to the Meeting will, subject to the Corporation's articles, be either entirely restricted or limited to essential personnel and registered shareholders and duly appointed proxyholders entitled to attend and vote at the Meeting. Depending upon the status of the pandemic at the time, the Corporation encourages registered shareholders and duly appointed proxyholders not to attend the Meeting in person, particularly if they are experiencing any cold or flu-like symptoms. In order to minimize group sizes and respect social distancing regulations, the Corporation encourages shareholders to vote prior to the Meeting by following the instructions set out in the form of Proxy ("Proxy Instrument") or voting instruction form

("VIF") received by such shareholders. If voting in advance by proxy is difficult, please call our transfer agent, Odyssey Trust Company ("Odyssey") at the contact numbers provided on their website (www.odysseytrust.com) or as disclosed herein.

The Corporation may take additional precautionary measures for the Meeting in response to further developments in respect of the COVID-19 pandemic. In the event it is not possible or advisable to hold the Meeting in person, the Corporation will announce alternative arrangements for the Meeting as promptly as practicable, which may include holding the Meeting entirely by electronic means, telephone or other communication facilities. Please monitor the Corporation's press releases and our website at www.jushico.com for updated information up until the date of the Meeting.

The record date for the determination of shareholders of the Corporation entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof is May 13, 2022 (the "Record Date"). Shareholders of the Corporation whose names have been entered in the register of shareholders of the Corporation at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof.

A shareholder of the Corporation may attend the Meeting in person, subject to the foregoing considerations in respect of the COVID-19 pandemic, or may be represented by proxy. Registered shareholders of the Corporation who choose not to attend the Meeting or any adjournment(s) or postponement(s) thereof in person are requested to date, sign and return the Proxy Instrument for use at the Meeting or any adjournment(s) or postponement(s) thereof.

To be effective, the Proxy Instrument must be returned to Odyssey, the Corporation's transfer agent at Odyssey Trust Company, 350-409 Granville Street, Vancouver, BC, V6C 1T2. Alternatively, you may vote by Internet at <https://login.odysseytrust.com/pxlogin>. All instructions are listed on the Proxy Instrument. Your proxy or voting instructions must be received in each case no later than 10:00 a.m. (Eastern time) on June 27, 2022 or, if the Meeting is adjourned, at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of British Columbia) before the beginning of any adjournment or postponement of the Meeting.

If you are a non-registered beneficial shareholder (i.e., a shareholder who beneficially owns shares that are registered in the name of an intermediary such as a broker, investment firm, clearing house or similar entity, or in the name of a depository of which the intermediary is a participant), a VIF, instead of a Proxy Instrument, may be provided to you. The VIF must be returned to the intermediary well in advance of the Meeting, as intermediaries typically set deadlines for voting that are further in advance of the Meeting that those set out above. You must follow the instructions provided by your intermediary in order to vote your shares. You should contact your intermediary for further details.

DATED at Boca Raton, Florida this 20th day of May, 2022.

BY ORDER OF THE BOARD OF DIRECTORS OF JUSHI HOLDINGS INC.

(signed) *James A. Cacioppo*.

James A. Cacioppo

Chairman and Chief Executive Officer

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**JUSHI HOLDINGS INC.
INFORMATION CIRCULAR**

This information circular (the "**Information Circular**") is dated May 20, 2022 and is furnished in connection with the solicitation of proxies by and on behalf of management of the Corporation ("**Management**") for use at the Annual and Special meeting (the "**Meeting**") of shareholders of the Corporation (the "**Shareholders**") to be held at 301 Yamato Road, Suite 3250, Boca Raton, FL 33431, USA on Wednesday, June 29, 2022 at 10:00 a.m. (Eastern time) for the purposes set out in the notice of Meeting (the "**Notice**").

In this Information Circular, references to the "**Corporation**", "**Jushi**" and "**our**" refer to Jushi Holdings Inc. and references to the "**Board**" means the board of directors of Jushi Holdings Inc. "**Beneficial Shareholders**" means Shareholders who do not hold shares of the Corporation in their own name and "**intermediaries**" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders. All dollar amounts herein are expressed in United States dollars unless otherwise indicated. Unless otherwise stated, all information in this Information Circular is current as of May 20, 2022.

VOTING INFORMATION

Solicitation of Proxies

The solicitation of proxies is being made by or on behalf of Management. It is expected that the solicitation of proxies will be primarily by mail using the notice and access provisions described below, but proxies may be solicited personally or by telephone or other form of correspondence. The Corporation may cause a soliciting dealer group to be formed for the purposes of soliciting proxies for the Meeting, for which the Corporation would pay customary fees. The cost of solicitation of proxies will be borne by the Corporation.

Notice and Access Provisions

Pursuant to National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), and in an effort to reduce printing and mailing costs, we are using the notice and access provisions under NI 54-101 to deliver the Information Circular, management's discussion and analysis and annual audited financial statements for the year ended December 31, 2021, and other materials (collectively, the "**meeting materials**") for the Meeting. Instead of receiving printed copies of the meeting materials, you will receive a notice

with information on the meeting date, where it is being held and when, as well as information on how you may access the meeting materials electronically. The Corporation is providing paper copies of the Information Circular only to those registered shareholders and beneficial shareholders that have previously requested to receive paper materials.

You can access electronic copies of the meeting materials on our website, www.jushico.com, and on our SEDAR profile, www.sedar.com. You can also request printed copies of the meeting materials in advance of the Meeting, however your request should be sent to the Corporation so we receive it by 10:00 a.m. on Wednesday, June 15, 2022 in order to allow sufficient time for you to receive the printed copies and return your proxy or voting instruction form to intermediaries not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof. To receive free printed copies of the meeting materials, please contact our Investor Relations Department by: (i) email: investors@jushico.com; phone: +1 (561) 617 9100; or mail: 301 Yamato Road Suite 3250, Boca Raton, FL 33431, USA.

Voting in Person

If a Shareholder attends the Meeting and is a registered Shareholder, the Shareholder may cast his, her or its vote(s) for each of his, her or its registered Voting Shares (as defined below) on any and all resolutions placed before the Meeting. If a Shareholder does not wish to vote for any matter proposed at the Meeting, the Shareholder may withhold his, her or its vote from, or vote his, her or its Voting Shares against, as applicable, any resolution at the Meeting, depending on the specific resolution. If a Shareholder attends the Meeting in person and is a Beneficial Shareholder, that Shareholder will not be entitled to vote at the Meeting unless he, she or it contacts his, her or its intermediary well in advance of the Meeting and carefully follows its instructions and procedures.

Appointment of Proxy

The persons named in the form of proxy (the "**Proxy Instrument**") are directors and/or officers of the Corporation. **SHAREHOLDERS HAVE THE RIGHT TO APPOINT A PERSON TO REPRESENT HIM, HER OR IT AT THE MEETING OTHER THAN THE PERSON[S] DESIGNATED IN THE PROXY INSTRUMENT** either by striking out the names of the persons designated in the Proxy Instrument and by inserting the name of the person or company to be appointed in the space provided in the Proxy Instrument or by completing another legal form of proxy.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. A registered Shareholder may submit a proxy by delivering the completed proxy to Odyssey Trust Company at

350-409 Granville Street, Vancouver, BC, V6C 1T2, or by Internet at <https://login.odysseytrust.com/pxlogin> and clicking "Vote". All instructions are listed on the Proxy Instrument.

Your proxy or voting instructions must be received in each case no later than 10:00 a.m. (Eastern time) on June 27, 2022 or, if the Meeting is adjourned or postponed, at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) before the beginning of any adjournment or postponement of the Meeting.

Beneficial Shareholders

The following information is of significant importance to Shareholders who do not hold Voting 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 Voting Shares) or as set out in the following disclosure.

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

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

Pursuant to NI 54-101, the Corporation will distribute copies of the meeting materials pursuant to the notice and access provisions described above. The Corporation is not paying for intermediaries to deliver copies of the proxy-related materials and related documents to OBOs. Accordingly, OBOs will not receive copies of the proxy-related materials and related documents unless the OBO or their intermediary assumes the cost of delivery.

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients. Beneficial Shareholders should follow the instructions of their intermediary carefully to ensure that their Voting Shares are voted at the Meeting.

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

your Voting Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a voting instruction form (a "**VIF**") in lieu of a proxy provided by the Corporation. The VIF will name the same persons as the Corporation's Proxy Instrument to represent your Voting Shares at the Meeting. You have the right to appoint a person (who need not be a Shareholder), other than any of the persons designated in the VIF, to represent your Voting Shares at the Meeting, and that person may be you. To exercise this right, you should insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Voting Shares to be represented at the Meeting, and the appointment of any Shareholder's representative. **If you receive a VIF from Broadridge, you must complete and return your VIF to Broadridge in accordance with its instructions and well in advance of the Meeting in order to have your Voting Shares voted at the Meeting.**

Notice to Shareholders in the United States

The solicitation of proxies involves securities of a foreign private issuer (as defined in Rule 3b-4 under the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**")) located in Canada and is being effected in accordance with the corporate law of the Province of British Columbia and applicable securities laws of the provinces and territories of Canada. The proxy solicitation rules under the Exchange Act are not applicable to the Corporation or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of applicable securities laws of the provinces and territories of Canada. Shareholders should be aware that disclosure requirements under applicable securities laws of the provinces and territories of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by investors of civil liabilities under United States federal securities laws may be affected adversely because the Corporation is a corporation existing under the laws of the Province of British Columbia. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to the jurisdiction of, or judgment by, a United States court.

Revocation of Proxy

A registered Shareholder who has given a proxy pursuant to this solicitation may revoke it at any time up to and including the last business day preceding the day of the Meeting or any adjournment(s) or postponement(s) thereof at which the proxy is to be used:

- (a) by an instrument in writing executed by the Shareholder or by this, her or its attorney authorized in writing and either delivered to the attention of the Corporate Secretary of the Corporation c/o Odyssey Trust Company, 350-409 Granville Street, Vancouver, BC, V6C 1T2;
- (b) by delivering written notice of such revocation to the chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof; or
- (c) in any other manner permitted by law.

Only registered Shareholders have the right to revoke a proxy. Beneficial Shareholders who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their intermediaries to change the vote and, if necessary, revoke their proxy.

Voting of Proxies and Discretion Thereof

Voting Securities represented by properly executed proxies in favor of persons designated in the printed portion of the Proxy Instrument **WILL, UNLESS OTHERWISE INDICATED, BE VOTED FOR THE FIXING OF THE NUMBER OF DIRECTORS AT SIX AND ELECTION OF THE FIVE DIRECTOR NOMINEES, FOR THE APPOINTMENT OF MARCUM LLP, CHARTERED PROFESSIONAL ACCOUNTANTS, AS THE AUDITORS OF THE CORPORATION AND AUTHORIZATION OF THE BOARD OF DIRECTORS TO FIX AUDITORS' REMUNERATION AND TERMS OF ENGAGEMENT, FOR THE APPROVAL OF THE AMENDMENTS TO THE AMENDED 2019 EQUITY INCENTIVE PLAN, AND FOR THE APPROVAL OF THE AMENDMENTS TO THE CORPORATION'S ARTICLES.** The Voting Shares represented by the Proxy Instrument will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Voting Shares will be voted accordingly. The Proxy Instrument confers discretionary authority on the persons named therein with respect to amendments or variations to matters identified in the Notice or other matters which may properly come before the Meeting. At the date of this Information Circular, Management knows of no such amendments, variations or other matters to come before the Meeting. However, if other matters properly come before the Meeting, it is the intention of the persons named in the Proxy Instrument to vote such proxy according to their best judgment.

Voting Shares and Principal Holders Thereof

The Voting Shares consist of an unlimited number of Subordinate Voting Shares, Multiple Voting Shares and Super Voting Shares. As of the date of this Information Circular, there are 194,542,278 Subordinate Voting Shares issued and outstanding and nil Multiple Voting Shares and Super Voting Shares outstanding. All capitalized terms

in this section of the Information Circular that are not otherwise defined herein have the meanings ascribed thereto in our Articles.

The following provides a summary of the existing rights, privileges and restrictions attaching to the Subordinate Voting Shares only (as there are no Multiple Voting Shares or Super Voting Shares outstanding) and is qualified in its entirety by reference to the terms of our current articles. See also "Amendment to the Corporation's Articles" beginning on page 17, regarding the proposed amendment to the Corporation's Notice of Articles and Articles to create a new class of Preferred Shares (as hereinafter defined).

Subordinate Voting Shares

Voting Rights	Holders of Subordinate Voting Shares are entitled to notice of and to attend any meeting of our Shareholders, except a meeting of which only holders of another particular class or series of shares shall have the right to vote. At each such meeting, holders of Subordinate Voting Shares shall be entitled to one vote in respect of each Subordinate Voting Share held.
Alteration to Rights of Subordinate Voting Shares	As long as any Subordinate Voting Shares remain outstanding, we may not, without the consent of the holders of the Subordinate Voting Shares by separate special resolution, prejudice or interfere with any special right attached to the Subordinate Voting Shares. Holders of Subordinate Voting Shares are not entitled to a right of first refusal to subscribe for, purchase or receive any part of any issue of Subordinate Voting Shares, or bonds, debentures or other securities now or in the future.
Dividends	Holders of Subordinate Voting Shares are entitled to receive as and when declared by the directors, dividends in cash or our property. No dividend will be declared or paid on the Subordinate Voting Shares unless we simultaneously declare or pay, as applicable, equivalent dividends (on an as-converted to Subordinate Voting Share basis) on the Multiple Voting Shares and Super Voting Shares.
Liquidation, Dissolution or Winding-Up	In the event of our liquidation, dissolution or winding-up, whether voluntary or involuntary, or in the event of any other distribution of assets among shareholders for the purpose of winding up our affairs, the holders of Subordinate Voting Shares are, subject to the prior rights of the holders of any shares ranking in priority to the Subordinate Voting Shares, entitled to participate ratably along with all other holders of Multiple Voting Shares (on an as-converted to Subordinate Voting Share basis), Subordinate Voting Shares and Super Voting Shares (on an as-converted to Subordinate Voting Share basis).

Subdivision or Consolidation No subdivision or consolidation of the Subordinate Voting Shares, Multiple Voting Shares or Super Voting Shares shall occur unless, simultaneously, the Subordinate Voting Shares, Multiple Voting Shares and Super Voting Shares are subdivided or consolidated in the same manner or such other adjustment is made so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.

The close of business on May 13, 2022 has been fixed as the record date (the "**Record Date**") for the determination of Shareholders entitled to receive notice of the Meeting and any adjournment(s) or postponement(s) thereof. Accordingly, only Shareholders of record (i.e., registered Shareholders) on the Record Date are entitled to vote at the Meeting or any adjournment(s) or postponement(s) thereof.

The holders of Voting Shares are shown as registered in his, her or its name on the list of Shareholders which is available for inspection during usual business hours at Odyssey Trust Company, 350-409 Granville Street, Vancouver BC, V6C 1T2, and at the Meeting. The list of Shareholders will be prepared not later than ten days after the Record Date.

Principal Shareholders

If a person has acquired ownership of Voting Shares since the Record Date, he, she or it may establish such ownership and demand, not later than ten days before the Meeting, that his, her or its name be included in the list of registered Shareholders.

To the knowledge of the directors and officers of the Corporation, as of the Record Date, no person beneficially owns or exercises control over, directly or indirectly, more than 10% of the outstanding Voting Shares of the Corporation.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

To the knowledge of the directors and executive officers of the Corporation, no director or executive officer of the Corporation, any proposed nominee for election as director of the Corporation, or any associate or affiliate of any of the foregoing persons, 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, other than the election of directors.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Receipt of Financial Statements

At the Meeting, Shareholders will receive the audited financial statements of the Corporation for the year ended December 31, 2021 and the auditor's report on such statements. The Corporation's audited financial statements were filed on May 2, 2022, under the Corporation's profile on SEDAR at www.sedar.com.

2. Number of Directors and Election of Directors

The articles of the Corporation require a minimum of three directors of the Corporation so long as the Corporation is a public company. There are currently five directors of the Corporation. At the Meeting, it is proposed to fix the number of directors of the Corporation at six and that five directors are to be elected at the Meeting. The present term of office of each current director of the Corporation will expire at the Meeting.

Management proposes to nominate at the Meeting the persons whose names are set forth in the table below, each to serve as a director of the Corporation until the next meeting of Shareholders at which the election of directors is considered, or until his/her successor is duly elected or appointed, unless he/she resigns, is removed or becomes disqualified in accordance with the articles of the Corporation or the *Business Corporations Act* (British Columbia) (the "Act"). The persons named in the Proxy Instrument intend to vote for the election of such persons at the Meeting, unless otherwise directed. Management does not contemplate that any of the nominees will be unable to serve as a director of the Corporation.

The following table and the notes thereto set out the name of each person proposed by Management to be nominated for election as a director of the Corporation at the Meeting, his/her age, the period during which he/she has been a director of the Corporation, his/her principal occupation within the five preceding years, all offices of the Corporation now held by such person, and his/her shareholdings, which includes the number of Voting Shares of the Corporation beneficially owned, or over which control or direction is exercised, directly or indirectly.

Name and State and Country of Residence	Age	Position(s) with Jushi	Jushi Director Since	Principal Occupation(s)	Number of Securities of Jushi Directly or Indirectly Held ⁽¹⁾	Attendance at Board Meetings and Committee Meetings
James Cacioppo ⁽²⁾⁽⁴⁾ Florida, U.S.A	59	Chairman of the Board and Chief Executive Officer	June 2019	Chairman, CEO and Director of Jushi (January 2018 to Present); Managing Partner, One East Partners (April 2006 to Present); Director of Viscount Systems Inc. (Nevada) (August 2015 to Present); Director of Affinity Gaming (Nevada) (August 2014 to March 2017)	11,818,465 Subordinate Voting Shares	100%
Benjamin Cross ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾ Connecticut, U.S.A	67	Director	June 2019	Board Advisor to Ursa Space (2017 to Present); Reporter for TheStreet.com (July 2015 to Present); Managing Director of Morgan Stanley (May 1995 to May 2015)	239,080 Subordinate Voting Shares	100%
Stephen Monroe ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾ New York, U.S.A	62	Director	June 2019	President and Managing Partner of Liquid Capital Alternative Funding (March 2016 to Present); Royal Bank of Scotland (May 2009 to October 2015)	153,684 Subordinate Voting Shares	91%

Name and State and Country of Residence	Age	Position(s) with Jushi	Jushi Director Since	Principal Occupation(s)	Number of Securities of Jushi Directly or Indirectly Held ⁽¹⁾	Attendance at Board Meetings and Committee Meetings
Peter Adderton ⁽³⁾⁽⁵⁾ California, U.S.A.	55	Director	June 2019	CEO of Boost Mobile Australia (2017 to Present); CEO of 360fly (2015 to 2017); CEO Digital Turbine (2014)	109,080 Subordinate Voting Shares	82%
Marina Hahn ⁽⁵⁾ New York, U.S.A	64	Director	May 2021	Consultant for Rotkaeppchen-Mumm (2020 to Present); VP, Co-Founder of ZX Ventures (2018 to 2020); President, Consumer Division of Flex Pharma (2014 to 2017)	17,301 Subordinate Voting Shares	100% ⁽⁶⁾

Notes:

- (1) Excludes any Options or Warrants held by such persons but includes unvested restricted Subordinate Voting Shares.
- (2) Member of Compensation Committee.
- (3) Member of Audit Committee.
- (4) Member of Nominating and Corporate Governance Committee.
- (5) Independent Director.
- (6) Ms. Hahn was appointed May 25, 2021 and attended all meetings since her appointment.

The biographies of the proposed nominees for directors are set out below.

James Cacioppo, Founder, Chairman and Chief Executive Officer

Mr. Cacioppo has served as our Chief Executive Officer and Chairman since our founding in 2018. Prior to founding Jushi, from 1993 to 2018, Mr. Cacioppo spent over two decades managing the business and allocating capital in senior management positions at several large hedge funds. Since January 2006, Mr. Cacioppo was Co-Founder and Managing Partner of One East Partners (\$2.3 billion (peak assets under management)). Previously, from 2000 to 2006, Mr. Cacioppo served as President and Co-Portfolio Manager of Sandell Asset Management (\$5.0 billion (peak assets under management)), and from 1995 to 2000, he served as Head of Distressed Debt for Halcyon Management, a global investment firm with over \$9 billion in assets. Mr. Cacioppo earned his BA from Colgate University and his MBA from Harvard University. We believe Mr. Cacioppo is qualified to serve on our Board of Directors due to his managerial, start-up, financial and investing experience.

Benjamin Cross, Director

Mr. Cross has served as a member of our Board of Directors since June 2019. Mr. Cross spent 20 years at Morgan Stanley in both their London and New York offices in the Commodities Division until his retirement in 2015 as a Managing Director at the firm. Prior to joining Morgan Stanley, Mr. Cross worked at Merrill Lynch and the commodities exchange. Mr. Cross earned his BS from Cornell University. Presently, Mr. Cross is a Board Advisor to Ursa Space, a geospatial intelligence firm with an emphasis in measuring global oil inventories and is a commodities reporter for TheStreet.com, where he has been a reporter since July 2015. We believe Mr. Cross is qualified to serve on our Board of Directors due to his extensive financial markets experience and commodities knowledge.

Stephen Monroe, Director

Mr. Monroe has served as a member of our Board of Directors since June 2019. Since 2016, Mr. Monroe has served as President and Managing Partner of Liquid Capital Alternative Funding (LCAF), an asset-based lender. Prior to joining LCAF, Mr. Monroe served as National Sales Manager for Short Duration Products at JP Morgan; and previously in a variety of senior management positions covering cash and short duration products at Barclays and the Royal Bank of Scotland. Mr. Monroe earned his BA from Williams College. We believe Mr. Monroe is qualified to serve on our Board of Directors due to his vast experience in financial markets and risk management.

Peter Adderton, Director

Mr. Adderton has served as a member of our Board of Directors since June 2019. Starting from 2000, Mr. Adderton is a Director and Founder of Boost Mobile, a wireless telecommunications brand based in Australia. Under his leadership, Boost Mobile USA was purchased by Nextel/Sprint and remains a wholly owned subsidiary of Spring Nextel. Prior to founding Boost Mobile, Mr. Adderton founded Amp'd Mobile, a wireless company and Mandalay Digital, now Digital Turbine, a mobile solutions provider. At Mandalay Digital, Mr. Adderton was the company's CEO and Director leading it to become a NASDAQ listed company. Mr. Adderton graduated from Sydney Technical College. We believe Mr. Adderton is qualified to serve on our Board of Directors due to his operational and marketing expertise.

Marina Hahn, Director

Ms. Hahn has served as a member of our Board of Directors since May 2021. Since February 2020, Ms. Hahn serves as a consultant at Rotkaeppchen-Mumm, a German market leader in sparkling wines and spirits. Prior to serving as a consultant at Rotkaeppchen-Mumm, Ms. Hahn co-founded ZX Ventures, a growth arm of Anheuser-Busch from April 2018 to January 2020. Prior to ZX Ventures, Ms. Hahn served as President of the Consumer Division at Flex Pharma, from August 2014 to November 2016, an innovative biotech formed as a result of a scientific breakthrough for athletes who suffer from muscle cramps. Ms. Hahn was a founder of SVEDKA Vodka (acquired by Constellation Brands, Inc.), an irreverent lifestyle brand where she originated the iconic spokesbot, SVEDKA_grl. Ms. Hahn is a graduate of Wellesley College. We believe Ms. Hahn is qualified to serve on our Board of Directors due to her consumer brand experience and prior board experience.

The persons named in the Proxy Instrument (if named and absent contrary directions) intend to vote the Voting Shares represented thereby FOR (i) fixing the number of directors of the Corporation at six; and (ii) the re-election of each of the aforementioned nominees unless otherwise instructed on a properly executed and validly deposited proxy. Management does not contemplate that any nominees named above will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, the persons named in the Proxy Instrument reserve the right to vote for another nominee at their discretion.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as set out below, the knowledge of the Corporation, no proposed director is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (a) was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemptions under Canadian securities legislation that was in effect for a period of more than 30 consecutive days (an "**Order**"), that was issued while the proposed director was acting in the capacity as 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.

Management Cease Trade Order

On April 21, 2021, the Corporation announced it had applied to the Ontario Securities Commission (the "**OSC**"), as principal regulator of the Corporation, for the imposition of a management cease trade order (the "**MCTO**") under National Policy 12-203 – *Management Cease Trade Orders* since, due to the Corporation's auditor not being able to complete its annual audit procedures in a timely manner, the Corporation would not be able to file its audited annual financial statements for the year ended December 31, 2020, the related management's discussion and analysis, related CEO and CFO certificates and annual information form for the year ended December 31, 2020 (the "**Required Filings**") before the required deadline of April 30, 2021. On May 3, 2021, the OSC issued the MCTO. The MCTO restricted the trading of securities of the Corporation by the Chief Executive Officer and Chief Financial Officer until the Required Filings were made on or about June 9, 2021. All of the proposed directors, except Marina Hahn (who was appointed to the Board after the date the MCTO was issued), were directors of the Corporation on the date when the MCTO was issued.

To the knowledge of the Corporation, no proposed director:

- (a) is, as at the date of this Information Circular, or has been within the ten years before the date of this Information Circular, a director or executive officer of any company (including the 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; or

- (b) has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

3. *Appointment of Auditors*

The Corporation proposes to appoint Marcum LLP, Certified Public Accountants ("**Marcum**"), located at 500 W. Monroe Street, Suite 2000, Chicago, IL 60661, as auditors of the Corporation to hold office until the next annual meeting of Shareholders or until a successor is appointed, and to authorize the directors of the Corporation to fix the auditors' remuneration and the terms of their engagement. Marcum was first appointed as auditors of the Corporation on June 2, 2021.

The persons named in the Proxy Instrument (if named and absent contrary directions) intend to vote the shares represented thereby **FOR** the resolution appointing Marcum as auditors of the Corporation for the ensuing year and to authorize the directors to fix Marcum's remuneration and the terms of their engagement.

4. *Amendment to the Amended 2019 Equity Incentive Plan*

The only equity incentive plan the Corporation has in place is the Amended 2019 Equity Incentive Plan, which was most recently approved by Shareholders at the Corporation's previous annual general meeting on June 30, 2021. Under the Amended 2019 Equity Incentive Plan, the number of Subordinate Voting Shares that may be issued pursuant to the exercise of incentive stock options ("**ISOs**") is equal to 15% of the outstanding Subordinate Voting Shares, including the number of Subordinate Voting Shares underlying the Multiple Voting Shares and Super Voting Shares on an as-converted basis (the "**Fully Converted Number of Shares**") plus an additional 2% of the Fully Converted Number of Shares that may be used as inducements to employees and officers not previously employed by the Corporation and who were not previously an insider of the Corporation under applicable securities laws (collectively, the "**Share Reserve**") as of June 6, 2019.

On May 19, 2022, the Board approved an amendment to the Amended 2019 Equity Incentive Plan to increase the number of Subordinate Voting Shares that may be issued pursuant to the exercise of ISOs under the Amended 2019 Equity Incentive Plan to the Share Reserve as of May 31, 2022 (the "**Equity Incentive Plan Amendment**") to ensure the number of ISOs issuable under the Amended 2019 Equity Incentive Plan is reflective of a more current dated Share Reserve.

The foregoing description of the 2019 Equity Incentive Plan as amended by the Equity Incentive Plan Amendment (the "**2022 Equity Incentive Plan**") is intended as a summary only and does not purport to be complete and is

subject to, and qualified in its entirety by reference to, all of the provisions of the 2022 Equity Incentive Plan, the full text of which is set out in Appendix "A" of this Information Circular.

At the Meeting, Shareholders will be requested to consider and, if thought advisable, pass an ordinary resolution adopting the Equity Incentive Plan Amendment (the "**Equity Incentive Plan Amendment Resolution**"). The full text of the Equity Incentive Plan Amendment Resolution is set out in Appendix "B" of this Information Circular.

The persons named in the Proxy Instrument (if named and absent contrary directions) intend to vote the Voting Shares represented thereby **FOR** the Equity Incentive Plan Amendment Resolution.

5. *Amendment to the Corporation's Articles*

At the Meeting, Shareholders will be asked to consider and, if thought advisable, pass a special resolution (the "**Amendment Resolution**") approving an amendment to the Corporation's Notice of Articles and Articles (the "**Amendment to the Articles**") to create a new class of preferred shares (the "**Preferred Shares**") issuable in series, with the special rights and restrictions attached to each series to be as determined by the Board, if, as and when created and issued. The Board approved the Amendment to the Articles on May 19, 2022.

The Board believes that the creation of the class of the Preferred Shares will provide management with greater flexibility in raising capital for the Corporation, permitting it to take advantage of acquisition opportunities and/or changes in the capital markets that may arise from time to time.

The creation of the Preferred Shares is advisable and in the best interests of the Corporation and Shareholders because it would permit the Corporation to issue such shares without Shareholder approval thereby providing the Corporation with maximum flexibility in structuring acquisitions, capital-raising transactions and for other corporate purposes. The preferred Shares would enable the Corporation to respond promptly and take advantage of market conditions and other favorable opportunities without incurring the delay and expense associated with calling a special Shareholders' meeting to approve a contemplated share issuance.

The Amendment to the Articles will permit the Board, without future Shareholder approval, to issue a series of the Preferred Shares, without a maximum authorized number, with the dividend, liquidation, voting, conversion, exchange or reclassification, redemption, retraction or purchase for cancellation rights and other rights as may be determined by the Board from time to time, in the Board's discretion (collectively, the "**Preferred Share Terms**"). Some or all of such Preferred Share Terms could be in priority or preference to and could adversely affect the voting power or other rights of the holders of the Subordinate Voting Shares and the other outstanding classes or series of shares of the Corporation (collectively, the "**Other Shareholders**"). This could result in holders of the Other Shareholders receiving less in the event of a liquidation, dissolution or other winding up of the Corporation, could reduce the amount of funds, if any, available for dividends on the Other Shareholders and could dilute the voting power of the Other Shareholders.

The Board does not have any current plans to issue any Preferred Shares, and, subject to the overriding discretion of the Board, the creation of the series of Preferred Shares is not expected to cause any immediate changes to the Corporation's outstanding capitalization. The Corporation does not intend to use the Preferred Shares as part of any "anti-takeover" strategy and the Corporation is not advancing it as the result of any known effort by any party to accumulate additional voting shares or to obtaining voting control of the Corporation.

The foregoing description of the Amendment to the Articles and the Preferred Shares is intended as a summary only and does not purport to be complete and is subject to, and qualified in its entirety by reference to, all of the provisions of the amended Articles, the full text of which is set out in Appendix "C" of this Information Circular. The full text of the Amendment Resolution is set out in Appendix "D" of this Information Circular.

To become effective, the Amendment Resolution must be approved by not less than 66 2/3% of the votes cast upon such resolution by Shareholders present in person or represented by proxy at the Meeting.

If the Amendment Resolution is approved by Shareholders, the Amendment to the Articles would only be implemented upon a determination by the Board that it is in the best interest of the Corporation and Shareholders at that time.

The persons named in the Proxy Instrument (if named and absent contrary directions) intend to vote the Voting Shares represented thereby **FOR** the Amendment Resolution.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Aggregate Indebtedness

The table below shows the aggregate indebtedness to the Corporation of all executive officers, directors and employees, and former executive officers, directors and employees of the Corporation and its subsidiaries as at the Record Date.

Purpose	To the Corporation or its Subsidiaries⁽¹⁾	To Another Entity
To Pay for Granted Restricted Shares	US\$2,805,000	Nil
Other	Nil	Nil

Notes:

(1) Excluding accrued interest which accrues at 2.89% annually.

Indebtedness of Directors and Executive Officers Under Securities Purchase and Other Programs

The following table shows each individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Corporation, each proposed nominee for election as a director of

the Corporation, and each associate of any such director, executive officer or proposed nominee (a) who is, or at any time since the beginning of the most recently completed financial year of the Corporation has been, indebted to the Corporation or any of its subsidiaries, and (b) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided the Corporation or any of its subsidiaries.

Name and Principal Position	Involvement of Corporation or Subsidiary	Largest Amount Outstanding During Fiscal Year 2021	Amount Outstanding as of May 31, 2022	Financially Assisted Securities Purchases During Fiscal Year 2021	Security for Indebtedness	Amount Forgiven During Fiscal Year 2021
Kimberly Bambach Former Chief Financial Officer	Corporation as lender	US\$1,207,022.98 ⁽¹⁾	Nil	Nil	Pledge of Securities	Nil
Louis J. Barack President and Corporate Secretary	Corporation as lender	US\$1,122,200 ⁽²⁾	Nil	Nil	Pledge of Securities	Nil
Erich Mauff Former President and Former Director	Corporation as lender	US\$719,810.20 ⁽³⁾	Nil	Nil	Pledge of Securities	US\$719,810.20
Jim Cacioppo Chairman of the Board and Chief Executive Officer	Corporation as lender	US\$1,212,275.05 ⁽³⁾	Nil	Nil	Pledge of Securities	Nil

Notes:

- (1) Excludes accrued interest for a \$1,012,500 loan that accrued at 2.89% per annum and a \$194,522.98 loan that accrued at 5% per annum, both compounded annually.
- (2) Excludes accrued interest for a \$800,000 loan that accrued at 2.89% per annum and a \$322,200 loan that accrued at 5% per annum, both compounded annually.
- (3) Excludes interest which accrued at 5% per annum, compounded annually.

Other than the indebtedness described above, no person who is or at any time during the most recently completed financial year was a director or executive officer of the Corporation, no proposed nominee for election as a director of the Corporation, and no associate of any of the foregoing persons has been indebted to the Corporation or any of its subsidiaries at any time since the commencement of the Corporation's most recently completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Corporation at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person. All of the loans in the table above were either repaid or forgiven in 2021.

SECURITY-BASED COMPENSATION ARRANGEMENTS

Equity Compensation Plan Information

The Amended 2019 Equity Incentive Plan permits the grant of: (i) nonqualified stock options ("NQSOs") and incentive stock options ("ISOs") (collectively, "Options"); (ii) restricted stock awards; (iii) restricted stock units ("RSUs"); (iv) stock appreciation rights ("SARs"); and (v) performance compensation awards, which are referred to herein collectively as "Awards," as more fully described below.

The following table sets out information as of December 31, 2021 with respect to the Amended 2019 Equity Incentive Plan.

Plan Category	(a) Number of securities to be issued upon exercise of outstanding Options and other rights	(b) Weighted-average exercise price of outstanding Options and other rights	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by Shareholders ⁽¹⁾	20,429,120	\$1.44	7,904,819
Equity compensation plans not approved by Shareholders	Nil	Nil	Nil
TOTAL	20,429,120	\$1.44	7,904,819

Notes:

- (1) The maximum number of Subordinate Voting Shares issuable under the Amended 2019 Equity Incentive Plan of the Corporation as of December 31, 2021 was 27,406,104, representing 15% of the number of the issued and outstanding Subordinate Voting Shares (including, for these purposes, the number of Subordinate Voting Shares underlying the Multiple Voting Shares and the Super Voting Shares on an "as if converted" basis) (the "**Outstanding Share Number**").

As of December 31, 2021, the following Awards were outstanding under the Amended 2019 Equity Incentive Plan: (i) a total of 20,429,120 Options, representing approximately 11.18% of the then Outstanding Share Number; and (ii) a total of 2,859,144¹ unvested Restricted Stock Awards, representing approximately 1.56% of the then Outstanding Share Number. As of December 31, 2021, an aggregate of 7,904,819 Subordinate Voting

¹ Does not include restricted stock not issued pursuant to the Corporation's Equity Incentive Plan.

Shares remained available for issuance under the Amended 2019 Equity Incentive Plan, representing approximately 4.33% of the then Outstanding Share Number. There is an additional 1,314,147 Subordinate Voting Shares available for issuance to certain new hires under the Amended 2019 Equity Incentive Plan.

Purpose

The purpose of the Amended 2019 Equity Incentive Plan is to: (i) promote and retain employees, directors and consultants capable of assuring the future success of the Corporation and its affiliated companies; (ii) motivate management to achieve long-range goals; and (iii) to provide compensation and opportunities for ownership and alignment of interests with Shareholders.

The Amended 2019 Equity Incentive Plan permits the grant of (i) NQSOs and ISOs; (ii) restricted stock awards; (iii) RSUs; (iv) SARs; and (v) other awards, as more fully described below. Pursuant to the Amended 2019 Equity Incentive Plan, the Board may delegate some or all of the administration of the Amended 2019 Equity Incentive Plan to a committee or committees thereof. The Amended 2019 Equity Incentive Plan is currently administered by the Board, and the Board has delegated to the Compensation Committee the ability to grant Options to newly hired individuals.

Eligibility

Any of the employees, officers, directors, and consultants of the Corporation (or of any of its affiliates) are eligible to participate (each a "**Participant**") in the Amended 2019 Equity Incentive Plan if selected by the Compensation Committee of the Corporation. The basis of participation of an eligible recipient of an Award under the Amended 2019 Equity Incentive Plan, and the type and amount of any Award that an individual will be entitled to receive under the Amended 2019 Equity Incentive Plan, will be determined by Board and/or Compensation Committee based on their judgment as to the best interests of the Corporation and Shareholders, and therefore cannot be determined in advance.

The maximum number of Subordinate Voting Shares that may be issued under the Amended 2019 Equity Incentive Plan shall be determined by the Board from time to time, but in no case shall exceed, in the aggregate, 15% of the number of Subordinate Voting Shares (including the number of Subordinate Voting Shares underlying the Multiple Voting Shares and Super Voting Shares on an "as of converted" basis) then outstanding. Currently, the total number of ISOs may not exceed 15,216,750. Any Subordinate Voting Shares subject to an Award under the Amended 2019 Equity Incentive Plan that are forfeited, cancelled, expire unexercised, are settled in cash, or are used or withheld to satisfy tax withholding obligations of a Participant shall again be available for Awards under the Amended 2019 Equity Incentive Plan.

In the event of any change that is made in, or other events that occur with respect to, the Subordinate Voting Shares subject to the Amended 2019 Equity Incentive Plan or subject to any Award after the Effective Date

without the receipt of consideration by the Corporation through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto), the Board may (and in some cases, shall) adjust, as appropriate in order to prevent dilution or enlargement of, the rights of Participants under the Amended 2019 Equity Incentive Plan, to (i) the number and kind of securities which may thereafter be issued in connection with Awards, (ii) the number and kind of securities that may be issued pursuant to the exercise of ISOs, and (iii) the number and kind of shares issuable in respect of outstanding Awards.

Awards

Options

The Board or Compensation Committee is authorized to grant Options under the Amended 2019 Equity Incentive Plan to purchase Subordinate Voting Shares that are either ISOs, meaning they are intended to satisfy the requirements of Section 422 of the Code, or NQSOs, which are not intended to satisfy the requirements of Section 422 of the Code; provided, however, that eligibility to receive an Award of ISOs is limited to employees of the Corporation or any subsidiary corporation of the Corporation. Consultants and non-employee directors are not eligible to receive ISOs. Unless the Board or Compensation Committee determines otherwise in the case of an Option substituted for another Option in connection with a corporate transaction, the exercise price of an Option will not be less than the fair market value (as determined under the Amended 2019 Equity Incentive Plan) of the Subordinate Voting Shares at the time of grant. Options will be subject to such terms, including the exercise price and the conditions and timing of exercise, as may be determined by the Compensation Committee and specified in the applicable award agreement. The maximum term of an Option will be ten years from the date of grant (or five years in the case of an ISO granted to a 10% shareholder). Payment in respect of the exercise of an Option may be made in cash or by check, or by such other method as the Board or Compensation Committee may determine to be appropriate, including by loan or other extension of credit from the Corporation (or an affiliate), by surrender of unrestricted shares (at their fair market value on the date of exercise) and other cashless exercise arrangements. The Board or Compensation Committee may, in its discretion, accelerate the vesting and exercisability of Options. Unless otherwise provided in the applicable award agreement or as may be determined by the Board or Compensation Committee, upon a Participant's termination of service with the Corporation the unvested portion of an Option will be forfeited.

Restricted Stock

A restricted stock award is a grant of Subordinate Voting Shares, which are subject to forfeiture restrictions during a restriction period. The Board or Compensation Committee will determine the price, if any, to be paid by the Participant for each Subordinate Voting Share subject to a restricted stock award. If any payment is required, it

may be paid in cash, by check, or by such other method as the Board or Compensation Committee may determine to be appropriate, including by surrender of unrestricted shares or by loan or other extension of credit from the Corporation (or an affiliate). The Board or Compensation Committee may condition the expiration of the restriction period, if any, upon: (i) the Participant's continued service over a period of time with the Corporation or its affiliates; (ii) the achievement by the Participant, the Corporation or its affiliates of any other performance goals set by the Compensation Committee; or (iii) any combination of the above conditions as specified in the applicable award agreement. If the specified conditions are not attained, the Participant will forfeit the portion of the restricted stock award with respect to which of those conditions are not attained, and the underlying Subordinate Voting Shares will be forfeited or repurchased. At the end of the restriction period, if the conditions (if any) have been satisfied, the restrictions imposed will lapse with respect to the applicable number of Subordinate Voting Shares. During the restriction period, unless otherwise provided in the applicable award agreement, a Participant will have the right to vote the shares underlying the restricted stock and dividends will be paid as determined by the Board or Compensation Committee. The Board or Compensation Committee may, in its discretion, accelerate the vesting and delivery of shares of restricted stock. Unless otherwise provided in the applicable award agreement or as may be determined by the Board or Compensation Committee, upon a Participant's termination of service with the Corporation or its affiliates, the unvested portion of a restricted stock award will be forfeited or repurchased.

Restricted Stock Units

RSUs are granted in reference to a specified number of Subordinate Voting Shares and entitle the holder to receive, on achievement of specific performance goals established by the Board or Compensation Committee, after a period of continued service with the Corporation or its affiliates or any combination of the above as set forth in the applicable award agreement, one Subordinate Voting Share for each such Subordinate Voting Share covered by the RSU; provided, that the Board or Compensation Committee may elect to pay cash, or part cash and part Subordinate Voting Shares in lieu of delivering only Subordinate Voting Shares. The Board or Compensation Committee will determine the consideration, if any, to be paid by the Participant for each Subordinate Voting Share subject to an RSU. If any payment is required, it may be paid in any form of legal consideration that may be acceptable to the Board or Compensation Committee, including by loan or other extension of credit from the Corporation (or an affiliate). The Board or Compensation Committee may, in its discretion, accelerate the vesting of RSUs. Unless otherwise provided in the applicable award agreement or as may be determined by the Board or Compensation Committee, upon a Participant's termination of service with the Corporation or its affiliates, the unvested portion of the RSUs will be forfeited. RSU holders will not have any shareholder rights, including voting or dividend rights, with respect to their RSUs until Subordinate Voting Shares are issued in settlement of such RSUs; provided that the Board or Compensation Committee may provide for dividend equivalents, subject to applicable terms and conditions. The Board or Compensation Committee may, in its discretion, accelerate the vesting of RSUs. Unless otherwise provided in the applicable award agreement or as may be determined by the Board or Compensation Committee, upon a Participant's termination of service with the Corporation and its affiliates, the unvested portion of an RSU award will be forfeited.

Stock Appreciation Rights

A SAR entitles the Participant to receive, upon exercise of the SAR, a payment in an amount equal to the increase in the fair market value of a specified number of Subordinate Voting Shares from the date of the grant of the SAR and the date of exercise payable in Subordinate Voting Shares. Any grant may specify a vesting period or periods before the SAR may become exercisable and permissible dates or periods on or during which the SAR shall be exercisable. No SAR may be exercised more than ten years from the grant date. Upon a Participant's termination of service with the Corporation and its affiliates, the same general conditions applicable to Options as described above would be applicable to the SAR. Board or Compensation Committee may, in its discretion, accelerate the vesting of SARs. Unless otherwise provided in the applicable award agreement or as may be determined by the Board or Compensation Committee, upon a Participant's termination of service with the Corporation and its affiliates, the unvested portion of an SAR will be forfeited.

Substitute Awards

If the Corporation or an affiliate acquires another company by merger, consolidation, stock purchase or asset purchase (an "**Acquired Entity**"), the Board may authorize the grant of Substitute Awards to current and former employees, directors and consultants of the Acquired Entity in substitution for stock and stock-based awards ("**Acquired Entity Awards**") held by the current and former employees, directors or consultants of the Acquired Entity to in order to preserve the economic value of the Acquired Entity Awards, subject to applicable Canadian securities laws. The number of Subordinate Voting Shares and the exercise price or purchase price (if applicable) underlying the Substitute Awards will be adjusted as the Board determines necessary to achieve preservation of economic value.

General

The Board or Compensation Committee may impose restrictions on the grant, exercise or payment of an Award as it determines appropriate. Generally, Awards granted under the Amended 2019 Equity Incentive Plan shall be nontransferable except by will or by the laws of descent and distribution.

In general, no Participant shall have any rights as a Shareholder with respect to Subordinate Voting Shares covered by Options, SARs, or RSUs, unless and until such Awards are settled in Subordinate Voting Shares.

No Option (or, if applicable, SARs) shall be exercisable, no Subordinate Voting Shares shall be issued, no certificates for Subordinate Voting Shares shall be delivered and no payment shall be made under the Amended 2019 Equity Incentive Plan except in compliance with all applicable laws.

The Board may amend, alter, suspend, discontinue or terminate the Amended 2019 Equity Incentive Plan and the Board may amend any outstanding Award at any time; provided that (i) such amendment, alteration, suspension, discontinuation, or termination shall be subject to the approval of the Shareholders if such approval is necessary to comply with any tax or regulatory requirement applicable to the Amended 2019 Equity Incentive Plan (including, without limitation, as necessary to comply with any rules or requirements of an applicable securities exchange), and (ii) no such amendment or termination may adversely affect Awards then outstanding without the Award holder's permission.

In the event of a Change in Control, as defined in the Amended 2019 Equity Incentive Plan, the Board may, in its sole discretion, cause any (or a combination) of the following to be effective upon the consummation of the Change in Control (or effective immediately prior to the consummation of the Change in Control, provided that the consummation of the change in control subsequently occurs):

- terminate the Award, whether or not vested, in exchange for cash and/or other property, if any, equal to the amount that would have been attained upon the exercise of the vested portion of such Award or upon lapse of any restriction period as determined by the Board;
- cause the successor or survivor corporation, or its parent company to assume the Award or to substitute the Award for similar awards for the stock of the successor or survivor corporation, or its parent company, with appropriate adjustments as to the number and kind of shares and prices;
- accelerate the time period during which Options and SARs may be exercised so that such Options and SARs may be exercised prior to the consummation of the change in control;
- accelerate vesting and settlement of the Award and cause any or all forfeiture conditions to lapse; or
- terminate any Award that is not vested or cannot be exercised prior to the consummation of the change in control.

Tax Withholding

The Corporation may take such action as it deems appropriate to ensure that all applicable federal, state, provincial, local and/or foreign payroll, withholding income or other taxes, which are the sole and absolute responsibility of a Participant, are withheld or collected from such Participant.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Compensation Governance

The Board has not adopted any formal policies or procedures to determine the compensation of the Corporation's directors or executive officers. The compensation of the directors and executive officers is determined by the Board, based on the recommendations of the Compensation Committee. Recommendations of the Compensation Committee are made considering the objectives discussed below and, if applicable, considering applicable industry data.

The Compensation Committee currently consists of three directors: James Cacioppo (Chair), Stephen Monroe and Benjamin Cross, all of whom have direct and indirect experience relevant to their roles as members of the Compensation Committee. Stephen Monroe and Benjamin Cross are independent director members of the Compensation Committee. For details regarding the experience of the members of the Compensation Committee, see the biographies of each member set out in the section "*Number of Directors and Election of Directors*".

The role and responsibility of the Compensation Committee is to assist the Board in fulfilling its responsibilities for compensation philosophy and guidelines, and fixing compensation levels for the directors and executive officers. In addition, the Compensation Committee is charged with reviewing the Corporation's security-based compensation arrangements and proposing changes thereto, approving any awards of options or other security-based compensation arrangements and recommending any other employee benefit plans, incentive awards and perquisites with respect to the directors and executive officers. The Compensation Committee is also responsible for reviewing, approving and reporting to the Board annually (or more frequently as required) on the Corporation's succession plans for its executive officers.

The Compensation Committee endeavors to ensure that the philosophy and operation of the Corporation's compensation program reinforces its culture and values, creates a balance between risk and reward, attracts, motivates, and retains executive officers over the long-term and aligns their interests with those of the Shareholders. In addition, the Compensation Committee is to review the Corporation's annual disclosure regarding executive compensation for inclusion where appropriate in the Corporation's disclosure documents.

Elements of Compensation

The Compensation Committee will annually review the compensation of its directors and executives and make such changes as it deems appropriate. See "*Statement of Corporate Governance – Board Committees*" for a discussion of the Compensation Committee, including its objectives.

The compensation of the Corporation's Named Executive Officers ("NEO's") is comprised of the following major elements: (a) base salary; (b) an annual, cash bonus; and (c) long-term equity incentives, consisting of stock options, restricted stock awards, restricted stock units, stock appreciation rights and other applicable awards granted under the Amended 2019 Equity Incentive Plan and any other equity plan that may be approved by the Board from time to time. Base salaries and annual bonuses are determined on an individual basis, taking into consideration the past, current and potential contribution to the Corporation's success, the NEO's experience and expertise, the position and responsibilities of the NEO, and competitive industry pay practices for other high growth, premium brand companies of similar size and revenue growth potential.

The Board considers risks associated with executive compensation and does not believe that the Corporation's executive compensation policies and practices encourage its executive officers to take inappropriate or excessive risks. In addition to cash compensation, NEOs are compensated in part through the granting of options which is compensation that is both "at risk" and associated with long-term value creation. The value of such compensation is dependent upon Shareholder return over the applicable vesting period which reduces the incentive for executives to take inappropriate or excessive risks as their long-term compensation is at risk.

Currently, all employees of subsidiaries of Jushi Inc, a wholly-owned subsidiary of the Corporation, are eligible to participate in a 401k plan which includes an employer contribution of up to 4% of the employee's base salary subject to a cap.

Summary Compensation

The following tables set forth the cash compensation paid and equity compensation paid to the following executive officers of the Corporation in 2021: (i) the CEO; (ii) the CFO; and (iii) the three most highly compensated individuals whose total compensation was more than US\$150,000:

Table of Compensation Excluding Security-Based Compensation Arrangements⁽¹⁾							
Name & Position	Year	Salary, Consulting Fee, Retainer, or Commission (US\$)	Bonus (US\$)⁽²⁾	Committee or Meeting Fees (US\$)	Value of Perquisites (US\$)	Value of all Other Compensation (US\$)	Total Compensation (US\$)⁽³⁾
James Cacioppo Chairman of the Board and CEO	2021	487,131.50	2,124,000.00 ⁽⁴⁾	Nil	Nil	Nil	2,611,131.50
	2020	383,333.28	5,633.00	Nil	Nil	Nil	388,966.28
Erich Mauff Former President and Former Director	2021	174,997.80	Nil	Nil	Nil	Nil	174,997.80 ⁽⁵⁾
	2020	316,666.64	Nil	Nil	Nil	Nil	316,666.64
Kimberly Bambach Former CFO	2021	285,600.83	Nil	Nil	Nil	Nil	285,600.83 ⁽⁶⁾
	2020	269,999.85	50,000.00	Nil	Nil	Nil	319,999.85
Edward Kremer CFO	2021	97,128.37	Nil	Nil	Nil	Nil	97,128.37 ⁽⁷⁾
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Louis J. Barack President and Corporate	2021	337,498.85	928,000.00 ⁽⁴⁾	Nil	Nil	Nil	1,265,498.85

Table of Compensation Excluding Security-Based Compensation Arrangements ⁽¹⁾							
Name & Position	Year	Salary, Consulting Fee, Retainer, or Commission (US\$)	Bonus (US\$) ⁽²⁾	Committee or Meeting Fees (US\$)	Value of Perquisites (US\$)	Value of all Other Compensation (US\$)	Total Compensation (US\$) ⁽³⁾
Secretary	2020	308,333.29	Nil	Nil	Nil	Nil	308,333.29
Trenton Woloveck Chief Commercial Director	2021	279,170.83	265,000.00	Nil	Nil	Nil	544,170.83
	2020	257,291.53	Nil	Nil	Nil	Nil	257,291.53
Leonardo Garcia-Berg Chief Operating Officer	2021	200,087.76	1,323.78	Nil	Nil	Nil	201,411.54 ⁽⁸⁾
	2020	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) For year ending December 31, 2021
- (2) The Corporation's executive officers were on a May to April bonus period in 2020 and 2021. The table includes cash bonus amounts paid in 2020 and 2021, respectively.
- (3) The table does not include the employer match for the Corporation's 401k and any other benefits that the Corporation's employees are generally eligible for.
- (4) The bonuses were put toward the repayment of these executive officers' loans detailed in the table in the "Indebtedness of Directors and Executive Officers Under Securities Purchase and Other Programs" section above.
- (5) Erich Mauff resigned as President and Director of the Corporation on June 30, 2021, and such amounts do not include his severance payment. Mr. Mauff received a severance payment of \$1,289,482.20 which included the loan forgiveness detailed in the table in the "Indebtedness of Directors and Executive Officers Under Securities Purchase and Other Programs" section above.
- (6) Kimberly Bambach resigned as Chief Financial Officer of the Corporation on October 18, 2021, and such amounts do not include her severance payment. Ms. Bambach received a severance payment of \$155,000.
- (7) Ed Kremer was hired by the Company on October 5, 2021 and appointed Chief Financial Officer of the Company on October 18, 2021.
- (8) Leonardo Garcia-Berg was hired by the Company on May 24, 2021 and appointed Chief Operations Officer of the Company on June 30, 2021.

Security-Based Compensation Arrangements ⁽¹⁾							
Name & Position	Type of Compensation Security ⁽²⁾	Number of Compensation Securities / Number of Underlying Securities ⁽³⁾ / Percentage of Class	Date of Issue or Grant	Issue, Conversion of Exercise Price (US\$)	Closing Price of Security or Underlying Security on Date of Grant (US\$)	Closing Price of Security or Underlying Security at Year End (US\$)	Expiry Date
James Cacioppo Chairman of the Board and CEO	Options	2,920,000 / 182,707,359 / 1.6%	10/27/2021	\$3.91	\$3.81	\$3.25	10/27/31
	Options	80,000 / 182,707,359 / 0.04%	10/27/2021	\$3.91	\$3.81		10/27/31

Security-Based Compensation Arrangements ⁽¹⁾							
Name & Position	Type of Compensation Security ⁽²⁾	Number of Compensation Securities / Number of Underlying Securities ⁽³⁾ / Percentage of Class	Date of Issue or Grant	Issue, Conversion of Exercise Price (US\$)	Closing Price of Security or Underlying Security on Date of Grant (US\$)	Closing Price of Security or Underlying Security at Year End (US\$)	Expiry Date
Erich Mauff Former President and Former Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Kimberly Bambach Former CFO	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Louis J. Barack President and Corporate Secretary	Options	80,000 / 182,707,359 / 0.04%	10/27/2021	\$3.91	\$3.81	\$3.25	10/27/31
	Options	920,000 / 182,707,359 / 0.50%	10/27/2021	\$3.91	\$3.81		10/27/31
Trenton Woloveck Chief Commercial Director	Options	130,000 / 182,707,359 / 0.07%	10/27/2021	\$3.91	\$3.81	\$3.25	10/27/31
	Options	360,000 / 182,707,359 / 0.20%	10/27/2021	\$3.91	\$3.81		10/27/31
	Options	170,000 / 182,707,359 / 0.09%	10/27/2021	\$3.91	\$3.81		10/27/31
Edward Kremer CFO	Options	500,000 / 182,707,359 / 0.27%	10/05/2021	\$3.88	\$3.89	\$3.25	10/05/31

Security-Based Compensation Arrangements ⁽¹⁾							
Name & Position	Type of Compensation Security ⁽²⁾	Number of Compensation Securities / Number of Underlying Securities ⁽³⁾ / Percentage of Class	Date of Issue or Grant	Issue, Conversion of Exercise Price (US\$)	Closing Price of Security or Underlying Security on Date of Grant (US\$)	Closing Price of Security or Underlying Security at Year End (US\$)	Expiry Date
Leo Garcia-Berg Chief Operating Officer	Options	500,000 / 182,707,359 / 0.27%	6/08/2021	\$6.10	\$6.13	\$3.25	6/08/31
	Options	100,000 / 182,707,359 / 0.05%	11/03/2021	\$3.70	\$3.62		10/27/31

Notes:

- (1) For year ending December 31, 2021. Does not include other securities issued outside of the Corporation's Equity Incentive Plan.
- (2) All Options are exercisable for Subordinate Voting Shares.
- (3) Includes issued and outstanding Subordinate Voting Shares on an as converted basis.

Director Compensation

In 2021, the compensation for each independent director was US\$50,000 (which increased in the fourth quarter to US\$65,000) per year in cash, options and/or restricted stock, at the election of the director, paid or vested (if equity) quarterly, and a grant of US\$100,000 in options and/or restricted stock, which were prorated for service date and vest after one complete year of service.

Security-Based Compensation Arrangements ⁽¹⁾							
Name	Type of Compensation Security	Number of Compensation Securities / Number of Underlying Securities ⁽²⁾ / Percentage of Class	Date of Issue or Grant	Issue, Conversion of Exercise Price (US\$)	Closing Price of Security or Underlying Security on Date of Grant (US\$)	Closing Price of Security or Underlying Security at Year End (US\$)	Expiry Date
Stephen Monroe	Options ⁽³⁾	13,952 / 182,707,359 / 0.0076%	6/15/2021	\$5.71	\$5.55	\$3.25	6/15//2031

Security-Based Compensation Arrangements ⁽¹⁾							
Name	Type of Compensation Security	Number of Compensation Securities / Number of Underlying Securities ⁽²⁾ / Percentage of Class	Date of Issue or Grant	Issue, Conversion of Exercise Price (US\$)	Closing Price of Security or Underlying Security on Date of Grant (US\$)	Closing Price of Security or Underlying Security at Year End (US\$)	Expiry Date
Marina Hahn ⁽⁴⁾	Restricted Stock	17,301 / 182,707,359 / 0.0095%	6/14/2021	\$5.78	\$5.70	\$3.25	N/A
Benjamin Cross	Restricted Stock ⁽³⁾	8,757 / 182,707,359 / 0.0048%	6/15/2021	\$5.71	\$5.70	\$3.25	N/A
Peter Adderton	Restricted Stock ⁽³⁾	8,757 / 182,707,359 / 0.0048%	6/15/2021	\$5.71	\$5.70	\$3.25	N/A
Stephen Monroe	Options	60,000 / 182,707,359 / 0.0328%	10/27/2021	\$3.91	\$3.81	\$3.25	10/27/2031
Marina Hahn	Options	20,000 / 182,707,359 / 0.0109%	10/27/2021	\$3.91	\$3.81	\$3.25	10/27/2031
Benjamin Cross	Options	60,000 / 182,707,359 / 0.0328%	10/27/2021	\$3.91	\$3.81	\$3.25	10/27/2031
Peter Adderton	Options	60,000 / 182,707,359 / 0.0328%	10/27/2021	\$3.91	\$3.81	\$3.25	10/27/2031

Notes:

- (1) For year ending December 31, 2021.
- (2) Includes issued and outstanding Subordinate Voting Shares on an as converted basis.
- (3) Stephen Monroe, Benjamin Cross and Peter Adderton elected to receive Restricted Stock or Options as compensation for their service 2021. Each also received \$3,750 in cash for their service in the fourth quarter due to the increase in compensation.
- (4) Marina Hahn elected to received cash compensation totaling \$33,857.43 for her service in 2021.

Termination and Change of Control Benefits

Other than as disclosed herein, the Corporation does not have any contracts, agreements, plans or arrangements that provide for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, change in control of the Corporation or change in an NEO's responsibilities.

Under James Cacioppo's stock option and restricted stock agreements, in the event of termination without cause or resignation for good reason, the NEOs' unvested stock options and restricted stock become fully vested.

Under Louis J. Barack's employment agreement, in the event of termination without cause, the NEO is entitled to receive a cash severance equivalent to six (6) months of his annual base salary at the annual rate in effect immediately prior to his termination. Upon a change of control, the NEO is automatically terminated and is entitled to a cash severance equivalent to six (6) months of his base salary and vesting and acceleration of any outstanding equity grants.

Under Trenton Woloveck's employment agreement, in the event of termination without cause, the NEO is entitled to receive a Cash Severance equivalent to six (6) months of his annual base salary at the annual rate in effect immediately prior to his termination. In the event of a change of control and for one year thereafter, for a termination without cause or resignation for good reason, the NEO is entitled to a cash severance equivalent to six (6) months of his annual base salary at the annual rate in effect immediately prior to such termination or resignation and acceleration of any outstanding equity grants.

Under Leonardo Garcia-Berg's employment agreement, if the NEO is terminated without cause prior to a change in control then he is entitled to a cash severance which has a sliding scale depending on how long he has been employed by us. Upon a change of control and the one (1) year period following a change in control, in the event Mr. Garcia-Berg's employment is terminated without cause, he is entitled to vesting acceleration of his initial grant of options under the Plan, and a cash severance of 24 months of base salary if such action occurs within the first 24 months of his employment or a cash severance of 12 months of base salary if such action occurs thereafter.

Under Edward Kremer's employment agreement, if the NEO is terminated prior to a change in control, in the event Mr. Kremer's employment is terminated without cause or Mr. Cacioppo leaves in the first 12 months of Mr. Kremer's employment and Mr. Kremer leaves for good reason, then the NEO is entitled to a cash severance of 12 months of base salary to be paid over a 12-month period. Upon or following a change in control, in the event Mr. Kremer's employment is terminated without cause or he leaves his employment for good reason, the NEO is entitled to a cash severance of 12 months of base salary to be paid over a 12-month period and vesting acceleration of his initial grant of options under the Plan. If Mr. Kremer starts another position and/or enters into a consulting agreement, the cash severance are no longer due.

STATEMENT OF CORPORATE GOVERNANCE

Under the Canadian Securities Administrators' National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101"), the Corporation is required to disclose certain information relating to its corporate governance practices. This information is set forth below.

Board

The Corporation currently has four non-executive directors who the Corporation believes to be independent within the meaning of NI 58-101. The four independent directors of the Corporation are Stephen Monroe, Benjamin Cross, Peter Adderton and Marina Hahn. James Cacioppo, who serves as Founder, Chairman and Chief Executive Officer of the Corporation is not considered to be independent given their current or recent status as executive officers of the Corporation.

Directorships

The following directors of the Corporation currently serve on the board of directors of other issuers that are reporting issuers (or the equivalent) which are set out below:

Director	Reporting Issuer (Exchange)
James Cacioppo	Viscount Systems (OTCMKTS: VSYS)
Marina Hahn	Vapotherm Inc (NYSE: VAPO)

Orientation and Continuing Education

Immediately following appointment, new directors of the Corporation are provided with historic information, current strategic plans for the Corporation and materials summarizing issues relating to the Corporation. New directors are also briefed by the chief executive officer of the Corporation, by the chief financial officer of the Corporation, by the legal counsel of the Corporation and by the Chair of the committees of the Board to which they are appointed, if any. In addition, the Corporation will make available any documents or personnel as may be requested by a new director in order to assist with the orientation and onboarding to the Board.

Although the Corporation has not adopted formal policies respecting continuing education for Board members, new directors are encouraged to communicate with the Corporation's management, legal counsel, auditors and consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance, and to attend related industry seminars and visit the Corporation's operations. In addition, the Board and its committees receive periodic reports from management and external advisors as to new developments in regard to corporate governance, industry trends, changes in legislation and other issues affecting the Corporation.

Ethical Business Conduct

The Board has adopted a *Code of Business Conduct* for directors, officers and employees (the "**Code of Conduct**"). The Code of Conduct is incorporated by reference into, and forms an integral part of, this Information Circular. The Code of Conduct also available on the Corporation's website at <https://ir.jushico.com/corporate->

[governance/governance-documents](#). The Corporation will, upon request at investors@jushico.com, provide a copy of the Code of Conduct free of charge to any Shareholder. Further, the Board has adopted an Insider Trading Policy (the "**Policy**") also available on the Corporation's website at <https://ir.jushico.com/corporate-governance/governance-documents>. The Corporation will, upon request at investors@jushico.com, provide a copy of the Policy free of charge to any Shareholder.

The Board expects its directors, officers and employees to act ethically at all times and to acknowledge their adherence to the policies comprising the Code of Conduct and the Policy. The Board has delegated to Jushi's Compliance Committee the responsibility to oversee the Code of Conduct. The Compliance Committee is composed of the Corporation's Chief Executive Officer, Chief Financial Officer and Co-Head of Legal Affairs. The Co-Head of Legal Affairs is the Chair of the Compliance Committee and reports to the Audit Committee regularly regarding the Compliance Committee's oversight of the Code. Any material issues regarding compliance with the Code of Conduct or the Policy are required to be brought forward by the Chair of the Compliance Committee to either the Board or Audit Committee meetings, as may be appropriate in the circumstances. The Board and/or Audit Committee determine what remedial steps, if any, are required.

Each director of the Corporation must disclose all actual or potential conflicts of interest and refrain from voting on matters in which such director has a conflict of interest. In addition, the director must excuse himself or herself from any discussion or decision on any matter in which the director is precluded from voting as a result of a conflict of interest.

Board Committees

The standing committees of the Board are the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee and the Compliance Committee (whose function and membership are described above).

Audit Committee

The Audit Committee, the charter of which is attached hereto as Appendix "E", is comprised of Benjamin Cross, Stephen Monroe and Peter Adderton, each of whom is independent within the meaning of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). Stephen Monroe is the Chair of the Audit Committee. Each Audit Committee member is "financially literate" within the meaning of NI 52-110 and possesses education or experiences that is relevant for the performance of their responsibilities as an Audit Committee member as set out below.

Benjamin Cross, Director

Mr. Cross brings extensive financial markets experience and commodities knowledge to his role as Director at Jushi. Mr. Cross spent 20 years at Morgan Stanley in both their London and New York offices in the Commodities

division until his retirement in 2015 as a Managing Director at the firm. Prior to joining Morgan Stanley, Mr. Cross worked at Merrill Lynch and the commodities exchange. Mr. Cross earned his BS from Cornell University. Presently, Mr. Cross is a Board Advisor to Ursa Space, a geospatial intelligence firm with an emphasis in measuring global oil inventories.

Stephen Monroe, Director

Mr. Monroe brings vast experience in financial markets and risk management to his role as Director at Jushi. Mr. Monroe is President and Managing Partner of Liquid Capital Alternative Funding ("LCAF"), an asset-based lender. Prior to joining LCAF, Mr. Monroe served as National Sales Manager for Short Duration Products at JP Morgan and was previously employed in a variety of senior management positions covering cash and short duration products at Barclays and the Royal Bank of Scotland. Mr. Monroe earned his BA from Williams College.

Peter Adderton, Director

Mr. Adderton brings invaluable operational and marketing expertise to his role as Director at Jushi. Mr. Adderton is a Director and Founder of Boost Mobile, a wireless telecommunications brand based in Australia. Under his leadership, Boost Mobile USA was purchased by Nextel/Sprint and remains a wholly owned subsidiary of Spring Nextel. Mr. Adderton to founding Boost Mobile, Mr. Adderton founded Amp'd Mobile, a wireless company and Mandalay Digital, now Digital Turbine, a mobile solutions provider. At Mandalay Digital, Mr. Adderton was the company's CEO and Director, during which time he led the company to a listing on the NASDAQ. Mr. Adderton graduated from Sydney Technical College.

The duties of the Audit Committee are set out in an audit committee mandate that give the Audit Committee responsibility for, among other things, oversight of Jushi's internal accounting and financial reporting practices, financial statements and financial disclosures, external auditors, and compliance with legal and other regulatory requirements.

At no time since the commencement of the most recently completed financial year of the Corporation was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board. At no time since the commencement of the most recently completed financial year of the Corporation has the Corporation relied on the exemption in section 2.4 of NI 52-110 (De Minimis Non-Audit Services), or an exemption from the application of NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (Exemptions).

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

Compensation Committee

The Compensation Committee is comprised of James Cacioppo, Benjamin Cross and Stephen Monroe. James Cacioppo is the Chair of the Compensation Committee. The objective of the Compensation Committee in setting compensation levels is to attract and retain individuals of high caliber to serve as officers of Jushi, to motivate

their performance to achieve Jushi's strategic objectives and to align the interests of executive officers with the long-term interests of the shareholders of Jushi. These objectives are designed to ensure that Jushi continues to grow on an absolute basis as well as to grow cash flow and earnings for shareholders of Jushi. The Compensation Committee sets the compensation received by NEOs to be generally competitive with the compensation received by persons with similar qualifications and responsibilities who are engaged by other companies of corresponding size, stage of development, having similar assets, number of employees, market capitalization and profit margin. In setting such levels, the Compensation Committee relies primarily on their own experience and knowledge.

The Compensation Committee is composed of a majority of independent directors and is responsible for:

- (a) reviewing and approving goals and objectives relevant to the CEO's compensation;
- (b) evaluating the CEO's performance with respect to those goals and objectives;
- (c) determining the CEO's compensation (both cash-based and equity-based);
- (d) reviewing and approving security-based compensation arrangements; and
- (e) making recommendations to the Board with respect to compensation of other senior officers and directors.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee is composed of a majority of independent directors and is responsible for identifying individuals qualified to become new board members and recommending to the Board the new director nominees for the next annual meeting of Shareholders. The members of the Nominating and Corporate Governance Committee are James Cacioppo, Benjamin Cross and Stephen Monroe. James Cacioppo is the Chair of the Nominating and Corporate Governance Committee. In making its recommendations, the Nominating and Corporate Governance Committee consider a number of factors, including:

- (a) the competencies and skills that Jushi considers to be necessary for it, as a whole, to possess;
- (b) the diversity of the Board's composition;
- (c) the competencies and skills that Jushi considers each existing director to possess; and
- (d) the competencies and skills each new nominee will bring to the boardroom.

Audit Fees

The following table sets forth the aggregate professional services fees billed through May 20, 2022, by Marcum LLP, Certified Public Accountants, and MNP LLP, Chartered Professional Accountants, the external auditors of the Corporation primarily related to the fiscal years ended December 31, 2021 and December 31, 2020, respectively. On June 2, 2021, Marcum LLP replaced MNP LP as auditor of the Corporation.

	December 31, 2021	December 31, 2020
Audit fees ⁽¹⁾	\$953,000	\$747,000
Audit-related fees ⁽²⁾	\$494,000	\$417,000
Tax fees ⁽³⁾	-	\$122,000
All other fees ⁽⁴⁾	\$1,017,000	-
Total	\$2,464,000	\$1,286,000

Notes:

- (1) "Audit fees" includes the aggregate fees billed for the audit of the annual consolidated financial statements.
- (2) "Audit related fees" includes the aggregate fees billed for the review of interim unaudited consolidated financial statements, comfort letters, consents, and reviews of securities filings.
- (3) "Tax fees" includes the aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.
- (4) "All other fees" includes fees related to the audit of the 2021 and 2020 US GAAP financial statements in preparation for the Corporation's expected registration with the Securities and Exchange Commission and financial due diligence services.

Assessments

Based upon the Corporation's size, its current state of development and the number of individuals on the Board, the Board considers a formal process for accessing the effectiveness and contribution of the Board as a whole, its committees or individual directors to be unnecessary at this time. Given that the Board and its committees meet on several occasions each year, each director has regular opportunity to assess the Board as a whole, its committees and other directors in relation to the Board and such director's assessment of the competencies and skills that the Board and its committees should possess. The Board plans to continue to evaluate its own effectiveness and the effectiveness of its committees and individual directors in such manner for the foreseeable future.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as described herein, to the knowledge of the Corporation, no "informed person", proposed director, or any associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since January 1, 2021 or in any proposed transaction that has materially affected or would materially affect the Corporation or any of its subsidiaries. An "informed person" means, among others, (i) a director or executive officer of the Corporation or of a subsidiary of the Corporation, (ii) any person or company who beneficially owns, or controls or directs, directly or indirectly, Voting Shares of the Corporation or a combination of both carrying more than 10% of the voting rights attached to all outstanding Voting Shares of the Corporation other than Voting Shares held by the person or company as underwriter in the course of a distribution; and (iii) a reporting issuer that has purchased, redeemed, or otherwise acquired any of its securities, for so long as it holds any of its securities.

ADDITIONAL INFORMATION

Financial information is provided in the Corporation's audited financial statements and related management's discussion and analysis of the results for the period ended December 31, 2021. Shareholders wishing to receive a copy of such materials should contact our Investor Relations Department by: (i) email: investors@jushico.com; phone: +1 (561) 617 9100; or mail: 301 Yamato Road Suite 3250, Boca Raton, FL 33431, USA.

Additional information relating to the Corporation is also available free of charge under the Corporation's profile on SEDAR at www.sedar.com.

Appendix "A"
2022 EQUITY INCENTIVE PLAN

See attached.

JUSHI HOLDINGS INC.

2019 EQUITY INCENTIVE PLAN

1. GENERAL.

(a) **Eligible Award Recipients.** Employees, Officers, Directors and Consultants are eligible to receive Awards.

(b) **Available Awards.** The Plan is an “evergreen” long-term incentive plan that provides for the grant of the following types of Awards: (i) Incentive Stock Options, (ii) Nonstatutory Stock Options, (iii) Stock Appreciation Rights (iv) Restricted Stock Awards, (v) Restricted Stock Unit Awards and (vi) Other Awards.

(c) **Purpose.** The purpose of the Plan is to: (i) promote and retain employees, directors and consultants capable of assuring the future success of the Resulting Issuer and its affiliated companies; (ii) motivate management to achieve long-range goals; and (iii) to provide compensation and opportunities for ownership and alignment of interests with the Resulting Issuer shareholders.

2. ADMINISTRATION.

(a) **Administration by Board.** The Board will administer the Plan. The Board may delegate administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) **Powers of Board.** The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan and subject to the Canadian Securities Laws:

(i) To determine (A) who will be granted Awards; (B) when and how each Award will be granted; (C) what type of Award will be granted; (D) the provisions of each Award (which need not be identical), including when a person will be permitted to exercise or otherwise receive cash or Subordinate Voting Shares under the Award; (E) the number of Subordinate Voting Shares subject to, or the cash value of, an Award; and (F) the Fair Market Value applicable to an Award.

(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for its administration of the Plan and Awards. The Board, in the exercise of these powers, may correct any defect, omission or inconsistency in the Plan or in any Award Agreement in a manner and to the extent it will deem necessary or expedient to make the Plan or Award fully effective.

(iii) To settle all controversies regarding the Plan and Awards granted under it.

(iv) To accelerate, in whole or in part, the time at which an Award may be exercised or vest (or at which cash or Subordinate Voting Shares may be issued).

(v) To take any action as described under Section 11.

(vi) To submit any amendment to the Plan that requires shareholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of Section 422 of the Code regarding incentive stock options and to comply with the Canadian Securities Laws.

(vii) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Awards.

(viii) To adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Employees, Directors or Consultants who are employed outside the United States.

(ix) To effect, with the consent of any adversely affected Participant, (A) the reduction of the exercise, purchase or strike price of any outstanding Award, (B) the cancellation of any outstanding Award and the grant in substitution therefor of a new (1) Option or SAR, (2) Restricted Stock Award, (3) Restricted Stock Unit Award, (4) Other Award, (5) cash and/or (6) other valuable consideration determined by the Board, in its sole discretion, with any such substituted award (x) covering the same or a different number of Subordinate Voting Shares as the cancelled Award and (y) granted under the Plan or another equity or compensatory plan of the Company or (C) any other action that is treated as a repricing under generally accepted accounting principles.

(c) **Delegation to Committee.** The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee). Any delegation of administrative powers will be reflected in resolutions, not inconsistent with the provisions of the Plan, adopted from time to time by the Board or Committee (as applicable). The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revert in the Board some or all of the powers previously delegated.

(d) **Delegation to an Officer.** To the extent permitted by law, the Board may delegate to one (1) or more Officers the authority to do one or both of the following: (i) designate Employees who are not Officers to be recipients of Options and SARs (and, to the extent permitted by applicable law, other Awards) and, to the extent permitted by applicable law, the terms of such Awards, and (ii) determine the number of Subordinate Voting Shares to be subject to such Awards granted to such Employees. However, if and as required by applicable law, the Board resolutions regarding such delegation will specify the total number of Subordinate Voting Shares that may be subject to the Awards granted by such Officer and that such Officer may not grant an Award to himself or herself. Any such Awards will be granted on the form of Award Agreement most recently approved for use by the Committee or the Board, unless otherwise provided in the resolutions approving the delegation authority. Unless permitted by applicable law, the Board may not delegate authority to an Officer who is acting solely in the capacity of an Officer (and not also as a Director) to determine the Fair Market Value if the Subordinate Voting Shares are not listed on any established stock exchange or traded on any established market.

(e) **Effect of Board's Decision.** All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. SHARES SUBJECT TO THE PLAN.

(a) **Share Reserve.** Subject to Section 9(a) relating to Capitalization Adjustments, the aggregate number of Subordinate Voting Shares that are available to be issued pursuant to Awards will not exceed 15% of the number of outstanding Subordinate Voting Shares, including the number of Subordinate Voting Shares underlying the Multiple Voting Shares and Super Voting Shares on an as-converted basis (the "**Fully Converted Number of Shares**") plus an additional 2% of the Fully Converted Number of Shares that may be used as inducements to Employees and Officers not previously employed by the Company and who were not previously an insider of the Company under applicable securities laws (the "**Share Reserve**"). For clarity, the Share Reserve is a limitation on the number of Subordinate Voting Shares that may be issued pursuant to the Plan. Accordingly, the Share Reserve does not limit the granting of Awards except as provided in Section 7(a).

(b) **Reversion of Shares to the Share Reserve.** Subordinate Voting Shares in respect of which an Award is (i) exercised, (ii) granted under the Plan but not exercised prior to the termination of such Award, (iii) not vested or settled prior to the termination or forfeiture of such Award due to the expiration, termination, forfeiture, repurchase, cancellation or lapse of such Award, (iv) settled in cash in lieu of settlement in Subordinate Voting Shares, or (v) in the case of Restricted Stock Awards, in respect of which such Restricted Stock Awards are fully vested in accordance with the vesting provisions set by the Board or Committee or Committees to which the administration of the Plan has been delegated, shall, in each case, be available for Awards to be granted thereafter pursuant to the provisions of the Plan.

(c) **Incentive Stock Option Limit.** Subject to the Plan provisions relating to Capitalization Adjustments, the aggregate maximum number of Subordinate Voting Shares that may be issued pursuant to the exercise of Incentive Stock Options will be equal to the Share Reserve as of ~~June 6~~ May 31, 2019 2022.

(d) **Substitute Awards.** The Board may, in its discretion and on such terms and conditions as it considers appropriate under the circumstances and in accordance with Canadian Securities Laws, grant Awards under the Plan ("**Substitute Awards**") in substitution for stock and stock-based awards ("**Acquired Entity Awards**") held by current and former employees, directors or consultants of an Acquired Entity immediately prior to the transaction that caused the Acquired Entity to become an Acquired Entity in order to preserve for such current or former employees, directors and consultants the economic value of all or a portion of such Acquired Entity Award for such number of Shares and for such exercise price or purchase price (if applicable) as the Board determines necessary to achieve preservation of economic value.

(e) **Source of Shares.** The shares issuable under the Plan will be authorized but unissued or reacquired Subordinate Voting Shares, including shares repurchased by the Company on the open market or otherwise.

4. ELIGIBILITY.

(a) **Eligibility for Specific Awards.** Incentive Stock Options may be granted only to employees of the Company or a "parent corporation" or "subsidiary corporation" thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants. However, that Awards may not be granted to Employees, Directors and Consultants who are providing Continuous Service only to any "parent" of the Company, as such term is defined in Rule 405, unless (i) the stock underlying such Awards is treated as "service recipient stock" under Section 409A (for example, because the Awards are granted pursuant to a corporate transaction, such as a spin off transaction) or (ii) the Company, in consultation with its legal counsel, has determined that such Awards are otherwise exempt from or alternatively comply with the distribution requirements of Section 409A.

(b) **Ten Percent Stockholders.** A Ten Percent Stockholder will not be granted an Incentive Stock Option unless the exercise price of such Option is at least one hundred ten percent (110%) of the Fair Market Value on the date of grant, and the Option is not exercisable after the expiration of five (5) years from the date of grant.

5. PROVISIONS RELATING TO OPTIONS AND STOCK APPRECIATION RIGHTS.

Each Option or SAR will be in such form and will contain such terms and conditions as the Board deems appropriate. All Options will be separately designated Incentive Stock Options or

Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for Subordinate Voting Shares purchased on the exercise of each type of Option. If an Option is not specifically designated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to qualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The provisions of separate Options or SARs need not be identical. However, each Award Agreement will conform to (through incorporation of provisions hereof by reference in the applicable Award Agreement or otherwise) the substance of each of the following provisions:

(a) **Term.** Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the expiration of ten (10) years from the date of its grant or such shorter period specified in the Award Agreement.

(b) **Exercise Price.** Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, the exercise or strike price of each Option or SAR will be not less than one hundred percent (100%) of the Fair Market Value of the Subordinate Voting Shares subject to the Option or SAR on the date the Award is granted. Each SAR will be denominated in Subordinate Voting Shares equivalents.

(c) **Purchase Price for Options.** The purchase price of Subordinate Voting Shares acquired on the exercise of an Option may be paid, to the extent permitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below. The Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to use certain methods) and to grant Options that require the consent of the Company to use a particular method of payment. The permitted methods of payment are as follows:

(i) by cash, check, bank draft, electronic funds, wire transfer, or money order payable to the Company;

(ii) through a program that complies with Regulation T as established by the Federal Reserve Board that, prior to the issuance of the stock subject to the Option, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds (sometimes called a "*same day sale*" or "*sell to cover*");

(iii) by tendering the cash proceeds resulting from a sale to a third party investor of some of the shares to be exercised, but only if the investor is approved by the Company at the time of exercise;

(iv) by delivery to the Company (either by actual delivery or attestation) of Subordinate Voting Shares;

(v) if an option is a Nonstatutory Stock Option, by a "*net exercise*" arrangement by which the Company will reduce the number of Subordinate Voting Shares received on exercise by the largest whole number of shares with a fair market value that does not exceed the aggregate exercise price, coupled with a cash payment for any remaining balance of the aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued (and for clarity, these shares used to pay the exercise price will be issued at exercise, and then immediately reacquired by the Company);

(vi) by loan or other extension of credit to the Participant from the Company or an Affiliate, but only if interest on such loan will compound at least annually and will be charged at the minimum rate of interest necessary to avoid (A) the imputation of interest income to the Company and compensation income to the Participant under any applicable provisions of the Code, and (B) the classification of the Award as a liability for financial accounting purposes; or

(vii) in any other form of legal consideration that may be acceptable to the Board and specified in the applicable Award Agreement.

(d) **Exercise and Payment of a SAR.** To exercise any outstanding SAR, the Participant must provide written notice of exercise to the Company in compliance with the provisions of the Stock Appreciation Right Agreement evidencing such SAR. The appreciation distribution payable on the exercise of a SAR will be not greater than an amount equal to the excess of (i) the aggregate Fair Market Value (on the date of the exercise of the SAR) of a number of Subordinate Voting Shares equal to the number of Subordinate Voting Shares equivalents in which the Participant is vested under such SAR, and with respect to which the Participant is exercising the SAR on such date, over (ii) the strike price. The appreciation distribution may be paid in Subordinate Voting Shares, in cash, in any combination of the two or in any other form of consideration, as determined by the Board and contained in the Award Agreement evidencing such SAR.

(e) **Transferability of Options and SARs.** The Board may, in its sole discretion, impose such limitations on the transferability of Options and SARs as the Board will determine. In the absence of such a determination by the Board to the contrary, the following restrictions on the transferability of Options and SARs will apply:

(i) **Restrictions on Transfer.** Except as otherwise provided in this subsection 5(e)(i) and subject to the Canadian Securities Laws, no Award (other than fully vested and unrestricted Subordinate Voting Shares issued pursuant to any Award) and no right under any such Award shall be transferable by a Participant other than by will or by the laws of descent and distribution, and no Award (other than fully vested and unrestricted Subordinate Voting Shares issued pursuant to any Award) or right under any such Award may be pledged, alienated, attached or otherwise encumbered, and any purported pledge, alienation, attachment or encumbrance thereof shall be void and unenforceable against the Company or any Affiliate. Where the Board does permit the transfer of an Award other than a fully vested and unrestricted Subordinate Voting Share, such permitted transfer shall be for no value and in accordance with all applicable Canadian Securities Laws.

(ii) **Domestic Relations Orders.** Subject to the approval of the Board or a duly authorized Officer, an Option or SAR may be transferred pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulations 1.421-1(b)(2). If an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(iii) **Beneficiary Designation.** Subject to the approval of the Board or a duly authorized Officer, a Participant may, by delivering written notice to the Company, in a form approved by the Company (or the designated broker), designate a third party who, on the death of the Participant, will thereafter be entitled to exercise the Option or SAR and receive the Subordinate Voting Shares or other consideration resulting from such exercise. In the absence of such a designation, the executor or administrator of the Participant's estate will be entitled to exercise the Option or SAR and receive the Subordinate Voting Shares or other consideration resulting from such exercise. However, the Company may prohibit designation of a beneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of applicable laws.

(f) **Vesting Generally.** The total number of Subordinate Voting Shares subject to an Option or SAR may vest and therefore become exercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the time or times when it may or may not be exercised (which may be based on the satisfaction of performance goals or other criteria) as the Board may deem appropriate. The vesting provisions of individual Options or SARs

may vary.

(g) **Termination of Continuous Service.** Except as otherwise provided below or in the applicable Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates (other than for Cause and other than on the Participant's death or Disability), the Participant may exercise his or her Option or SAR (if the Participant was entitled to exercise such Award as of the date of termination of Continuous Service) within the period of time ending on the earlier of (i) the date three (3) months following the termination of the Participant's Continuous Service (or such other date as is specified in the Participant's Award Agreement, which must not be less than thirty (30) days following such termination), and (ii) the expiration of the term of the Option or SAR as set forth in the Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the applicable time frame, the Option or SAR will terminate. In all cases, the unvested piece of an Option or SAR will terminate on the termination of Continuous Service.

(h) **Extension of Termination Date.** If the exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause and other than on the Participant's death or Disability) would be prohibited at any time solely because the issuance of Subordinate Voting Shares would violate the registration requirements under the Securities Act, then the Option or SAR will terminate on the earlier of (i) the expiration of a total period of three months (that need not be consecutive) after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of such registration requirements, and (ii) the expiration of the term of the Option or SAR as set forth in the applicable Award Agreement. In addition, unless otherwise provided in a Participant's Award Agreement, if the immediate sale of any Subordinate Voting Shares received on exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause and other than on the Participant's death or Disability) would violate the Company's insider trading policy, then the Option or SAR will terminate on the earlier of (i) the expiration of a total period of three months (that need not be consecutive) after the termination of the Participant's Continuous Service during which the sale of the Subordinate Voting Shares received on exercise of the Option or SAR would not be in violation of the Company's insider trading policy, or (ii) the expiration of the term of the Option or SAR as set forth in the applicable Award Agreement.

(i) **Disability of Participant.** Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates as a result of the Participant's Disability, the Participant may exercise his or her Option or SAR (if the Participant was entitled to exercise such Option or SAR as of the date of termination of Continuous Service), but only within such period of time ending on the earlier of (i) the date that is twelve (12) months following such termination of Continuous Service, and (ii) the expiration of the term of the Option or SAR as set forth in the Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the applicable time frame, the Option or SAR (as applicable) will terminate.

(j) **Death of Participant.** Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and the Company, if (i) a Participant's Continuous Service terminates as a result of the Participant's death, or (ii) the Participant dies within three (3) months after the termination of the Participant's Continuous Service (for a reason other than death or Cause), then the Option or SAR may be exercised (to the extent the Participant was entitled to exercise such Option or SAR as of the date of death) by the Participant's estate, by a person who acquired the right to exercise the Option or SAR by bequest or inheritance or by a person designated to exercise the Option or SAR on the Participant's death, but only within the period ending on the earlier of (A) the date that is twelve (12)

months following the date of death, and (B) the expiration of the term of such Option or SAR as set forth in the Award Agreement. If, after the Participant's death, the Option or SAR is not exercised within the applicable time frame, the Option or SAR will terminate.

(k) **Termination for Cause.** Except as explicitly provided otherwise in a Participant's Award Agreement or other individual written agreement between the Company or any Affiliate and the Participant, if a Participant's Continuous Service is terminated for Cause, the Option or SAR will terminate immediately on such Participant's termination of Continuous Service, and the Participant will be prohibited from exercising his or her Option or SAR from and after the time of such termination of Continuous Service.

(l) **Non-Exempt Employees.** If an Option or SAR is granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, the Option or SAR will not be first exercisable for any Subordinate Voting Shares until at least six (6) months following the date of grant of the Option or SAR (although the Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity Act, (i) if such non-exempt Employee dies or suffers a Disability, (ii) on a Change in Control in which such Option or SAR is not assumed, continued, or substituted, or (iii) on the Participant's retirement (as such term may be defined in the Participant's Award Agreement in another agreement between the Participant and the Company, or, if no such definition, in accordance with the Company's then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. If permitted and/or required for compliance with the Worker Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection with the exercise, vesting or issuance of any shares under any other Award will be exempt from the employee's regular rate of pay, the provisions of this paragraph will apply to all Awards and are hereby incorporated by reference into such Award Agreements.

(m) **Early Exercise.** An Option may, but need not, include a provision whereby the Participant may elect before the Participant's Continuous Service terminates to exercise the Option as to any part or all of the Subordinate Voting Shares subject to the Option prior to the full vesting of the Option, except as would be inconsistent with Section 5(l). Subject to the repurchase limitation in Section 8(l), any unvested Subordinate Voting Shares so purchased may be subject to a repurchase option in favor of the Company or to any other restriction the Board determines to be appropriate. Provided that the repurchase limitation in Section 8(l) is not violated, the Company shall not be required to exercise its repurchase option until at least six (6) months (or such longer or shorter period of time required to avoid classification of the Option as a liability for financial accounting purposes) have elapsed following exercise of the Option unless the Board otherwise specifically provides in the Award Agreement.

6. PROVISIONS OF AWARDS OTHER THAN OPTIONS AND SARs.

(a) **Restricted Stock Awards.** Each Award Agreement will be in such form and will contain such terms and conditions as the Board deems appropriate. To the extent consistent with the Company's bylaws, at the Board's election, Subordinate Voting Shares may be (x) held in book entry form subject to the Company's instructions until any restrictions relating to the Restricted Stock Award lapse; or (y) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of Award Agreements may change from time to time, and the terms and conditions of separate Award Agreements need not be identical. Each Award Agreement will conform to (through incorporation of the provisions hereof by reference in the agreement

or otherwise) the substance of each of the following provisions:

(i) **Consideration.** A Restricted Stock Award may be awarded in consideration for (A) cash, check, bank draft, electronic funds, wire transfer or money order payable to the Company, (B) past services to the Company or an Affiliate or (C) any other form of legal consideration that may be acceptable to the Board, in its sole discretion, and permissible under applicable law, including by loan or other extension of credit to the Participant from the Company or an Affiliate, but only if interest on such loan will compound at least annually and will be charged at the minimum rate of interest necessary to avoid (A) the imputation of interest income to the Company and compensation income to the Participant under any applicable provisions of the Code, and (B) the classification of the Award as a liability for financial accounting purposes.

(ii) **Vesting.** Subordinate Voting Shares awarded under the Restricted Stock Award may be subject to forfeiture to the Company in accordance with a vesting schedule (also referred to as a schedule for lapsing of the Company's unvested share repurchase rights) to be determined by the Board.

(iii) **Termination of Participant's Continuous Service.** If a Participant's Continuous Service terminates, the Company may receive through a forfeiture condition or a repurchase right any or all of the Subordinate Voting Shares held by the Participant that have not vested as of the date of termination of Continuous Service under the terms of the Award Agreement.

(iv) **Transferability.** The right to acquire Subordinate Voting Shares under a Restricted Stock Award will not be transferable by the Participant. Once the Subordinate Voting Shares are issued, the Board may allow the holder to transfer unvested shares, but only on the terms and conditions in the Award Agreement, and only so long as the Subordinate Voting Shares awarded under the Award Agreement remains subject to the terms of the Award Agreement in the hands of the recipient.

(v) **Dividends.** In the absence of an Award Agreement expressly providing otherwise, any dividends paid on Restricted Stock will be subject to the same vesting and forfeiture restrictions as apply to the shares subject to the Restricted Stock Award to which they relate.

(b) **Restricted Stock Unit Awards.** Each Award Agreement will be in such form and will contain such terms and conditions as the Board deems appropriate. The terms and conditions of Award Agreements may change from time to time, and the terms and conditions of separate Award Agreements need not be identical. Each Award Agreement will conform to (through incorporation of the provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions:

(i) **Consideration.** At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be paid by the Participant on delivery of each share of Subordinate Voting Shares subject to the Restricted Stock Unit Award. The consideration to be paid (if any) by the Participant for each share of Subordinate Voting Shares subject to a Restricted Stock Unit Award may be paid in any form of legal consideration that may be acceptable to the Board, in its sole discretion, and permissible under applicable law, including by loan or other extension of credit to the Participant from the Company or an Affiliate, but only if interest on the loan will compound at least annually and will be charged at the minimum rate of interest necessary to avoid (A) the imputation of interest income to the Company and compensation income to the Participant under any applicable provisions of the Code, and (B) the classification of the Award as a liability for financial accounting purposes.

(ii) **Vesting.** At the time of the grant of a Restricted Stock Unit Award, the Board may impose such restrictions on or conditions to the vesting of the Restricted Stock Unit Award as

it, in its sole discretion, deems appropriate.

(iii) **Payment.** A Restricted Stock Unit Award may be settled by the delivery of Subordinate Voting Shares, their cash equivalent, any combination thereof or in any other form of consideration, as determined by the Board and contained in the Award Agreement.

(iv) **Additional Restrictions.** At the time of the grant of a Restricted Stock Unit Award, the Board, as it deems appropriate, may impose such restrictions or conditions that delay the delivery of the Subordinate Voting Shares (or their cash equivalent) subject to a Restricted Stock Unit Award to a time after the vesting of such Restricted Stock Unit Award.

(v) **Dividend Equivalents.** Dividend equivalents may be credited on Subordinate Voting Shares covered by a Restricted Stock Unit Award, as determined by the Board and contained in Award Agreement. At the sole discretion of the Board, such dividend equivalents may be converted into additional Subordinate Voting Shares covered by the Restricted Stock Unit Award in such manner as determined by the Board. Any additional shares covered by the Restricted Stock Unit Award credited by reason of such dividend equivalents will be subject to all of the same terms and conditions of the underlying Award Agreement to which they relate.

(vi) **Termination of Participant's Continuous Service.** Except as otherwise provided in the applicable Award Agreement, the unvested portion of the Restricted Stock Unit Award that has not vested will be forfeited on the Participant's termination of Continuous Service.

(c) **Other Awards.** Other forms of Awards valued in whole or in part by reference to, or otherwise based on, Subordinate Voting Shares, including the appreciation in value thereof, may be granted either alone or in addition to Awards provided for under Section 5 and the preceding provisions of this Section 6. Subject to the provisions of the Plan and subject to the Canadian Securities Laws, the Board will have sole and complete authority to determine the persons to whom and the time or times at which such Other Awards will be granted, the number of Subordinate Voting Shares (or the cash equivalent thereof) to be granted pursuant to such Other Awards and all other terms and conditions of such Other Awards, provided that the exercise or strike price of such Other Awards is not less than 100% of the Fair Market Value of the Subordinate Voting Shares.

7. COVENANTS OF THE COMPANY.

(a) **Availability of Shares.** The Company will keep available at all times the number of Subordinate Voting Shares reasonably required to satisfy then-outstanding Awards.

(b) **Compliance with Laws.** The Company will use reasonable efforts to seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Awards and to issue and sell Subordinate Voting Shares on exercise of the Awards. However, this undertaking will not require the Company to register under the Securities Act the Plan, any Award or any Subordinate Voting Shares issued or issuable pursuant to any such Award. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Subordinate Voting Shares under the Plan, the Company will be relieved from any liability for failure to issue and sell Subordinate Voting Shares on exercise of such Awards unless and until such authority is obtained. A Participant will not be eligible for the grant of an Award or the subsequent issuance of cash or Subordinate Voting Shares pursuant to the Award if such grant or issuance would be in violation of any applicable law.

(c) **No Obligation to Notify or Minimize Taxes.** The Company will have no duty or obligation to any Participant to advise such holder as to the time or manner of exercising such Award.

Furthermore, the Company will have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of an Award to the holder of such Award.

8. MISCELLANEOUS.

(a) **Use of Proceeds from Sales of Subordinate Voting Shares.** Proceeds from the sale of Subordinate Voting Shares pursuant to Awards will constitute general funds of the Company.

(b) **Corporate Action Constituting Grant of Awards.** Corporate action constituting a grant by the Company of an Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate, or letter evidencing the Award is communicated to, or actually received or accepted by, the Participant. If the corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g., exercise price, vesting schedule or number of shares) that are inconsistent with those in the Award Agreement as a result of a clerical error in the papering of the Award Agreement, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Award Agreement.

(c) **Stockholder Rights.** No Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any Subordinate Voting Shares subject to an Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance of shares under, the Award pursuant to its terms, and (ii) the issuance of the Subordinate Voting Shares subject to such Award has been entered into the books and records of the Company.

(d) **No Employment or Other Service Rights.** Nothing in the Plan, any Award Agreement or any other instrument executed thereunder or in connection with any Award granted pursuant thereto will confer on any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Award was granted, or will affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without cause, (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate or (iii) the service of a Director pursuant to the bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.

(e) **Change in Time Commitment.** If a Participant's regular level of time commitment in the performance of his or her services for the Company and any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the Employee has a change in status from a full-time Employee to a part-time Employee, or if the Participant goes on a leave of absence other than ordinary course vacation and sick days) after the date of grant of any Award to the Participant, the Board has the right in its sole discretion (and without the need to seek or obtain the consent of the affected Participant) to (i) make a corresponding reduction in the number of shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, and (ii) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced or extended.

(f) **Incentive Stock Option Limitations.** If the aggregate Fair Market Value (determined at the time of grant) of Subordinate Voting Shares with respect to which Incentive Stock Options are exercisable for the first time by any Participant during any calendar year (under all plans of the Company and any Affiliates) exceeds \$100,000 or such other limit established in the Code or if an

Option grant otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with the rules will be treated as Nonstatutory Stock Options, despite any contrary provision of the applicable Option Agreement(s).

(g) **Investment Assurances.** The Company may require a Participant, as a condition of exercising or acquiring Subordinate Voting Shares under any Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters, and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters, and as to the Participant's capability of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Subordinate Voting Shares subject to the Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Subordinate Voting Shares. The foregoing requirements, and any assurances given pursuant to such requirements, will be inoperative if (A) the issuance of the shares on the exercise or acquisition of Subordinate Voting Shares under the Award has been registered under a then currently effective registration statement under the Securities Act and any other applicable foreign securities laws, or (B) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws. The Company may, on advice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Subordinate Voting Shares.

(h) **Withholding Obligations.** Unless prohibited by the terms of an Award Agreement, the Company may, in its sole discretion, satisfy any federal, state or local tax or social insurance withholding obligation relating to an Award by any of the following means or by a combination of such means: (i) causing the Participant to tender a cash payment; (ii) withholding Subordinate Voting Shares from the Subordinate Voting Shares issued or otherwise issuable to the Participant in connection with the Award; (iii) withholding cash from an Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the Participant; or (v) by such other method as may be set forth in the Award Agreement. If Subordinate Voting Shares are withheld to satisfy tax obligations, such shares will be deemed issued and then immediately tendered to the Company and no Subordinate Voting Shares will be withheld for these purposes to the extent they have a value exceeding the greater of (x) the minimum amount of tax required to be withheld by law and (y) the amount of tax required to be withheld under the Participant's then-current lawful withholding election, but in all cases, not more than the maximum amount that avoids classification of the Award as a liability for financial accounting purposes. For clarity, no partial shares will be withheld, and the Participant must satisfy the tax obligation related to any such partial share using another permitted form of payment.

(i) **Electronic Delivery.** Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically (filed publicly at www.sec.gov or any successor website thereto) or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Participant has access).

(j) **Deferrals.** To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Subordinate Voting Shares or the payment of cash, on the exercise, vesting or settlement of all or a portion of any Award may be deferred and may establish programs and procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A. Consistent with Section 409A, the Board may provide for

distributions while a Participant is still an employee or otherwise providing services to the Company. The Board is authorized to make deferrals of Awards and determine when, and in what annual percentages, Participants may receive payments, including lump sum payments, following the Participant's termination of Continuous Service, and implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.

(k) **Compliance with Section 409A.** Unless otherwise expressly provided for in an Award Agreement, the Plan and Award Agreements will be interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 409A of the Code, and, to the extent not so exempt, in compliance with Section 409A of the Code. If the Board determines that any Award granted hereunder is not exempt from and is therefore subject to Section 409A of the Code, the Award Agreement evidencing such Award will incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code. If an Award Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Award Agreement, with the permitted distribution events and timing being the earlier of the date of termination of Continuous Service and the date of a Change in Control. However, and unless the Award Agreement specifically provides otherwise, if the Subordinate Voting Shares are publicly traded, and if a Participant holding an Award that constitutes "deferred compensation" under Section 409A of the Code is a "specified employee" for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six (6) months following the date of such Participant's "separation from service" or, if earlier, the date of the Participant's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six (6) month period elapses, with the balance paid thereafter on the original schedule.

(l) **Non U.S. Participants.** To facilitate the making of any grant or combination of grants under this Plan, the Board may provide for such special terms or procedures for awards to Participants who are employed by the Company or any Affiliate outside of the United States of America or who provide services to the Company under an agreement with a foreign nation or agency, as the Board may consider necessary or appropriate to accommodate differences in local law, tax policy, custom securities or exchange control laws. Moreover, the Board may approve such supplements to or amendments of this Plan (including, without limitation, sub-plans) as it may consider necessary or appropriate for such purposes, without thereby affecting the terms of this Plan as in effect for any other purpose, and the Secretary or other appropriate officer of the Company may certify any such document as having been approved and adopted in the same manner as this Plan. No such special terms, supplements, amendments or restatements, however, will include any provisions that are inconsistent with the terms of this Plan.

(m) **Clawback/Recovery.** All Awards granted under the Plan will be subject to recoupment in accordance with any clawback policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law. In addition, the Board may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Board determines necessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired Subordinate Voting Shares or other cash or property on the occurrence of Cause. The implementation of any clawback policy will not be deemed a triggering event for purposes of any definition of "good reason" for resignation or "constructive termination."

**9. ADJUSTMENTS ON CHANGES IN SUBORDINATE VOTING SHARES;
OTHER CORPORATE EVENTS.**

(a) **Capitalization Adjustments.** In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan as the Share Reserve, (ii) the class(es) and maximum number of securities that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c) and (iii) the class(es) and number of securities and price per share subject to outstanding Awards. The Board will make such adjustments, and its determination will be final, binding and conclusive.

(b) **Dissolution or Liquidation.** Except as otherwise provided in the Award Agreement, in the event of a dissolution or liquidation of the Company, all outstanding Awards (other than Awards consisting of vested and outstanding Subordinate Voting Shares not subject to a forfeiture condition or the Company's right of repurchase) will terminate immediately prior to the completion of such dissolution or liquidation, and the Subordinate Voting Shares subject to the Company's repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Company despite the fact that the holder of such Award is providing Continuous Service. However, the Board may, in its sole discretion, cause some or all Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Awards have not previously expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

(c) **Change in Control.** The following provisions will apply to Awards in the event of a Change in Control unless otherwise provided in the Award Agreement or any other written agreement between the Company or any Affiliate and the Participant or unless otherwise expressly provided by the Board at the time of grant of an Award. In the event of a Change in Control, and despite any other provision of the Plan, the Board may take one or more of the following actions with respect to Awards, contingent on the closing or completion of the Change in Control:

(i) arrange for the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) to assume or continue the Award or to substitute a similar stock award for the Award (including, but not limited to, an award to acquire the same consideration paid to the stockholders of the Company pursuant to the Change in Control);

(ii) arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Subordinate Voting Shares issued pursuant to the Award to the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company);

(iii) accelerate the vesting, in whole or in part, of the Award (and, if applicable, the time at which the Award may be exercised) to a date prior to the effective time of such Change in Control as the Board determines (or, if the Board does not determine such a date, to the date that is five (5) days prior to the effective date of the Change in Control), with such Award terminating if not exercised (if applicable) immediately prior to the effective time of the Change in Control;

(iv) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company with respect to the Award on a date prior to the effective time of such Change in Control as the Board will determine (or, if the Board will not determine such a date, on the date that is five days prior to the effective date of the Change in Control); or

(v) cancel or arrange for the cancellation of the Award, to the extent not vested or not exercised prior to the effective time of the Change in Control, in exchange for such cash consideration, if any, as the Board, in its sole discretion, may consider appropriate; and

(vi) make a payment, in such form as may be determined by the Board equal

to the excess, if any, of (A) the value of the property the Participant would have received on the exercise of the Award immediately prior to the effective time of the Change in Control, over (B) any exercise price payable by such holder in connection with such exercise, in consideration for the termination of such Award at or immediately prior to the closing. For clarity, this payment may be zero if the fair market value of the property is equal to or less than the exercise price.

The Board need not take the same action or actions with respect to all Awards or portions thereof or with respect to all Participants. The Board may take different actions with respect to the vested and unvested portions of an Award. Only to the extent permitted under Code Section 409A may the Board provide that payments under this provision may be delayed to the same extent that payment of consideration to the holders of the Company's Subordinate Voting Shares in connection with the Change in Control is delayed as a result of escrows, earn outs, holdbacks or other contingencies. In addition, the Board may provide that such payments made over time will remain subject to substantially the same vesting schedule as the Award, including any performance-based vesting metrics that applied to the Award immediately prior to the closing of the Change in Control. An Award may be subject to additional acceleration of vesting and exercisability in connection with a Change in Control as may be provided in the Award Agreement for such Award or as may be provided in any other written agreement between the Company or any Affiliate and the Participant, but in the absence of such provision, no such acceleration will occur. The Board may require that any award, cash or property paid in consideration for a cancelled or exchanged Award be subject to the same terms and conditions (including earn out, escrow or milestone payments) as apply to the consideration paid to the Company's stockholders in the deal, but only if doing so would not result in adverse tax penalties under Section 409A.

10. TERM, TERMINATION AND SUSPENSION OF THE PLAN.

The Board may suspend or terminate the Plan at any time, provided that any such suspension or termination of the Plan or an Award will be in compliance with the Canadian Securities Laws. This Plan shall be submitted for shareholder approval every three (3) years in accordance with the Canadian Securities Laws. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated. Suspension or termination of the Plan will not materially impair rights and obligations under any Award granted while the Plan is in effect except with the written consent of the affected Participant or as otherwise permitted in the Plan.

11. AMENDMENT

The Board may amend, alter, suspend, discontinue or terminate the Plan and/or amend any outstanding Award at any time without shareholder approval (unless shareholder approval is required under Canadian Securities Laws) for the following reasons: (A) to maintain the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code, (B) to change the terms of an Incentive Stock Option, if such change results in impairment of the Award solely because it impairs the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code, (C) to clarify the manner of exemption from, or to bring the Award into compliance with Section 409A, (D) to correct clerical or typographical errors, (E) to make amendments of a housekeeping nature, (F) to make an addition of or a change to vesting provisions of a security of the Plan, (G) to make a change to the termination provisions of a security or the Plan which does not entail an extension beyond the original expiry date, or (H) to comply with any tax or regulatory requirement applicable to the Plan (including, without limitation, as necessary to comply with any rules or requirements of an applicable securities exchange), and any other applicable laws, including Canadian Securities Laws or listing requirements; *provided* that no such amendment, alteration, suspension, discontinuation or termination may adversely affect Awards then outstanding without the Award holder's permission.

12. EFFECTIVE DATE OF THE PLAN.

This Plan became effective on the Effective Date.

13. CHOICE OF LAW.

The laws of the State of Delaware will govern all questions concerning the construction, validity and interpretation of this Plan, without regard to that state's conflict of laws rules.

14. DEFINITIONS. As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "**Acquired Entity**" means a corporation or other entity that is acquired by the Company or an Affiliate, or which becomes an Affiliate, pursuant to a merger, consolidation, stock purchase, asset purchase or similar transaction.

(b) "**Acquired Entity Awards**" has the meaning set forth in Section 3(d).

(c) "**Affiliate**" means, at the time of determination, any "parent" or "subsidiary" of the Company as such terms are defined in Rule 405. The Board will have the authority to determine the time or times at which "parent" or "subsidiary" status is determined within the foregoing definition.

(d) "**Award**" means (i) Incentive Stock Options, (ii) Nonstatutory Stock Options, (i) Stock Appreciation Rights (iv) Restricted Stock Awards, (v) Restricted Stock Unit Awards and (vi) Other Awards.

(e) "**Award Agreement**" means a written agreement between the Company and a Participant evidencing the terms and conditions of an Award.

(f) "**Board**" means the board of directors of the Company.

(g) "**Canadian Securities Laws**" means all applicable securities laws of Canada and the rules and requirements of the Canadian Securities Exchange and/or any other applicable securities exchange.

(h) "**Capitalization Adjustment**" means any change that is made in, or other events that occur with respect to, the Subordinate Voting Shares subject to the Plan or subject to any Award after the Effective Date without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). However, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(i) "**Cause**" will have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term as applicable to an Award and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events: (i) such Participant's commission of any felony, (ii) such Participant's commission of a crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof that is reasonably likely to result in material adverse effects on the Company; (iii) such Participant's intentional, material violation of any contract or agreement between the Participant and the Company or of any statutory duty owed to the Company; (iv) such Participant's unauthorized use or disclosure of the Company's confidential information or trade secrets; or (v) such Participant's gross misconduct that is reasonably likely to result in material adverse effects on the Company. The determination that a termination of the Participant's Continuous Service is either for Cause or without

Cause will be made by the Board, in its sole discretion. Any determination by the Board that the Continuous Service of a Participant was terminated with or without Cause for the purposes of outstanding Awards held by such Participant will have no effect on any determination of the rights or obligations of the Company or such Participant for any other purpose.

(j) "**Change in Control**" means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. However, a Change in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company's securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities, or (B) solely because the level of Ownership held by any Exchange Act Person (the "**Subject Person**") exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding. However, if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than fifty percent (50%) of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction, or (B) more than fifty percent (50%) of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction; or

(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition.

However, (A) the term Change in Control will not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company, and (B) the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant will supersede the foregoing definition with respect to Awards subject to such agreement. If necessary for compliance with Code Section 409A, no transaction will be a Change in Control unless it is also a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the Company's assets, as provided in Section 409A(a)(2)(A)(v) of the Code and Treasury Regulations Section 1.409A-3(i)(5). The Board may, in its sole discretion and without a Participant's consent, amend the definition of "**Change in Control**" to

conform to the definition of "*Change in Control*" under Section 409A of the Code, and the regulations thereunder.

(k) "**Code**" means the United States Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(l) "**Committee**" means a compensation committee of one (1) or more Directors to whom authority has been delegated by the Board in accordance with Section 2(c).

(m) "**Company**" means **Jushi Holdings Inc.**, a company incorporated under the laws of British Columbia.

(n) "**Consultant**" means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services, in either case, only if such person satisfies the requirements to be a consultant for purposes of Rule 701.

(o) "**Continuous Service**" means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Consultant or Director or a change in the Entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, will not terminate a Participant's Continuous Service. If the entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board, such Participant's Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. If permitted by law, the Board or the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service will be considered interrupted in the case of (i) any leave of absence approved by the Board or chief executive officer of the Company, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors. However, a leave of absence will be treated as Continuous Service for purposes of vesting in an Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant or as otherwise required by law. In addition, if required for exemption from or compliance with Section 409A of the Code, the determination of Continuous Service will be made, and such term will be construed, in a manner that is consistent with the definition of "*separation from service*" as defined under Treasury Regulation Section 1.409A-1(h) (without regard to any alternative definition thereunder).

(p) "**Director**" means a member of the Board.

(q) "**Disability**" means, with respect to a Participant, the inability of such Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than twelve (12) months, as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(r) "**Effective Date**" means the effective date of this Plan, which is the earlier of (i) the date that this Plan is first approved by the Company's stockholders and (ii) the date this Plan is adopted by the Board.

(s) "**Employee**" means any person employed by the Company or an Affiliate. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to

be considered an "Employee" for purposes of the Plan.

(t) "**Entity**" means a corporation, partnership, limited liability company or other entity.

(u) "**Exchange Act**" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(v) "**Exchange Act Person**" means any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that "Exchange Act Person" will not include (i) the Company or any Subsidiary, (ii) any employee benefit plan of the Company or any Subsidiary or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company or (v) any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the date of determination, is the Owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities.

(w) "**Fair Market Value**" means, as of any date, the value of the Subordinate Voting Shares determined as follows:

(i) Unless otherwise determined by the Board, if the Subordinate Voting Shares are listed or quoted on the Canadian Securities Exchange or a national or regional securities exchange or quotation system, the Fair Market Value of a Subordinate Voting Share will be the closing price of a Subordinate Voting Share as quoted on the Canadian Securities Exchange or national or regional securities exchange or quotation system with the greatest volume of trading in the Subordinate Voting Shares on the date of determination, or, if there is no closing sales price for the Subordinate Voting Shares on the date of determination, then the Fair Market Value will be the closing price on the last preceding date for which such quotation exists. Notwithstanding the foregoing, in the event that the Subordinate Voting Shares are listed on the Canadian Securities Exchange, for the purposes of establishing the exercise price of any Awards, the Fair Market Value of all of the Subordinate Voting Shares shall not be lower than the greater of the closing of the market price of the Subordinate Voting Shares on the Canadian Securities Exchange on (a) the prior trading day, and (b) the date of grant of the Awards.

(ii) In the absence of such markets for the Subordinate Voting Shares, the Fair Market Value will be determined by the Board in good faith and in a manner that complies with Sections 409A and 422 of the Code.

In determining the value of a share for purposes of tax reporting on the exercise, issuance or transfer of shares subject to Awards, fair market value may be calculated using the definition of Fair Market Value, the actual sales price in the transaction at issue (e.g., "*sell to cover*"), or such other value determined by the Company's general counsel or principal financial officer in good faith in a manner that complies with applicable tax laws.

(x) "**Fully Converted Number of Shares**" has the meaning set forth in Section 3(a).

(y) "**Good Reason**" will have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term as applicable to an Award and, in the absence of such agreement, such term means, with respect to a Participant, the Participant's

resignation from all positions he or she then-holds with the Company following: (i) a reduction in the Participant's base salary of more than 10% or (ii) the required relocation of Participant's primary work location to a facility that increases his or her one-way commute by more than 50 miles, in either case, only if (x) Participant provides written notice to the Company's Chief Executive Officer within 30 days following such event identifying the nature of the event, (y) the Company fails to cure such event within 30 days following receipt of such written notice and (z) Participant's resignation is effective not later than 30 days thereafter.

(z) "**Incentive Stock Option**" means an option granted under the Plan that is intended to be, and that qualifies as, an "incentive stock option" within the meaning of Section 422 of the Code.

(aa) "**Multiple Voting Shares**" means the multiple voting shares of the Company.

(bb) [intentionally omitted]

(cc) "**Nonstatutory Stock Option**" means any option granted under the Plan that does not qualify as an Incentive Stock Option.

(dd) "**Officer**" means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

(ee) "**Option**" means an Incentive Stock Option or a Nonstatutory Stock Option to purchase Subordinate Voting Shares granted pursuant to the Plan.

(ff) "**Other Award**" means an award based in whole or in part by reference to the Subordinate Voting Shares which is granted pursuant to the terms and conditions of Section 6(c).

(gg) "**Own**", "**Owned**", "**Owner**", "**Ownership**" means a person or Entity will be deemed to "Own," to have "Owned," to be the "Owner" of, or to have acquired "Ownership" of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(hh) "**Participant**" means a person to whom an Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Award.

(ii) "**Permitted Transferee**" has the meaning set forth in Section 8(n).

(jj) "**Plan**" means this Jushi Holdings Inc. 2019 Equity Incentive Plan.

(kk) "**Restricted Stock Award**" means an award of Subordinate Voting Shares which is granted pursuant to the terms and conditions of Section 6(a).

(ll) "**Restricted Stock Unit Award**" means a right to receive Subordinate Voting Shares which is granted pursuant to the terms and conditions of Section 6(b).

(mm) "**Rule 405**" means Rule 405 promulgated under the Securities Act.

(nn) "**Rule 701**" means Rule 701 promulgated under the Securities Act.

(oo) "**Section 409A**" means Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect.

(pp) "**Securities Act**" means the United States Securities Act of 1933, as amended.

(qq) "**Share Reserve**" has the meaning set forth in Section 3(a).

(rr) "**Stock Appreciation Right**" or "**SAR**" means a right to receive the appreciation on Subordinate Voting Shares that is granted pursuant to the terms and conditions of Section 5.4.

(ss) "**Subordinate Voting Shares**" means the subordinate voting shares of the Company.

(tt) "**Subsidiary**" means, with respect to the Company, (i) any corporation of which more than fifty percent (50%) of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than fifty percent (50%).

(uu) "**Substitute Awards**" has the meaning set forth in Section 3(d).

(vv) "**Super Voting Shares**" means the super voting shares of the Company.

(ww) "**Ten Percent Stockholder**" means a person who Owns (or is deemed to Own pursuant to Section 424(d) of the Code) stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Affiliate.

(xx) "**Treasury Regulations**" means the final or temporary regulations that have been issued by the U.S. Department of Treasury pursuant to its authority under the Code, and any successor regulations.

Appendix "B"
EQUITY INCENTIVE PLAN AMENDMENT RESOLUTION

BE IT RESOLVED as an ordinary resolution that:

1. the amendment to the Corporation's amended 2019 equity incentive plan ("the **Plan**"), increasing the number of Subordinate Voting Shares that may be used pursuant to the exercise of incentive stock options ("**ISOs**") under the Plan, as more particularly described in the Corporation's management information circular dated May 20, 2022, is hereby ratified, confirmed and approved;
2. any director or officer of the Corporation is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or to cause to be delivered, all such documents, agreements and instruments, and to do or to cause to be done all such other acts and things, as such person determines to be necessary or desirable or required by any regulatory authority in order to carry out the intent of this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

Appendix "C"
AMENDED ARTICLES OF THE CORPORATION

See attached.

Incorporation Number: BC0795846

JUSHI HOLDINGS INC.
(the "Company")

ARTICLES

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JUSHI HOLDINGS INC.
(the “Company”)

1. INTERPRETATION

1.1 Definitions

In these Articles, unless the context otherwise requires:

- (1) “board of directors”, “directors” and “board” mean the directors or sole director of the Company, as the case may be;
- (2) “*Business Corporations Act*” means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (3) “*Interpretation Act*” means the *Interpretation Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (4) “legal personal representative” means the personal or other legal representative of a shareholder, and includes a trustee in bankruptcy of the shareholder;
- (5) “registered address” of a shareholder means that shareholder’s address as recorded in the central securities register; and
- (6) “seal” means the seal of the Company, if any.

1.2 *Business Corporations Act* and *Interpretation Act* Definitions Applicable

The definitions in the *Business Corporations Act* and the definitions and rules of construction in the *Interpretation Act*, with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if these Articles were an enactment. If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles.

1.3 Conflicts Between Articles and the *Business Corporations Act*

If there is a conflict or inconsistency between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

2. SHARES AND SHARE CERTIFICATES

2.1 Authorized Share Structure

The authorized share structure of the Company is as follows:

- (1) An unlimited number of subordinate voting shares (the “**Subordinate Voting Shares**”), without nominal or par value, having attached thereto the rights, privileges, restrictions and conditions as set forth in Article 25.
- (2) An unlimited number of multiple voting shares (the “**Multiple Voting Shares**”), without nominal or par value, having attached thereto the rights, privileges, restrictions and conditions as set forth in Article 26.

- (3) An unlimited number of super voting shares (the “**Super Voting Shares**”), without nominal or par value, having attached thereto the rights, privileges, restrictions and conditions as set forth in Article 27.
- (4) An unlimited number of preferred shares (the “**Preferred Shares**”), without nominal or par value, having attached thereto the rights, privileges, restrictions and conditions as set forth in Article 30.

2.2 Form of Share Certificate

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

2.3 Shareholder Entitled to Share Certificate or Acknowledgement

Each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder’s name or (b) a non-transferable written acknowledgement of the shareholder’s right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate or acknowledgement. and delivery of a share certificate or acknowledgement, for a share to one of several joint shareholders or to one of the shareholders’ duly authorized agents will be sufficient delivery to all.

2.4 Delivery by Mail

Any share certificate or non-transferable written acknowledgement of a shareholder’s right to obtain a share certificate may be sent to the shareholder by mail at the shareholder’s registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate or acknowledgement is lost in the mail or stolen.

2.5 Replacement of Worn Out or Defaced Share Certificate or Acknowledgement

If the directors are satisfied that a share certificate or a non-transferable written acknowledgement of a shareholder’s right to obtain a share certificate is worn out or defaced, the directors must, on production to them of the share certificate or acknowledgement, as the case may be, and on such other terms, if any, the directors think fit:

- (1) order the share certificate or acknowledgement, as the case may be, to be cancelled; and
- (2) issue a replacement share certificate or acknowledgement, as the case may be.

2.6 Replacement of Lost, Stolen or Destroyed Share Certificate or Acknowledgement

If a share certificate or a non-transferable written acknowledgement of a shareholder’s right to obtain a share certificate is lost, stolen or destroyed, a replacement share certificate or acknowledgement, as the case may be, must be issued to the person entitled to that share certificate or acknowledgement, as the case may be, if the directors receive:

- (1) proof satisfactory to the directors that the share certificate or acknowledgement is lost, stolen or destroyed; and
- (2) any indemnity the directors consider adequate.

2.7 Splitting Share Certificates

If a shareholder surrenders a share certificate to the Company with a written request that the

Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

2.8 Share Certificate Fee

There must be paid to the Company, in relation to the issue of any share certificate under Articles 2.5, 2.6 or 2.7, the amount, if any and which must not exceed the amount prescribed under the *Business Corporations Act*, determined by the directors.

2.9 Recognition of Trusts

Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as by law or statute or these Articles provided or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

3. ISSUE OF SHARES

3.1 Directors Authorized

Subject to the *Business Corporations Act* and rights of the holders of issued shares of the Company, the Company may issue, allot, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

3.2 Commissions and Discounts

The Company may at any time, pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or agreeing to purchase shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers for shares of the Company.

3.3 Brokerage

The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

3.4 Conditions of Issue

Except as provided for by the *Business Corporations Act*, no share may be issued until it is fully paid. A share is fully paid when:

- (1) consideration is provided to the Company for the issue of the share by one or more of the following:
 - (a) past services performed for the Company;
 - (b) property;
 - (c) money; and

- (2) the value of the consideration received by the Company equals or exceeds the issue price set for the share under Article 3.1.

3.5 Share Purchase Warrants and Rights

Subject to the *Business Corporations Act*, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the directors determine, which share purchase warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

4. SECURITIES REGISTERS

4.1 Central Securities Register

As required by and subject to the *Business Corporations Act*, the Company must maintain in British Columbia a central securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

4.2 Closing Register

The Company must not at any time close its central securities register.

5. SHARE TRANSFERS

5.1 Registering Transfers

A transfer of a share of the Company must not be registered unless:

- (1) a duly signed instrument of transfer in respect of the share has been received by the Company;
- (2) if a share certificate has been issued by the Company in respect of the share to be transferred, that share certificate has been surrendered to the Company; and
- (3) if a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate has been issued by the Company in respect of the share to be transferred, that acknowledgement has been surrendered to the Company.

5.2 Transferor Remains Shareholder

Except to the extent that the *Business Corporations Act* otherwise provides, a transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

5.3 Signing of Instrument of Transfer

If a shareholder, or his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any

other manner, or, if no number is specified, all the shares represented by the share certificates or set out in the written acknowledgements deposited with the instrument of transfer:

- (1) in the name of the person named as transferee in that instrument of transfer; or
- (2) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

5.4 Enquiry as to Title Not Required

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgement of a right to obtain a share certificate for such shares.

5.5 Transfer Fee

There must be paid to the Company, in relation to the registration of any transfer, the amount, if any, determined by the directors.

6. TRANSMISSION OF SHARES

6.1 Legal Personal Representative Recognized on Death

In case of the death of a shareholder, the legal personal representative, or if the shareholder was a joint holder, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative, the directors may require proof of appointment by a court of competent jurisdiction, a grant of letters probate, letters of administration or such other evidence or documents as the directors consider appropriate.

6.2 Rights of Legal Personal Representative

The legal personal representative of a shareholder has the same rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, provided the documents required by the *Business Corporations Act* and the directors have been deposited with the Company.

7. PURCHASE OR REDEMPTION OF SHARES

7.1 Company Authorized to Purchase or Redeem Shares

Subject to Article 7.2, the special rights and restrictions attached to the shares of any class or series and the *Business Corporations Act*, the Company may, if authorized by the directors, purchase, redeem or otherwise acquire any of its shares at the price and upon the terms specified in such resolution.

7.2 Purchase or Redemption When Insolvent

The Company must not make a payment or provide any other consideration to purchase, redeem or otherwise acquire any of its shares if there are reasonable grounds for believing that:

- (1) the Company is insolvent; or
- (2) making the payment or providing the consideration would render the Company insolvent.

7.3 Sale and Voting of Purchased Shares

If the Company retains a share redeemed, purchased or otherwise acquired by it, the Company may sell, gift or otherwise dispose of the share, but, while such share is held by the Company, it:

- (1) is not entitled to vote the share at a meeting of its shareholders;
- (2) must not pay a dividend in respect of the share: and
- (3) must not make any other distribution in respect of the share.

8. BORROWING POWERS

The Company, if authorized by the directors, may:

- (1) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that the directors consider appropriate;
- (2) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as the directors consider appropriate;
- (3) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (4) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

9. ALTERATIONS

9.1 Alteration of Authorized Share Structure

- (1) Subject to the *Business Corporations Act*, the Company may by resolution of the board of directors:
 - (a) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
 - (b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
 - (c) ~~subject to Article 2.1(2),~~ alter the identifying name of any of its shares;

- (d) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
- (e) if the Company is authorized to issue shares of a class of shares with par value:
 - (A) decrease the par value of those shares; or
 - (B) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- (f) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value: or
- (g) ~~subject to Article 2.1(2),~~ otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*.

9.2 Change of Name

The Company may by resolution of the board of directors authorize an alteration of its Notice of Articles in order to change its name or adopt or change any translation of that name.

9.3 Other Alterations

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by ordinary resolution alter these Articles.

10. MEETINGS OF SHAREHOLDERS

10.1 Annual General Meetings

Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place as may be determined by the directors.

10.2 Resolution Instead of Annual General Meeting

If all the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution under the *Business Corporations Act* to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

10.3 Calling of Meetings of Shareholders

The directors may, whenever they think fit, call a meeting of shareholders.

10.4 Location of Meeting

A general meeting of the Company may be held anywhere in the world as determined by the directors.

10.5 Notice for Meetings of Shareholders

The Company must send notice of the date, time and location of any meeting of shareholders, in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) otherwise, 10 days.

10.6 Record Date for Notice

The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) otherwise, 10 days.

If no record date is set, the record date is 5:00 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.7 Record Date for Voting

The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set, the record date is 5:00 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.8 Class Meetings and Series Meetings of Shareholders

Subject to the provisions of the *Business Corporations Act*, unless specified otherwise in these Articles or in the special rights and restrictions attached to any class or series of shares, the provisions of these Articles relating to general meetings will apply, with the necessary changes and so far as they are applicable, to a class meeting or series meeting of shareholders holding a particular class or series of shares.

10.9 Failure to Give Notice and Waiver of Notice

The accidental omission to send notice of any meeting of shareholders to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive or reduce the period of notice of such meeting.

11. PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

11.1 Special Business

At a meeting of shareholders, the following business is special business:

- (1) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of, or voting at, the meeting;
- (2) at an annual general meeting, all business is special business except for the following:
 - (a) business relating to the conduct of, or voting at, the meeting;
 - (b) consideration of any financial statements of the Company presented to the meeting;
 - (c) consideration of any reports of the directors or auditor;
 - (d) the setting or changing of the number of directors;
 - (e) the election or appointment of directors;
 - (f) the appointment of an auditor;
 - (g) the setting of the remuneration of an auditor;
 - (h) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution;
 - (i) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

11.2 Special Majority

The majority of votes required for the Company to pass a special resolution at a meeting of shareholders is two-thirds of the votes cast on the resolution.

11.3 Quorum

Subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of shareholders is two (2) persons who are, or represent by proxy, shareholders holding, in the aggregate, at least five percent (5%) of the issued shares entitled to be voted at the meeting.

11.4 One Shareholder May Constitute Quorum

If there is only one shareholder entitled to vote at a meeting of shareholders:

- (1) the quorum is one person who is, or who represents by proxy, that shareholder, and
- (2) that shareholder, present in person or by proxy, may constitute the meeting.

11.5 Other Persons May Attend

The directors, the president (if any), the secretary (if any), the assistant secretary (if any), the auditor of the Company, the lawyers for the Company and any other persons invited by the directors are entitled to attend any meeting of shareholders, but if any of those persons does attend a meeting of shareholders, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

11.6 Requirement of Quorum

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

11.7 Lack of Quorum

If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (1) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved; and
- (2) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

11.8 Lack of Quorum at Succeeding Meeting

If, at the meeting to which the meeting referred to in Article 11.7(2) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

11.9 Chair

The following individual is entitled to preside as chair at a meeting of shareholders:

- (1) the chair of the board, if any;
- (2) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any; Or
- (3) such other person designated by the directors.

11.10 Selection of Alternate Chair

If, at any meeting of shareholders, the person appointed under section 11.9 above is not present within 15 minutes after the time set for holding the meeting, or if such person is unwilling to act as chair of the meeting, or if such person has advised the secretary, if any, or any director present at the meeting, that such person will not be present at the meeting, the directors present must choose: one of their number, a senior officer or counsel to the Company to chair the meeting or if the director, senior officer or counsel present declines to take the chair or if the directors fail to so choose or if no director, senior officer or counsel is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

11.11 Adjournments

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

11.12 Notice of Adjourned Meeting

It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for thirty days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

11.13 Decisions by Show of Hands or Poll

Every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by at least one shareholder entitled to vote who is present in person or by proxy.

11.14 Declaration of Result

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.13, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

11.15 Motion Need Not be Seconded

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

11.16 Casting Vote

In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

11.17 Manner of Taking Poll

Subject to Article 11.18, if a poll is duly demanded at a meeting of shareholders:

- (1) the poll must be taken:
 - (a) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
 - (b) in the manner, at the time and at the place that the chair of the meeting directs;
- (2) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and

- (3) the demand for the poll may be withdrawn by the person who demanded it.

11.18 Demand for Poll on Adjournment

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

11.19 Chair Must Resolve Dispute

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of a meeting of the shareholders must determine the dispute, and his or her determination made in good faith is final and conclusive.

11.20 Casting of Votes

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

11.21 Demand for Poll

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

11.22 Demand for Poll Not to Prevent Continuance of Meeting

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

11.23 Retention of Ballots and Proxies

The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and during that period, make such ballots and proxies available for inspection during normal business hours by any shareholder or proxyholder entitled to vote at the meeting. At the end of such three month period, the Company may destroy such ballots and proxies.

12. VOTES OF SHAREHOLDERS

12.1 Number of Votes by Shareholder or by Shares

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Article 12.3:

- (1) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and
- (2) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

12.2 Votes of Persons in Representative Capacity

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the

person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative for a shareholder who is entitled to vote at the meeting.

12.3 Votes by Joint Holders

If there are joint shareholders registered in respect of any share:

- (1) any one of the joint shareholders may vote at any meeting of the shareholders, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or
- (2) if more than one of the joint shareholders is present at any meeting of the shareholders, personally or by proxy, and more than one of the joint shareholders votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted.

12.4 Legal Personal Representatives as Joint Shareholders

Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of ~~Article 12.3~~[Article 12.3](#), deemed to be joint shareholders.

12.5 Representative of a Corporate Shareholder

If a corporation, that is not a subsidiary of the Company, is a shareholder, that corporation may appoint a person to act as its representative at any meeting of the shareholders by written instrument, fax or any other method of transmitting legibly recorded messages and:

- (1) for that purpose, the instrument appointing a representative must:
 - (a) be received at the registered office of the Company or at any other place specified for the receipt of proxies, in the notice calling the meeting, at least the number of business days for the receipt of proxies specified in the notice, or if no number of days is specified in the notice, at least, two business days before the day set for the holding of the meeting; or
 - (b) be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting;
- (2) if a representative is appointed under this Article 12.5:
 - (a) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and
 - (b) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

12.6 Proxy Provisions Do Not Apply to All Companies

Article 12.9 does not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply. Sections 12.7 to 12.15

apply to the Company only insofar as they are not inconsistent with any applicable securities legislation and any regulations and rules made and promulgated under such legislation and all administrative policy statements, blanket orders and rulings, notices and other administrative directions issued by securities commission or similar authorities appointed under that legislation.

12.7 Appointment of Proxy Holders

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of the shareholders of the Company may, by proxy, appoint one or more (but not more than five) proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the instrument of proxy.

12.8 Alternate Proxy Holders

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

12.9 Form of Proxy

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form designated by the directors, the scrutineer or the chair of the meeting:

[name of company]
(the "Company")

The undersigned, being a shareholder of the Company, hereby appoints *[name]* or, failing that person, *[name]*, as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on *[month, day, year]* and at any adjournment of that meeting.

Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the undersigned):

_____.

Signed *[month, day, year]*

[Signature of shareholder]

[Name of shareholder- printed]

12.10 Deposit of Proxy

A proxy for a meeting of shareholders must be by written instrument, fax or any other method of transmitting legibly messages and must:

- (1) be received at the registered office of the Company or at any other place specified for the receipt of proxies, in the notice calling the meeting, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, in the notice, at least two business days before the day set for the holding of the meeting; or

- (2) unless the notice provides otherwise, be deposited at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.11 Revocation of Proxy

Subject to Article 12.12, every proxy may be revoked by an instrument in writing that is:-

- (1) received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or
- (2) deposited with the chair of the meeting, at the meeting, before any vote in respect of which the proxy is to be used shall have been taken.

12.12 Revocation of Proxy Must Be Signed

An instrument referred to in Article 12.12 must be signed as follows:

- (1) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative;
- (2) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 12.5.

12.13 Production of Evidence of Authority to Vote

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

13. DIRECTORS

13.1 First Directors; Number of Directors

The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 14.8, is set at:

- (1) subject to paragraphs (2) and (3), the number of directors that is equal to the number of the Company's first directors;
- (2) if the Company is a public company, the greater of three and the most recently set of:
 - (a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
 - (b) the number of directors set under Article 14.4;
- (3) if the Company is not a public company, the most recently set of:

- (a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
- (b) the number of directors set under Article 14.4.

13.2 Change in Number of Directors

If the number of directors is set under Articles 13.1(2)(a) or 13.1(3)(a):

- (1) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number;
- (2) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number contemporaneously with the setting of that number, then the directors may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

13.3 Directors' Acts Valid Despite Vacancy

An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

13.4 Qualifications of Directors

A director is not required to hold a share in the capital of the Company as qualification for his or her office but must be qualified as required by the Business Corporations Act to become, act or continue to act as a director.

13.5 Remuneration of Directors

The directors are entitled to the remuneration for acting as directors, if any, as the directors may from time to time determine. If the directors so decide, the remuneration of the directors, if any, will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director.

13.6 Reimbursement of Expenses of Directors

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

13.7 Special Remuneration for Directors

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

13.8 Gratuity, Pension or Allowance on Retirement of Director

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependants and

may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

14. ELECTION AND REMOVAL OF DIRECTORS

14.1 Election at Annual General Meeting

At every annual general meeting and in every unanimous resolution contemplated by Article 10.2:

- (1) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and
- (2) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (1), but are eligible for re-election or re-appointment.

14.2 Consent to be a Director

No election, appointment or designation of an individual as a director is valid unless:

- (1) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;
- (2) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or
- (3) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

14.3 Failure to Elect or Appoint Directors

If:

- (1) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 10.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or
- (2) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 10.2, to elect or appoint any directors;

then each director then in office continues to hold office until the earlier of:

- (3) the date on which his or her successor is elected or appointed; and
- (4) the date on which he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

14.4 Places of Retiring Directors Not Filled

If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-

elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

14.5 Directors May Fill Casual Vacancies,

Any casual vacancy occurring in the board of directors may be filled by the directors.

14.6 Remaining Directors Power to Act

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of summoning a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the *Business Corporations Act*, for any other purpose.

14.7 Shareholders May Fill Vacancies

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

14.8 Additional Directors

Notwithstanding Articles 13.1 and 13.2, between annual general meetings or unanimous resolutions contemplated by Article 10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 14.8 must not at any time exceed:

- (1) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or
- (2) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 14.8.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 14.1(1), but is eligible for re-election or re-appointment.

14.9 Ceasing to be a Director

A director ceases to be a director when:

- (1) the term of office of the director expires;
- (2) the director dies;
- (3) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (4) the director is removed from office pursuant to Articles 14.10 or 14.11.

14.10 Removal of Director by Shareholders

The Company may remove any director before the expiration of his or her term of office by special resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

14.11 Removal of Director by Directors

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceased to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

15. POWERS AND DUTIES OF DIRECTORS

15.1 Powers of Management

The directors must, subject to the *Business Corporations Act* and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the *Business Corporations Act* or by these Articles, required to be exercised by the shareholders of the Company.

15.2 Appointment of Attorney of Company

The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

16. DISCLOSURE OF INTEREST OF DIRECTORS

16.1 Obligation to Account for Profits

A director or senior officer who holds a disclosable interest (as that term is used in the *Business Corporations Act*) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the *Business Corporations Act*.

16.2 Restrictions on Voting by Reason of Interest

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

16.3 Interested Director Counted in Quorum

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

16.4 Disclosure of Conflict of Interest or Property

A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the Business Corporations Act.

16.5 Director Holding Other Office in the Company

A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

16.6 No Disqualification

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

16.7 Professional Services by Director or Officer

Subject to the *Business Corporations Act*, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

16.8 Director or Officer in Other Corporations

A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

17. PROCEEDINGS OF DIRECTORS

17.1 Meetings of Directors

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as the directors think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

17.2 Voting at Meetings

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

17.3 Chair of Meetings

The following individual is entitled to preside as chair at a meeting of directors:

- (1) the chair of the board, if any;
- (2) in the absence of the chair of the board, the president, if any, if the president is a director; or
- (3) any other director chosen by the directors if:
 - (a) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting;
 - (b) neither the chair of the board nor the president, if a director, is willing to chair the meeting; or
 - (c) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that the chair of the board and the president will not be present at the meeting.

17.4 Meetings by Telephone or Other Communications Medium

A director may participate in a meeting of the directors or of any committee of the directors in person or by telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other. A director may participate in a meeting of the directors or of any committee of the directors by a communications medium other than telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other and if all directors who wish to participate in the meeting agree to such participation. A director who participates in a meeting in a manner contemplated by this Article 17.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

17.5 Calling of Meetings

A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

17.6 Notice of Meetings,

Other than for meetings held at regular intervals as determined by the directors pursuant to Article 17.1, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors by any method set out in Article 23.1 or orally or by telephone.

17.7 When Notice Not Required

It is not necessary to give notice of a meeting of the directors to a director if:

- (1) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed; or
- (2) the director has waived notice of the meeting.

17.8 Meeting Valid Despite Failure to Give Notice

The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director does not invalidate any proceedings at that meeting.

17.9 Waiver of Notice of Meetings

Any director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director.

17.10 Quorum

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be set at two directors or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

17.11 Validity of Acts Where Appointment Defective

Subject to the *Business Corporations Act*, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

17.12 Consent Resolutions in Writing

A resolution of the directors or of any committee of the directors may be passed without a meeting:

- (a) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or
- (b) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, if each of the other directors who are entitled to vote on the resolution consents to it in writing.

A consent in writing under this Article 17 may be evidence by signed document, fax, email or any other method of transmitting legibly recorded messages. A consent in writing may be in two or more counterparts which together are deemed to constitute one entire document. A resolution of the directors or of any committee of the directors passed in accordance with this Article 17.12 is deemed to effective on the date stated in the consent in writing and is deemed to be a proceeding at a meeting of directors or of the committee of the directors and to be valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to such meetings.

18. EXECUTIVE AND OTHER COMMITTEES

18.1 Appointment and Powers of Executive Committee

The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and this committee has, during the intervals between meetings of the board of directors, all of the directors' powers, except:

- (1) the power to fill vacancies in the board of directors;
- (2) the power to remove a director;
- (3) the power to change the membership of, or fill vacancies in, any committee of the directors; and
- (4) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

18.2 Appointment and Powers of Other Committees

The directors may, by resolution:

- (1) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;
- (2) delegate to a committee appointed under paragraph (1) any of the directors' powers, except:
 - (a) the power to fill vacancies in the board of directors;
 - (b) the power to remove a director;
 - (c) the power to change the membership of, or fill vacancies in, any committee of the directors: and
 - (d) the power to appoint or remove officers appointed by the directors; and
- (3) make any delegation referred to in paragraph (2) subject to the conditions set out in the resolution or any subsequent directors' resolution.

18.3 Obligations of Committees

Any committee appointed under Articles 18.1 or 18.2, in the exercise of the powers delegated to it, must:

- (1) conform to any rules that may from time to time be imposed on it by the directors; and
- (2) report every act or thing done in exercise of those powers at such times as the directors may require.

18.4 Powers of Board

The directors may, at any time, with respect to a committee appointed under Articles 18.1 or 18.2:

- (1) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;
- (2) terminate the appointment of, or change the membership of, the committee; and

- (3) fill vacancies in the committee.

18.5 Committee Meetings

Subject to Article 18.3(1) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Articles 18.1 or 18.2:

- (1) the committee may meet and adjourn as it thinks proper;
- (2) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;
- (3) a majority of the members of the committee constitutes a quorum of the committee; and
- (4) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting does not have a second or casting vote.

19. OFFICERS

19.1 Directors May Appoint Officers

The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

19.2 Functions, Duties and Powers of Officers

The directors may, for each officer:

- (1) determine the functions and duties of the officer;
- (2) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (3) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

19.3 Qualifications

No officer may be appointed unless that officer is qualified in accordance with the Business Corporations Act. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or as the managing director must be a director. Any other officer need not be a director.

19.4 Remuneration and Terms of Appointment

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors think fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

20. INDEMNIFICATION

20.1 Definitions

In this Article 21:

- (1) “eligible penalty” means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (2) “eligible proceeding” means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director, former director, officer, or former officer of the Company (an “eligible party”) or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director, former director, officer or former officer of the Company:
 - (a) is or may be joined as a party; or
 - (b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;
- (3) “expenses” has the meaning set out in the *Business Corporations Act*.

20.2 Mandatory Indemnification of Directors and Former Directors

Subject to the *Business Corporations Act*, the Company may indemnify a director, former director, officer or former officer of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company may, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each director and officer is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 20.2.

20.3 Indemnification of Other Persons

Subject to any restrictions in the *Business Corporations Act*, the Company may indemnify any person.

20.4 Non-Compliance with *Business Corporations Act*

The failure of a director, former director, officer or former officer of the Company to comply with the *Business Corporations Act* or these Articles does not invalidate any indemnity to which he or she is entitled under this Part.

20.5 Company May Purchase Insurance

The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

- (1) is or was a director, alternate director, officer, employee or agent of the Company;
- (2) is or was a director, alternate director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;

- (3) at the request of the Company, is or was a director, alternate director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity;
- (4) at the request of the Company, holds or held a position equivalent to that of a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity;

against any liability incurred by him or her as such director, alternate director, officer, employee or agent or person who holds or held such equivalent position.

21. DIVIDENDS

21.1 Payment of Dividends Subject to Special Rights

The provisions of this Article 21 are subject to Article 2.1 and to the rights, if any, of shareholders holding shares with special rights as to dividends.

21.2 Declaration of Dividends

Subject to the *Business Corporations Act*, the directors may from time to time declare and authorize payment of such dividends as the directors may deem advisable.

21.3 No Notice Required

The directors need not give notice to any shareholder of any declaration under Article 21.2.

21.4 Record Date

The directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5:00 p.m. on the date on which the directors pass the resolution declaring the dividend.

21.5 Manner of Paying Dividend

A resolution declaring a dividend may direct payment of the dividend wholly or partly by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company, or in any one or more of those ways.

21.6 Settlement of Difficulties

If any difficulty arises in regard to a distribution under Article 21.5, the directors may settle the difficulty as the directors deem advisable, and, in particular, may:

- (1) set the value for distribution of specific assets;
- (2) determine that cash payments in substitution for all or any part of the specific assets to which any shareholders are entitled may be made to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and
- (3) vest any such specific assets in trustees for the persons entitled to the dividend.

21.7 When Dividend Payable

Any dividend may be made payable on such date as is fixed by the directors.

21.8 Dividends to be Paid in Accordance with Number of Shares

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

21.9 Receipt by Joint Shareholders

If several persons are joint shareholders of any share, any one of such joint shareholders may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

21.10 Dividend Bears No Interest

No dividend bears interest against the Company.

21.11 Fractional Dividends

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

21.12 Payment of Dividends

Any dividend or other distribution payable in cash in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed to the address of the shareholder, or in the case of joint shareholders, to the address of the joint shareholder who is first named on the central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

21.13 Capitalization of Surplus

Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the surplus or any part of the surplus.

22. DOCUMENTS, RECORDS AND REPORTS

22.1 Recording of Financial Affairs

The directors must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the *Business Corporations Act*.

22.2 Inspection of Accounting Records

Unless the directors determine otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

23. NOTICES

23.1 Method of Giving Notice

Unless the *Business Corporations Act* or these Articles provides otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

- (1) mail addressed to the person at the applicable address for that person as follows:
 - (a) for a record mailed to a shareholder, the shareholder's registered address;
 - (b) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;
 - (c) in any other case, the mailing address of the intended recipient;
- (2) delivery at the applicable address for that person as follows, addressed to the person:
 - (a) for a record delivered to a shareholder, the shareholder's registered address;
 - (b) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;
 - (c) in any other case, the delivery address of the intended recipient;
- (3) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
- (4) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;
- (5) physical delivery to the intended recipient.

23.2 Deemed Receipt of Mailing

A record that is mailed to a person by ordinary mail to the applicable address for that person referred to in Article 23.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing.

23.3 Certificate of Sending

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that behalf for the Company stating that a notice, statement, report or other record was addressed as required by Article 23.1, prepaid and mailed or otherwise sent as permitted by Article 23.1 is conclusive evidence of that fact.

23.4 Notice to Joint Shareholders

A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing the notice to the joint shareholder first named in the central securities register in respect of the share.

23.5 Notice to Trustees

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

- (1) mailing the record, addressed to such person:
 - (a) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and
 - (b) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (2) if an address referred to in paragraph (1)(b) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

24. SEAL

24.1 Who May Attest Seal

Except as provided in Articles 24.2 and 24.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

- (1) any two directors;
- (2) any officer, together with any director;
- (3) if the Company only has one director, that director; or
- (4) any one or more directors or officers or persons as may be determined by the directors.

24.2 Sealing Copies

For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 24.1, the impression of the seal may be attested by the signature of any director or officer.

24.3 Mechanical Reproduction of Seal

The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as the directors may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and the chair of the board or any senior officer together with the secretary, treasurer, secretary-treasurer, an assistant secretary, an assistant treasurer or an assistant secretary-treasurer may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other

securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

25. SPECIAL RIGHTS AND RESTRICTIONS ATTACHING TO THE SUBORDINATE VOTING SHARES

The Subordinate Voting Shares of the Company, without nominal or par value, shall have attached thereto the special rights and restrictions as set forth below:

25.1 Voting Rights

Holders of Subordinate Voting Shares (“**Subordinate Voting Holder**”) shall be entitled to notice of and to attend at any meeting of the shareholders of the Company, except a meeting of which only holders of another particular class or series of shares of the Company shall have the right to vote. At each such meeting Subordinate Voting Holders shall be entitled to one vote in respect of each Subordinate Voting Share held.

25.2 Alteration to Rights of Subordinate Voting Shares

As long as any Subordinate Voting Shares remain outstanding, the Company will not, without the consent of the holders of the Subordinate Voting Shares by separate special resolution, prejudice or interfere with any right or special right attached to the Subordinate Voting Shares.

25.3 Dividends

Subordinate Voting Holders shall ~~be~~ subject to the prior rights of the holders of any shares of the Company ranking in priority to the Subordinate Voting Shares, be entitled to receive as and when declared by the directors, dividends in cash or property of the Company. No dividend will be declared or paid on the Subordinate Voting Shares unless the Company simultaneously declares or pays, as applicable, equivalent dividends on the Multiple Voting Shares (on an as-converted to Subordinate Voting Share basis) and Super Voting Shares (on an as-converted to Subordinate Voting Share basis).

25.4 Liquidation, Dissolution or Winding-Up

In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or in the event of any other distribution of assets of the Company among its shareholders for the purpose of winding up its affairs, the Subordinate Voting Holders shall, subject to the prior rights of the holders of any shares of the Company ranking in priority to the Subordinate Voting Shares be entitled to participate rateably along with all other holders of Multiple Voting Shares (on an as-converted to Subordinate Voting Share basis) and Super Voting Shares (on an as-converted to Subordinate Voting Share basis).

25.5 Subdivision or Consolidation

Subject to Sections 26.6(d) and (e) and Sections 27.6(e) and (f), no subdivision or consolidation of the Subordinate Voting Shares, Multiple Voting Shares or Super Voting Shares shall occur unless, simultaneously, the Subordinate Voting Shares, Multiple Voting Shares and Super Voting Shares are subdivided or consolidated in the same manner, so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.

25.6 Rights to Subscribe; Pre-Emptive Rights

The Subordinate Voting Holders are not entitled to a right of first refusal to subscribe for, purchase or receive any part of any issue of Subordinate Voting Shares, bonds, debentures or other securities of the Company now or in the future.

25.7 Rights Upon an Offer

In the event that (1) an offer is made to purchase Multiple Voting Shares or Super Voting Shares, and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange, if any, on which the Subordinate Voting Shares are then listed, to be made to all or substantially all the holders of Multiple Voting Shares or Super Voting Shares, as applicable, in a province or territory of Canada to which the requirement applies, and (2) a concurrent equivalent offer is not made in respect of the Subordinate Voting Shares, then each Subordinate Voting Share shall become convertible at the option of the holder into Multiple Voting Shares or Super Voting Shares, as applicable, at the inverse of applicable Conversion Ratio (as defined in Section 26.6 and 27.6, as applicable) then in effect, at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion may only be exercised in respect of Subordinate Voting Shares for the purpose of depositing the resulting Multiple Voting Shares or Super Voting Shares, as applicable, under the offer, and for no other reason, and shall not provide holders of Subordinate Voting Shares any beneficial ownership of Multiple Voting Shares or Super Voting Shares, as applicable, but only in the consideration under the offer. In such event, the transfer agent for the Subordinate Voting Shares shall deposit under the offer the resulting Multiple Voting Shares or Super Voting Shares, as applicable, on behalf of the holder.

To exercise such conversion right, the holder or his or its attorney duly authorized in writing shall:

- (a) give written notice to the transfer agent of the exercise of such right, and of the number of Subordinate Voting Shares in respect of which the right is being exercised;
- (b) deliver to the transfer agent the share certificate or certificates representing the Subordinate Voting Shares in respect of which the right is being exercised, if applicable;
- (c) pay any applicable stamp tax or similar duty on or in respect of such conversion.

No share certificates representing the Multiple Voting Shares or Super Voting Shares, as applicable, resulting from the conversion of the Subordinate Voting Shares will be delivered to the holders on whose behalf such deposit is being made. For Subordinate Voting Shares held by, or for the account or benefit of, a person resident in the United States, conversion will be subject to compliance with the registration requirements of the *U.S. Securities Act* and any applicable securities laws of any state of the United States or an available exemption therefrom and the Company or the transfer agent may request such additional documentation necessary to reasonably evidence such compliance or exemption. If Multiple Voting Shares or Super Voting Shares, as applicable, resulting from the conversion and deposited pursuant to the offer are withdrawn by the holder or are not taken up by the offeror, or the offer is abandoned, withdrawn or terminated by the offeror or the offer otherwise expires without such Multiple Voting Shares or Super Voting Shares, as applicable, being taken up and paid for, the Multiple Voting Shares or Super Voting Shares, as applicable, resulting from the conversion will be automatically re-converted into Subordinate Voting Shares at the Conversion Ratio then in effect, shall be deemed to have never been outstanding, and a share certificate representing the Subordinate Voting Shares or electronic evidence of such Subordinate Voting Shares issued in a non-certificate manner will be sent to the holder by the transfer agent. In the event that the offeror takes up and pays for the Multiple Voting Shares or Super Voting Shares, as applicable, resulting from conversion, the transfer agent shall deliver to the holders thereof the consideration paid for such shares by the offeror.

25.8 Odd Lots

In the event that Subordinate Voting Holders are entitled to convert their Subordinate Voting Shares into Super Voting Shares under Section 25.7 in connection with an offer, holders of an aggregate of Subordinate Voting Shares of less than 100 (an “**Odd Lot**”), subject to any adjustments to the initial Conversion Ratio pursuant to the adjustment provisions of the Subordinate Voting Shares or the Super Voting Shares, as applicable, designed to preserve their relative rights, will be entitled to convert all but not less than all of such Odd Lot of Subordinate Voting Shares into a fraction of one Super Voting Share, at the inverse of the applicable Conversion Ratio then in effect, provided that such conversion into a fractional Super Voting Share will be solely for the purpose of tendering the fractional Super Voting Share to the offer in question and that any fraction of a Super Voting Share that is tendered to the offer but that is not, for any reason, taken up and paid for by the offeror will automatically be reconverted into the Subordinate Voting Shares that existed prior to such conversion.

26. SPECIAL RIGHTS AND RESTRICTIONS ATTACHING TO THE MULTIPLE VOTING SHARES

The Multiple Voting Shares of the Company, without nominal or par value, shall have attached thereto the special rights and restrictions as set forth below:

26.1 Voting Rights

The holders of Multiple Voting Shares (the “**Multiple Voting Holders**”) shall have the right to 10 votes for each Subordinate Voting Share into which such Multiple Voting Shares could then be converted (ignoring any limitations under Section 26.7), which for greater certainty, shall initially equal 10 votes per Multiple Voting Share, and with respect to such vote, such holder shall have full voting rights and powers equal to the voting rights and powers of the Subordinate Voting Holders, and shall be entitled, notwithstanding any provision hereof, to notice of any shareholders’ meeting and shall be entitled to vote, together with holders of Subordinate Voting Shares, with respect to any question upon which Subordinate Voting Holders have the right to vote. Fractional votes shall not, however, be permitted and any fractional voting rights available on an as converted basis (after aggregating all Subordinate Voting Shares into which Multiple Voting Shares could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward). Except as provided by law and by the provisions of Section 26.2, Multiple Voting Holders shall vote the Multiple Voting Shares together with the Subordinate Voting Holders and Super Voting Holders as a single class.

26.2 Alterations to the Rights of Multiple Voting Shares

As long as any Multiple Voting Shares remain outstanding, the Company will not, without the consent of the holders of the Multiple Voting Shares and Super Voting Shares by separate special resolution, prejudice or interfere with any right or special right attached to the Multiple Voting Shares. In connection with the exercise of the voting rights contained in this Section 26.2 each holder of Multiple Voting Shares will have one vote in respect of each Multiple Voting Share held.

26.3 Dividends

The Multiple Voting Holders shall subject to the prior rights of the holders of any shares of the Company ranking in priority to the Multiple Voting Shares, have the right to receive dividends, out of any cash or other assets legally available therefor, *pari passu* (on an as converted basis, assuming conversion of all Multiple Voting Shares into Subordinate Voting Shares at the applicable Conversion Ratio and ignoring any limitations on conversion under Section 26.7) as to dividends and any declaration or payment of any dividend on the Subordinate Voting Shares. No dividend will be declared or paid on the Multiple Voting Shares unless the Company

simultaneously declares or pays, as applicable, equivalent dividends on the Subordinate Voting Shares and Super Voting Shares (on an as-converted to Subordinate Voting Share basis).

26.4 Liquidation, Dissolution or Winding-Up

In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or in the event of any other distribution of assets of the Company among its shareholders for the purpose of winding up its affairs, the Multiple Voting Holders shall, subject to the prior rights of the holders of any shares of the Company ranking in priority to the Multiple Voting Shares, be entitled to participate ratably, on an as-converted to Subordinate Voting Share basis, along with all other holders of Subordinate Voting Shares and Super Voting Shares (on an as-converted to Subordinate Voting Share basis).

26.5 Rights to Subscribe; Pre-Emptive Rights

The Multiple Voting Holders are not entitled to a right of first refusal to subscribe for, purchase or receive any part of any issue of Subordinate Voting Shares, bonds, debentures or other securities of the Company now or in the future.

26.6 Conversion

Subject to the Conversion Limitations set forth in Section 26.7, Multiple Voting Holders shall have conversion rights as follows (the “**Conversion Rights**”):

- (a) Right to Convert. Each Multiple Voting Share shall be convertible, at the option of the Multiple Voting Holder thereof, at any time after the date of issuance of such share at the office of the Company or any transfer agent for such shares, into such number of fully paid and non-assessable Subordinate Voting Shares as is determined by multiplying the number of Multiple Voting Shares by the Conversion Ratio applicable to such share, determined as hereafter provided, in effect on the date the Multiple Voting Share is surrendered for conversion. The initial “**Conversion Ratio**” for Multiple Voting Shares shall be 1 Subordinate Voting Share for each Multiple Voting Share, provided, however, that the Conversion Ratio shall be subject to adjustment as set forth in Sections 26.6(d) and (e).
- (b) Mechanics of Conversion. Before any Multiple Voting Holder shall be entitled to convert Multiple Voting Shares into Subordinate Voting Shares, the Multiple Voting Holder shall surrender the certificate or certificates therefor, duly endorsed, or provide other electronic evidence therefor, at the office of the Company or of any transfer agent for Subordinate Voting Shares, and shall give written notice to the Company at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates or other electronic evidence of Subordinate Voting Shares are to be issued (each, a “**Conversion Notice**”). The Company shall (or shall cause its transfer agent to), as soon as practicable thereafter, issue and deliver at such office to such Multiple Voting Holder, or to the nominee or nominees of such holder, a certificate or certificates for the number of Subordinate Voting Shares or electronic evidence of such Subordinate Voting Shares to which such holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the Multiple Voting Shares to be converted, and the person or persons entitled to receive the Subordinate Voting

Shares issuable upon such conversion shall be treated for all purposes as the record holder or holders of such Subordinate Voting Shares as of such date.

- (c) Mandatory Conversion. Notwithstanding Section 26.7, the Company may require each holder of Multiple Voting Shares to convert all, and not less than all, the Multiple Voting Shares at the applicable Conversion Ratio (a “**Mandatory Conversion**”) if at any time all the following conditions are satisfied (or otherwise waived by special resolution of Multiple Voting Holders):
- (i) the Subordinate Voting Shares issuable upon conversion of all the Multiple Voting Shares are registered for resale and may be sold by the holder thereof pursuant to an effective registration statement and/or prospectus covering the Subordinate Voting Shares under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”);
 - (ii) the Company is subject to the reporting requirements of Section 13 or 15(d) of the U.S. Exchange Act; and
 - (iii) the Subordinate Voting Shares are listed or quoted (and are not suspended from trading) on a recognized North America stock exchange or by way of reverse takeover transaction on the Toronto Stock Exchange, the TSX Venture Exchange, the Canadian Securities Exchange or Neo Exchange Inc. (or any other stock exchange recognized as such by the Ontario Securities Commission).

The Company will issue or cause its transfer agent to issue each holder of Multiple Voting Shares of record a Mandatory Conversion Notice at least 20 days prior to the record date of the Mandatory Conversion, which shall specify therein (i) the number of Subordinate Voting Shares into which the Multiple Voting Shares are convertible and (ii) the address of record for such holder. On the record date of a Mandatory Conversion, the Company will issue or cause its transfer agent to issue each holder of record on the Mandatory Conversion Date certificates or electronic evidence representing the number of Subordinate Voting Shares into which the Multiple Voting Shares are so converted and each certificate representing the Multiple Voting Shares shall be null and void.

- (d) Adjustments for Distributions. In the event the Company shall declare a distribution to Subordinate Voting Holders payable in securities of other persons, evidences of indebtedness issued by the Company or other persons, assets (excluding cash dividends) or options or rights not otherwise causing adjustment to the Conversion Ratio (a “**Distribution**”), then, in each such case for the purpose of this Section 26.6(d), the Multiple Voting Holders shall be entitled to a proportionate share of any such Distribution as though they were the holders of the number of Subordinate Voting Shares into which their Multiple Voting Shares are convertible as of the record date fixed for the determination of the Subordinate Voting Holders entitled to receive such Distribution.
- (e) Recapitalizations: Stock Splits. If at any time or from time-to-time, the Company shall (i) effect a recapitalization of the Subordinate Voting Shares; (ii) issue Subordinate Voting Shares as a dividend or other distribution on outstanding Subordinate Voting Shares; (iii) subdivide the outstanding Subordinate Voting Shares into a greater number of Subordinate Voting Shares; (iv) consolidate the outstanding Subordinate Voting Shares into a smaller number of Subordinate Voting Shares; or (v) effect any similar transaction or action that does not itself also require adjustment to the Conversion Ratio (each, a “**Recapitalization**”), provision shall be made so that the Multiple Voting Holders shall

thereafter be entitled to receive, upon conversion of Multiple Voting Shares, the number of Subordinate Voting Shares or other securities or property of the Company or otherwise, to which a holder of Subordinate Voting Shares deliverable upon conversion would have been entitled on such Recapitalization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 26.6 with respect to the rights of the Multiple Voting Holders after the Recapitalization to the end that the provisions of this Section 26.6 (including adjustment of the Conversion ratio then in effect and the number of Multiple Voting Shares issuable upon conversion of Multiple Voting Shares) shall be applicable after that event as nearly equivalent as may be practicable.

- (f) No Fractional Shares and Certificates as to Adjustments. No fractional Subordinate Voting Shares shall be issued upon the conversion of any Multiple Voting Shares and the number of Subordinate Voting Shares to be issued shall be rounded up to the nearest whole Subordinate Voting Share. Whether or not fractional Subordinate Voting Shares are issuable upon such conversion shall be determined on the basis of the total number of Multiple Voting Shares the Multiple Voting Holder is at the time converting into Subordinate Voting Shares and the number of Subordinate Voting Shares issuable upon such aggregate conversion.
- (g) Adjustment Notice. Upon the occurrence of each adjustment or readjustment of the Conversion Ratio pursuant to this Section 26.6, the Company, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each Multiple Voting Holder a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Company shall, upon the written request at any time of any Multiple Voting Holder, furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment and readjustment, (B) the Conversion Ratio at the time in effect, and (C) the number of Subordinate Voting Shares and the amount, if any, of other property which at the time would be received upon the conversion of a Multiple Voting Share.
- (h) Effects of Conversion. All Multiple Voting Shares which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the time of conversion (the "**Conversion Time**"), except only the right of the holders thereof to receive Subordinate Voting Shares in exchange therefor and to receive payment in lieu of any fraction of a share otherwise issuable upon such conversion.
- (i) Notices of Record Date. Except as otherwise provided under applicable law, in the event of any taking by the Company of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of any class or any other securities or property, or to receive any other right, the Company shall mail to each Multiple Voting Holder, at least 20 days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution or right.
- (j) Conversion Upon an Offer. In addition to the conversion rights set out in this Section 26.6, in the event that (1) an offer is made to purchase Subordinate Voting Shares or Super Voting Shares, and the offer is one which is required, pursuant to applicable

securities legislation or the rules of a stock exchange, if any, on which the Subordinate Voting Shares are then listed, to be made to all or substantially all the Subordinate Voting Holders or Super Voting Holders, as applicable, in a province or territory of Canada to which the requirement applies, and (2) a concurrent equivalent offer is not made in respect of the Multiple Voting Shares, then each Multiple Voting Share shall become convertible at the option of the holder into Subordinate Voting Shares at the Conversion Ratio then in effect or into Super Voting Shares based on the inverse of the Conversion Ratio as defined in Section 27.6, as applicable, at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right in this Section 26.6(j), may only be exercised in respect of Multiple Voting Shares for the purpose of depositing the resulting Subordinate Voting Shares or Super Voting Shares, as applicable, under the offer, and for no other reason and shall not provide the Multiple Voting Holder any beneficial ownership of Subordinate Voting Shares or Super Voting Shares, as applicable, but rather only in the consideration to be provided under the offer. In such event, the transfer agent for the Subordinate Voting Shares and/or Super Voting Shares, as applicable, shall deposit under the offer the resulting Subordinate Voting Shares or Super Voting Shares, as applicable, on behalf of the Multiple Voting Holder.

To exercise such conversion right, the Multiple Voting Holder or his or its attorney duly authorized in writing shall:

- (1) give written notice to the transfer agent of the exercise of such right, and of the number of Multiple Voting Shares in respect of which the right is being exercised;
 - (2) deliver to the transfer agent the share certificate or certificates representing the Multiple Voting Shares in respect of which the right is being exercised, if applicable; and
 - (3) pay any applicable stamp tax or similar duty on or in respect of such conversion.
- (k) Automatic Conversion. A Multiple Voting Share shall automatically be converted without further action by the holder thereof into one Subordinate Voting Share upon the transfer by the holder thereof to anyone other than (i) another Initial Super Voting Holder (as defined in Section 27.6(c), and together with the Initial Multiple Voting Holder, the “**Initial Holders**”), an immediate family member of an Initial Holder or a transfer for purposes of estate or tax planning to a company or person that is wholly beneficially owned by an Initial Holder or immediate family members of an Initial Holder or which an Initial Holder or immediate family members of an Initial Holder are the sole beneficiaries thereof; or (ii) a party approved by the Company. For the purposes hereof, “**Initial Multiple Voting Holder**” means Denis Arsenault.

26.7 Conversion Limitations

Before any Multiple Voting Holder shall be entitled to convert Multiple Voting Shares into Subordinate Voting Shares, the Board of Directors (or a committee thereof) shall designate an officer of the Company to determine if any Conversion Limitation set forth in this Section 26.7 shall apply to the conversion of Multiple Voting Shares. For the purposes of this Section 26.7, each of the following is a “**Conversion Limitation**”:

- (a) Beneficial Ownership Restriction

- (i) Beneficial Ownership. The Company shall not effect any conversion of Multiple Voting Shares and a Multiple Voting Holder shall not have the right to convert any portion of its Multiple Voting Shares, pursuant to Section 27.6 or otherwise, to the extent that after giving effect to such issuance after conversion as set forth on the applicable Conversion Notice, the Multiple Voting Holder (together with the Multiple Voting Holder's Affiliates (each, an "**Affiliate**" as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**")), and any other persons acting as a group together with the Multiple Voting Holder or any of the Multiple Voting Holder's Affiliates), would beneficially own in excess of 9.99% of the number of the Subordinate Voting Shares outstanding immediately after giving effect to the issuance of Subordinate Voting Shares issuable upon conversion of the Multiple Voting Shares subject to the Conversion Notice (the "**Beneficial Ownership Limitation**").
- (ii) Calculation. For purposes of the foregoing sentence, the number of Subordinate Voting Shares beneficially owned by the Multiple Voting Holder and its Affiliates shall include the number of Subordinate Voting Shares issuable upon conversion of Multiple Voting Shares with respect to which such determination is being made, but shall exclude the number of Subordinate Voting Shares which would be issuable upon (i) convert of the remaining, non-converted portion of Multiple Voting Shares beneficially owned by the Multiple Voting Holder or any of its Affiliates and (ii) exercise or conversion of the unexercised or non-converted portion of any other securities of the Company subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Multiple Voting Holder or any of its Affiliates. In any case, the number of outstanding Subordinate Voting Shares shall be determined after giving effect to the conversion or exercise of securities of the Company, including Multiple Voting Shares, subject to the Conversion Notice, by the Multiple Voting Holder or its Affiliates since the date as of which such number of outstanding Subordinate Voting Shares was reported. Except as set forth in the preceding sentence, for purposes of this Section 26.7(a), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder based on information provided by the Multiple Voting Holder to the Company in the Conversion Notice.
- (iii) Conversion Limitation. To the extent that the limitation contained in this Section 26.7(a) applies and the Company can convert some, but not all, of such Multiple Voting Shares, submitted for conversion, the Company shall convert Multiple Voting Shares up to the Beneficial Ownership Limitation in effect, based on the number of Multiple Voting Shares submitted for conversion on such date. The determination of whether Multiple Voting Shares are convertible (in relation to other securities owned by the Multiple Voting Holder together with any Affiliates) and of which Multiple Voting Shares are convertible shall be in the sole discretion of the Company, and the submission of a Conversion Notice shall be deemed to be the Multiple Voting Holder's certification as to the Multiple Voting Holder's beneficial ownership of Subordinate Voting Shares of the Company, and the Company shall have the right, but not the obligation, to verify or confirm the accuracy of such beneficial ownership.
- (iv) Increase of Beneficial Ownership Limitation. The Multiple Voting Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 26.7(a), provided that the Beneficial Ownership Limitation in no event exceeds 19.99% of the number of the Subordinate Voting Shares outstanding immediately after giving effect to the

issuance of Subordinate Voting Shares upon conversion of Multiple Voting Shares subject to the Conversion Notice and the provisions of this Section 26.7 shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 26.7 to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor Multiple Voting Holder.

26.8 Pre-Emptive Rights

The holders of Multiple Voting Shares shall have no pre-emptive rights.

26.9 Notices

Any notice required by the provisions of these Special Rights and Restrictions to be given to the Multiple Voting Holders shall be deemed given if deposited in the mail or courier, postage prepaid, and addressed to each holder of record at his address appearing on the books of the Company.

26.10 Status of Converted Multiple Voting Shares

Any Multiple Voting Share converted shall be retired and cancelled and may not be reissued as shares of such series or any other class or series, and the Company may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of Multiple Voting Shares accordingly.

26.11 Disputes

Any Multiple Voting Holder that beneficially owns more than 5% of the issued and outstanding Multiple Voting Shares may submit a written dispute as to the determination of the Conversion Ratio or the arithmetic calculation of the Conversion Ratio or the Beneficial Ownership Limitation by the Company to the Board of Directors with the basis for the disputed determinations or arithmetic calculations. The Company shall respond to the Multiple Voting Holder within five (5) Business Days of receipt, or deemed receipt, of the dispute notice with a written calculation of the Conversion Ratio or the Beneficial Ownership Limitation, as applicable. If the Multiple Voting Holder and the Company are unable to agree upon such determination or calculation of the Conversion Ratio or the Beneficial Ownership Limitation, as applicable, within five (5) Business Days of such response, then the Company and the Multiple Voting Holder shall, within one (1) Business Day thereafter submit the disputed arithmetic calculation of the Conversion Ratio or the Beneficial Ownership Limitation to the Company's independent, outside accountant. The Company, at the Company's expense, shall cause the accountant to perform the determinations or calculations and notify the Company and the Multiple Voting Holder of the results no later than five (5) Business Days from the time it receives the disputed determinations or calculations. Such accountant's determination or calculation, as the case may be, shall be binding upon all parties absent demonstrable error.

27. SPECIAL RIGHTS AND RESTRICTIONS ATTACHING TO THE SUPER VOTING SHARES

The Super Voting Shares of the Company, without nominal or par value, shall have attached thereto the special rights and restrictions as set forth below:

27.1 Voting Rights

The holders of Super Voting Shares (the “**Super Voting Holders**”) shall have the right to 10 votes for each Subordinate Voting Share into which such Super Voting Shares could then be converted (ignoring any limitations under Section 27.7), which for greater certainty, shall initially equal 1,000 votes per Super Voting Share, and with respect to such vote, such holder shall have full voting rights and powers equal to the voting rights and powers of the Subordinate Voting Holders, and shall be entitled, notwithstanding any provision hereof, to notice of any shareholders’ meeting and shall be entitled to vote, together with holders of Subordinate Voting Shares, with respect to any question upon which Subordinate Voting Holders have the right to vote. Fractional votes shall not, however, be permitted and any fractional voting rights available on an as converted basis (after aggregating all Subordinate Voting Shares into which Super Voting Shares could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward). Except as provided by law and by the provisions of Section 27.2, Super Voting Holders shall vote the Super Voting Shares together with the Subordinate Voting Holders and Multiple Voting Holders as a single class.

27.2 Alterations to the Rights of Super Voting Shares

In addition to any other rights provided by law, the Company shall not amend, alter or repeal the preferences, special rights or other powers of the Super Voting Shares or any other provision of the Company’s constituting documents that would adversely affect the rights of the Super Voting Holders, without the written consent or affirmative vote of the holders of at least 66-2/3% of the then outstanding aggregate number of Super Voting Shares, as such changes relate to the Super Voting Shares, given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class of the holders of Super Voting Shares (a “**Super Majority Vote**”). The Company shall have authority to issue one or more additional classes or series of shares, which may have rights and preferences superior or subordinate to the Super Voting Shares.

27.3 Rank

- (a) All shares of Super Voting Shares shall be identical with each other in all respects.
- (b) The Super Voting Shares shall rank *pari passu* to the Subordinate Voting Shares as to dividends and upon liquidation, as described below, but are subject to the prior rights of the holders of any shares of the Company ranking in priority to the Super Voting Shares. Any amounts herein shall be subject to appropriate adjustments in the event of any stock splits, consolidations or the like.

27.4 Dividend Rights

The Super Voting Holders shall ~~subject to the prior rights of the holders of any shares of the Company ranking in priority to the Super Voting Shares,~~ subject to the prior rights of the holders of any shares of the Company ranking in priority to the Super Voting Shares, have the right to receive dividends, out of any cash or other assets legally available therefor, *pari passu* (on an as converted basis, assuming conversion of all Super Voting Shares into Subordinate Voting Shares at the applicable Conversion Ratio and ignoring any limitations on conversion under Section 27.7) as to dividends and any declaration or payment of any dividend on the Subordinate Voting Shares.

27.5 Liquidation Rights

- (a) In the event of any Liquidation Event (as defined below), either voluntary or involuntary, the holders of Super Voting Shares shall subject to the prior rights of the holders of any shares of the Company ranking in priority to the Super Voting Shares, be entitled to receive the assets of the Company available for distribution to shareholders, distributed among the holders of Super Voting Shares on a pro rata basis based on the number of Super Voting Shares (on an as converted to Subordinate Voting Shares basis, assuming conversion of all Super Voting Shares into Subordinate Voting Shares at the applicable Conversion Ratio and ignoring any limitations on conversion under Section 27.7) issued and outstanding on the record date.
- (b) For purposes of this Section 27.5, a “**Liquidation Event**” shall include (i) any voluntary or involuntary liquidation, dissolution or winding up of the Company, including any event determined by the Board of Directors of the Company to constitute a Liquidity Event requiring the liquidation, dissolution or winding up of the Company; (ii) the acquisition of the Company by another entity by means of any transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation but, excluding any transaction effected exclusively for the purpose of changing the domicile of the Company or determined by the Board of Directors of the Company not to constitute a Liquidation Event); (iii) a sale of all or substantially all of the assets of the Company; unless, in the case of (ii) or (iii), the Company’s shareholders of record as constituted immediately prior to such acquisition or sale will, immediately after such acquisition or sale (by virtue of securities issued as consideration for the Company’s acquisition or sale or otherwise) hold at least 50% of the voting power of the surviving or acquiring entity or the Board of Directors of the Company otherwise determines that such transaction does not constitute a Liquidation Event.

27.6 Conversion

Subject to the Conversion Limitations set forth in Section 27.7, Super Voting Holders shall have conversion rights as follows (the “**Conversion Rights**”):

- (a) Right to Convert. Each Super Voting Share shall be convertible, at the option of the Super Voting Holder thereof, at any time after the date of issuance of such share at the office of the Company or any transfer agent for such shares, into such number of fully paid and non-assessable Subordinate Voting Shares as is determined by multiplying the number of Super Voting Shares by the Conversion Ratio applicable to such share, determined as hereafter provided, in effect on the date the Super Voting Share is surrendered for conversion. Each Super Voting Share shall be convertible into 100 Subordinate Voting Shares (“**Conversion Ratio**”), provided, however, that the Conversion Ratio shall be subject to adjustment as set forth in Sections 27.6(e) and (f).
- (b) Automatic Conversion. Each Super Voting Share shall automatically be converted without further action by the Super Voting Holder into Subordinate Voting Shares at the applicable Conversion Ratio immediately upon the earlier of:
- (i) a Liquidation Event; or
 - (ii) the date specified by the written consent or affirmative Super Majority Vote of the then outstanding aggregate number of Super Voting Shares.
- (c) Automatic Conversion upon Certain Transfers. A Super Voting Share shall automatically be converted without further action by the holder thereof into one Subordinate Voting Share upon the transfer by the holder thereof to anyone other than (i) another Initial Super Voting Holder, an immediate family member of an Initial Super Voting Holder or a

transfer for purposes of estate or tax planning to a company or person that is wholly beneficially owned by an Initial Super Voting Holder or immediate family members of an Initial Super Voting Holder or which an Initial Super Voting Holder or immediate family members of an Initial Super Voting Holder are the sole beneficiaries thereof; or (ii) a party approved by the Company. For the purposes hereof, “**Initial Super Voting Holder**” means James Cacioppo, Erich Mauff and Louis Jonathan Barack.

- (d) Mechanics of Conversion. Before any Super Voting Holder shall be entitled to convert Super Voting Shares into Subordinate Voting Shares, the Super Voting Holder shall surrender the certificate or certificates therefor, duly endorsed, or the electronic evidence therefor, at the office of the Company or of any transfer agent for Subordinate Voting Shares, and shall give written notice to the Company at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates or electronic evidence of Subordinate Voting Shares are to be issued (each, a “**Conversion Notice**”). The Company shall (or shall cause its transfer agent to), as soon as practicable thereafter, issue and deliver at such office to such Super Voting Holder, or to the nominee or nominees of such holder, a certificate or certificates or electronic evidence of the number of Subordinate Voting Shares to which such holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the Super Voting Shares to be converted, and the person or persons entitled to receive the Subordinate Voting Shares issuable upon such conversion shall be treated for all purposes as the record holder or holders of such Subordinate Voting Shares as of such date.
- (e) Adjustments for Distributions. In the event the Company shall declare a distribution to Subordinate Voting Holders payable in securities of other persons, evidences of indebtedness issued by the Company or other persons, assets (excluding cash dividends) or options or rights not otherwise causing adjustment to the Conversion Ratio (a “**Distribution**”), then, in each such case for the purpose of this Section 27.6(e), the Super Voting Holders shall be entitled to a proportionate share of any such Distribution as though they were the holders of the number of Subordinate Voting Shares into which their Super Voting Shares are convertible as of the record date fixed for the determination of the Subordinate Voting Holders entitled to receive such Distribution.
- (f) Recapitalizations; Stock Splits. If at any time or from time-to-time, the Company shall (i) effect a recapitalization of the Subordinate Voting Shares; (ii) issue Subordinate Voting Shares as a dividend or other distribution on outstanding Subordinate Voting Shares; (iii) subdivide the outstanding Subordinate Voting Shares into a greater number of Subordinate Voting Shares; (iv) consolidate the outstanding Subordinate Voting Shares into a smaller number of Subordinate Voting Shares; or (v) effect any similar transaction or action that does not itself also require adjustment to the Conversion Ratio (each, a “**Subordinate Voting Share Recapitalization**”), the Conversion Ratio of the Super Voting Shares shall be multiplied by a fraction of which the numerator shall be the number of Subordinate Voting Shares outstanding immediately after such event and of which the denominator shall be the number of Subordinate Voting Shares outstanding immediately before such event. After any Subordinate Voting Share Recapitalization, the provisions of Section 27.6 (including adjustment of the Conversion Ratio then in effect and the number of Subordinate Voting Shares acquirable upon conversion of Super Voting Shares) shall be applied in a manner such that the rights of the Super Voting Holders, Multiple Voting Holders and Subordinate Voting Holders are as equivalent as practicable to such rights prior to such Subordinate Voting Share Recapitalization. If at

any time or from time-to-time, the Company shall (i) effect a recapitalization of the Super Voting Shares; (ii) issue Super Voting Shares as a dividend or other distribution on outstanding Super Voting Shares; (iii) subdivide the outstanding Super Voting Shares into a greater number of Super Voting Shares; (iv) consolidate the outstanding Super Voting Shares into a smaller number of Super Voting Shares; or (v) effect any similar transaction or action that does not itself also require adjustment to the Conversion Ratio (each, a “**Super Voting Share Recapitalization**”), the Conversion Ratio for such shares subject to such event shall be multiplied by a fraction of which the numerator shall be the number of Super Voting Shares outstanding immediately before such event and of which the denominator shall be the number of Super Voting Shares outstanding immediately after such event. After any Super Voting Share Recapitalization, the provisions of Section 27.6 (including adjustment of the Conversion Ratio then in effect and the number of Subordinate Voting Shares acquirable upon conversion of Super Voting Shares) shall be applied in a manner such that the rights of the Super Voting Holders, Multiple Voting Holders and Subordinate Voting Holders are as equivalent as practicable to such rights prior to such Super Voting Share Recapitalization.

- (g) No Impairment. The Company will not, by amendment of its notice of articles or articles or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by it, but will at all times in good faith assist in the carrying out of all the provisions of this Section 27.6 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the Super Voting Holders against impairment.
- (h) No Fractional Shares and Certificates as to Adjustments. No fractional Subordinate Voting Shares shall be issued upon the conversion of any Super Voting Shares and the number of Subordinate Voting Shares to be issued shall be rounded up to the nearest whole Subordinate Voting Share. Whether or not fractional Subordinate Voting Shares are issuable upon such conversion shall be determined on the basis of the total number of Super Voting Shares the Super Voting Holder is at the time converting into Subordinate Voting Shares and the number of Subordinate Voting Shares issuable upon such aggregate conversion.
- (i) Adjustment Notice. Upon the occurrence of each adjustment or readjustment of the Conversion Ratio pursuant to this Section 27.6, the Company, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each Super Voting Holder a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Company shall, upon the written request at any time of any Super Voting Holder, furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment and readjustment, (B) the Conversion Ratio at the time in effect, and (C) the number of Subordinate Voting Shares and the amount, if any, of other property which at the time would be received upon the conversion of a Super Voting Share.
- (j) Effects of Conversion. All Super Voting Shares which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the time of conversion (the “**Conversion Time**”), except only the right of the holders thereof to

receive Subordinate Voting Shares in exchange therefor and to receive payment in lieu of any fraction of a share otherwise issuable upon such conversion.

- (k) Notices of Record Date. Except as otherwise provided under applicable law, in the event of any taking by the Company of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of any class or any other securities or property, or to receive any other right, the Company shall mail to each Super Voting Holder, at least 20 days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution or right.
- (l) Conversion Upon an Offer: In addition to the conversion rights set out in this Section 27.6, in the event that (1) an offer is made to purchase Subordinate Voting Shares, and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange, if any, on which the Subordinate Voting Shares are then listed, to be made to all or substantially all the Subordinate Voting Holders in a province or territory of Canada to which the requirement applies, and (2) a concurrent equivalent offer is not made in respect of the Super Voting Shares, then each Super Voting Share shall become convertible at the option of the holder into Subordinate Voting Shares at the Conversion Ratio then in effect, at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right in this Section 27.6(l), may only be exercised in respect of Super Voting Shares for the purpose of depositing the resulting Subordinate Voting Shares under the offer, and for no other reason and shall not provide the Super Voting Holder any beneficial ownership of Subordinate Voting Shares but rather only in the consideration to be provided under the offer. In such event, the transfer agent for the Subordinate Voting Shares shall deposit under the offer the resulting Subordinate Voting Shares, on behalf of the holder.

To exercise such conversion right, the holder or his or its attorney duly authorized in writing shall:

- (1) give written notice to the transfer agent of the exercise of such right, and of the number of Super Voting Shares in respect of which the right is being exercised;
- (2) deliver to the transfer agent the share certificate or certificates representing the Super Voting Shares in respect of which the right is being exercised, if applicable; and
- (3) pay any applicable stamp tax or similar duty on or in respect of such conversion.

No share certificates representing the Subordinate Voting Shares resulting from the conversion of the Super Voting Shares will be delivered to the holders on whose behalf such deposit is being made. For Super Voting Shares held by, or for the account or benefit of, a person resident in the United States, conversion will be subject to compliance with the registration requirements of the *U.S. Securities Act* and any applicable securities laws of any state of the United States or an available exemption therefrom and the Company or the transfer agent may request such additional documentation necessary to reasonably evidence such compliance or exemption. If Subordinate Voting Shares resulting from the conversion and deposited pursuant to the

offer are withdrawn by the holder or are not taken up by the offeror, or the offer is abandoned, withdrawn or terminated by the offeror or the offer otherwise expires without such Subordinate Voting Shares being taken up and paid for, the Subordinate Voting Shares resulting from the conversion will be automatically re-converted into Super Voting Shares at the inverse of Conversion Ratio then in effect, shall be deemed to have never been outstanding, and a share certificate representing the Super Voting Shares will be sent to the holder by the transfer agent. In the event that the offeror takes up and pays for the Subordinate Voting Shares resulting from conversion, the transfer agent shall deliver to the holders thereof the consideration paid for such shares by the offeror.

27.7 Conversion Limitations

Before any Super Voting Holder shall be entitled to convert Super Voting Shares into Subordinate Voting Shares, the Board of Directors (or a committee thereof) shall designate an officer of the Company to determine if any Conversion Limitation set forth in this Section 27.7 shall apply to the conversion of Super Voting Shares. For the purposes of this Section 27.7, each of the following is a “**Conversion Limitation**”:

(a) Foreign Private Issuer Protection Limitation. The Company will use commercially reasonable efforts to maintain its status as a “foreign private issuer” (as determined in accordance with Rule 3b-4 under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”)). Accordingly:

(i) 45% Threshold. Except as provided in Section 27.6(b), the Company shall not effect any conversion of Super Voting Shares, and the Super Voting Holders shall not have the right to convert any portion of the Super Voting Shares pursuant to Section 27 or otherwise, to the extent that after giving effect to such issuance after conversions, the aggregate number of Subordinate Voting Shares and Super Voting Shares held of record, directly or indirectly, by residents of the United States (as determined in accordance with Rule 3b-4 under the Exchange Act) would exceed forty five percent (45%) (the “**45% Threshold**”) of the aggregate number of Subordinate Voting Shares, Multiple Voting Shares and Super Voting Shares issued and outstanding (the “**FPI Protective Restriction**”). The board may by resolution increase the 45% Threshold to an amount not to exceed 50% and in the event of any such increase, all references to the 45% Threshold herein shall refer instead to the amended threshold set by such resolution.

(ii) Conversion Limitations. In order to effect the FPI Protective Restriction, each Super Voting Holder will be subject to the 45% Threshold based on the number of Super Voting Shares held by such Super Voting Holder as of the date of the initial issuance of the Super Voting Shares and thereafter at the end of each of the Company’s subsequent second fiscal quarters (each, a “**Determination Date**”), calculated as follows:

$$X = [(A \times 0.45) - B] \times (C/D)$$

Where on the Determination Date:

X = Maximum number of Subordinate Voting Shares available for issuance upon conversion of Super Voting Shares by the Super Voting Holder.

A = The number of Subordinate Voting Shares and Super Voting Shares issued and outstanding on the Determination Date.

B = Aggregate number of Subordinate Voting Shares and Super Voting Shares held of record, directly or indirectly, by residents of the United States (as determined in accordance with Rule 3b-4 under the Exchange Act) on the Determination Date.

C = Aggregate number of Subordinate Voting Shares issuable upon conversion of Super Voting Shares held by the Super Voting Holder on the Determination Date.

D = Aggregate number of all Subordinate Voting Shares issuable upon conversion of Super Voting Shares on the Determination Date.

- (iii) Determination of FPI Protective Restriction. For purposes of subsections 27.7(a)(i) and 27.7(a)(ii), the Board of Directors (or a committee thereof) shall designate an officer of the Company to determine as of each Determination Date: (A) the 45% Threshold and (B) the FPI Protective Restriction. Upon a determination of the 45% Threshold and the FPI Protective Restriction, the Company will provide each Super Voting Holder of record notice of the FPI Protective Restriction within thirty (30) days of the end of each Determination Date (a “**Notice of Conversion Limitation**”). To the extent that the FPI Protective Restriction contained in this Section 27.7(a) applies, the determination of whether Super Voting Shares are convertible shall be in the sole discretion of the Company. For greater certainty, the Company may waive any thresholds that apply to a shareholder, if the aggregate 45% Threshold is met.
- (iv) Disputes. In the event of a dispute as to the number of Subordinate Voting Shares issuable to a Super Voting Holder in connection with a conversion of Super Voting Shares, the Company shall issue to the Super Voting Holder the number of Subordinate Voting Shares not in dispute and resolve such dispute in accordance with Section 27.11.

(b) Beneficial Ownership Restriction.

- (i) Beneficial Ownership. The Company shall not effect any conversion of Super Voting Shares and a Super Voting Holder shall not have the right to convert any portion of its Super Voting Shares, pursuant to Section 27.6 or otherwise, to the extent that after giving effect to such issuance after conversion as set forth on the applicable Conversion Notice, the Super Voting Holder (together with the Super Voting Holder’s Affiliates (each, an “**Affiliate**” as defined in Rule 12b-2 under the Exchange Act), and any other persons acting as a group together with the Super Voting Holder or any of the Super Voting Holder’s Affiliates), would beneficially own in excess of 9.99% of the number of the Subordinate Voting Shares outstanding immediately after giving effect to the issuance of Subordinate Voting Shares issuable upon conversion of the Super Voting Shares subject to the Conversion Notice (the “**Beneficial Ownership Limitation**”).
- (ii) Calculation. For purposes of the foregoing sentence, the number of Subordinate Voting Shares beneficially owned by the Super Voting Holder and its Affiliates shall include the number of Subordinate Voting Shares issuable upon conversion of Super Voting Shares with respect to which such determination is being made,

but shall exclude the number of Subordinate Voting Shares which would be issuable upon (i) convert of the remaining, non-converted portion of Super Voting Shares beneficially owned by the Super Voting Holder or any of its Affiliates and (ii) exercise or conversion of the unexercised or non-converted portion of any other securities of the Company subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Super Voting Holder or any of its Affiliates. In any case, the number of outstanding Subordinate Voting Shares shall be determined after giving effect to the conversion or exercise of securities of the Company, including Super Voting Shares, subject to the Conversion Notice, by the Super Voting Holder or its Affiliates since the date as of which such number of outstanding Subordinate Voting Shares was reported. Except as set forth in the preceding sentence, for purposes of this Section 27.7(b), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder based on information provided by the Super Voting Holder to the Company in the Conversion Notice.

- (iii) Conversion Limitation. To the extent that the limitation contained in this Section 27.7(b) applies and the Company can convert some, but not all, of such Super Voting Shares, submitted for conversion, the Company shall convert Super Voting Shares up to the Beneficial Ownership Limitation in effect, based on the number of Super Voting Shares submitted for conversion on such date. The determination of whether Super Voting Shares are convertible (in relation to other securities owned by the Super Voting Holder together with any Affiliates) and of which Super Voting Shares are convertible shall be in the sole discretion of the Company, and the submission of a Conversion Notice shall be deemed to be the Super Voting Holder's certification as to the Super Voting Holder's beneficial ownership of Subordinate Voting Shares of the Company, and the Company shall have the right, but not the obligation, to verify or confirm the accuracy of such beneficial ownership.
- (iv) Increase of Beneficial Ownership Limitation. The Super Voting Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 27.7(b), provided that the Beneficial Ownership Limitation in no event exceeds 19.99% of the number of the Subordinate Voting Shares outstanding immediately after giving effect to the issuance of Subordinate Voting Shares upon conversion of Super Voting Shares subject to the Conversion Notice and the provisions of this Section 27.7 shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 27.7 to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor Super Voting Holder.

27.8 Pre-Emptive Rights

The holders of Super Voting Shares shall have no pre-emptive rights.

27.9 Notices

Any notice required by the provisions of these Special Rights and Restrictions to be given to the Super Voting Holders shall be deemed given if deposited in the mail or courier, postage prepaid, and addressed to each holder of record at his address appearing on the books of the Company.

27.10 Status of Converted Super Voting Shares

Any Super Voting Share converted shall be retired and cancelled and may not be reissued as shares of such series or any other class or series, and the Company may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of Super Voting Shares accordingly.

27.11 Disputes

Any Super Voting Holder that beneficially owns more than 5% of the issued and outstanding Super Voting Shares may submit a written dispute as to the determination of the Conversion Ratio or the arithmetic calculation of the Conversion Ratio, 45% Threshold, FPI Protective Restriction or the Beneficial Ownership Limitation by the Company to the Board of Directors with the basis for the disputed determinations or arithmetic calculations. The Company shall respond to the Super Voting Holder within five (5) Business Days of receipt, or deemed receipt, of the dispute notice with a written calculation of the Conversion Ratio, 45% Threshold, FPI Protective Restriction or the Beneficial Ownership Limitation, as applicable. If the Super Voting Holder and the Company are unable to agree upon such determination or calculation of the Conversion Ratio, 45% Threshold, FPI Protective Restriction or the Beneficial Ownership Limitation, as applicable, within five (5) Business Days of such response, then the Company and the Super Voting Holder shall, within one (1) Business Day thereafter submit the disputed arithmetic calculation of the Conversion Ratio, 45% Threshold, FPI Protective Restriction or the Beneficial Ownership Limitation to the Company's independent, outside accountant. The Company, at the Company's expense, shall cause the accountant to perform the determinations or calculations and notify the Company and the Super Voting Holder of the results no later than five (5) Business Days from the time it receives the disputed determinations or calculations. Such accountant's determination or calculation, as the case may be, shall be binding upon all parties absent demonstrable error.

28. FORUM FOR ADJUDICATION OF CERTAIN DISPUTES

28.1 Forum for Adjudication of Certain Disputes.

Unless the ~~Corperation~~-Company consents in writing to the selection of an alternative forum, the Supreme Court of the Province of British Columbia, Canada and the appellate Courts therefrom (collectively, the “**Courts**”) shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director or officer of the ~~Corperation~~-Company to the ~~Corperation~~Company, (iii) any action asserting a claim arising pursuant to any provision of the *Business Corporations Act* or the notice of articles or articles of the ~~Corperation~~-Company (as either may be amended from time to time); or (iv) any action asserting a claim otherwise related to the relationships among the Corporation, its affiliates and their respective shareholders, directors and/or officers, but this paragraph (iv) does not include claims related to the business carried on by the ~~Corperation~~-Company or such affiliates.

If any action the subject matter of which is within the scope of the preceding sentence is filed in a court other than a court located within the Province of British Columbia (a “**Foreign Action**”) in the name of any registered or beneficial shareholder, such registered or beneficial shareholder shall be deemed to have consented to (i) the personal jurisdiction of the Courts in connection with any action brought in any such Court to enforce the foregoing exclusive forum provision (an “**Enforcement Action**”), and (ii) having service of process made upon such registered or beneficial shareholder in such Enforcement Action by service upon such registered or beneficial shareholder’s counsel in the Foreign Action as agent of the shareholder.

29. ADDITIONAL RIGHTS PRIVILEGES, RESTRICTIONS AND CONDITIONS APPLICABLE TO EQUITY SHARES

29.1 Rights, Privileges, Restrictions and Conditions Applicable to Equity Shares.

- (a) For the purposes of this Section 29, the following terms will have the meaning specified below:

“**Applicable Price**” means a price per Equity Share determined by the board of directors, but not less than 95% of the lesser of: (i) the Closing Market Price of the Subordinate Voting Shares on the Exchange; and (ii) the five-day volume weighted average price of the Subordinate Voting Shares on the Exchange for the five trading days immediately prior to the closing of the Redemption or Transfer (or the average of the last bid and last asking prices if there was no trading on the specified dates). Notwithstanding the foregoing, if the Subordinate Voting Shares are not traded or quoted for trading on the Exchange or any other marketplace, the Applicable Price may be determined by the board of directors in its sole discretion;

“**Business**” means the conduct of any activities relating to the cultivation, manufacturing and dispensing of cannabis and cannabis-derived products, including in the United States or elsewhere, which include the owning and operating of cannabis licenses;

“**Closing Market Price**” shall be: (i) an amount equal to the closing price of the Subordinate Voting Shares on the trading day immediately prior to the closing of the Redemption or Transfer if there was a trade on the specified date and the applicable exchange or market provides a closing price; or (ii) an amount equal to the average of the last bid and last asking prices of the Subordinate

Voting Shares on the trading day immediately prior to the closing of the Redemption or Transfer if there was no trading on the applicable date;

“**Determination Date**” means the date on which the Company provides written notice to any shareholder that the board of directors has determined that such shareholder is an Unsuitable Person;

“**Equity Shares**” means, collectively, the Subordinate Voting Shares, Multiple Voting Shares, [Preferred Shares](#) and Super Voting Shares;

“**Exchange**” means the Canadian Securities Exchange or the then principal marketplace on which the Subordinate Voting Shares are listed or quoted for trading, if any;

“**Governmental Authority**” or “**Governmental Authorities**” means any United States or foreign, federal, provincial, state, county, regional, local or municipal government, any agency, administration, board, bureau, commission, department, service, or other instrumentality or political subdivision of the foregoing, and any Person with jurisdiction exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government or monetary policy (including any court or arbitration authority) and any Exchange;

“**Licenses**” means all licenses, permits, approvals, orders, authorizations, registrations, findings of suitability, franchises, exemptions, waivers and entitlements issued by a Governmental Authority to or for the benefit of the Company or any affiliate required for, or relating to, the conduct of the Business;

“**Outstanding Equity Shares**” means the sum of: (i) the issued and outstanding Subordinate Voting Shares; (ii) the number of Subordinate Voting Shares into which the issued and outstanding Super Voting Shares may be converted; and (iii) the number of Subordinate Voting Shares into which the issued and outstanding Multiple Voting Shares may be converted;

“**Ownership**” (and derivatives thereof) means (i) ownership of record as evidenced in the Company’s central securities register, (ii) “beneficially own” as defined in Section 1 of the *Business Corporations Act*, or (iii) the power to exercise control or direction over a security;

“**Person**” means an individual, partnership, corporation, company, limited or unlimited liability company, trust or any other entity;

“**Redemption**” has the meaning ascribed thereto in Section 29([h.1\(h\)](#));

“**Redemption Date**” means the date on which the Company will redeem and pay for the Equity Shares pursuant to Section 29. The Redemption Date will be not less than thirty (30) Trading Days following the date of the Redemption Notice unless a Governmental Authority requires that the Equity Shares be redeemed as of an earlier date or the board of directors determines in its reasonable discretion that the Equity Shares be redeemed as of an earlier date, in which case, the Redemption Date will be such earlier date and if there is an outstanding Redemption Notice, the Company will issue an amended Redemption Notice reflecting the new Redemption Date forthwith;

“**Redemption Notice**” has the meaning ascribed thereto in Section 29([f.1\(i\)](#));

“**Significant Interest**” means Ownership of five percent (5%) or more of the Outstanding Equity Shares, including through acting jointly or in concert with another shareholder, or such other number of Equity Shares as is determined by the board of directors from time to time;

“**Subject Shareholder**” means a Person, a group of Persons acting jointly or in concert or a group of Persons who the board of directors reasonably determines are acting jointly or in concert;

“**Trading Day**” means a day on which trades of any class of the Equity Shares are executed on the Exchange or any other stock exchange on which the Equity Shares are listed or quoted for trading;

“**Transfer**” has the meaning ascribed thereto in Section 29(~~h~~.1(h));

“**Transfer Date**” means the date on which a Transfer of Equity Shares required by the Company is required to be completed by the Company;

“**Transfer Notice**” has the meaning ascribed thereto in Section 29(~~h~~.1(i));

“**Transferred Share**” has the meaning ascribed thereto in Section 29(~~h~~.1(h)); and

“**Unsuitable Person**” means:

- (i) any Person (including a Subject Shareholder) with a Significant Interest who a Governmental Authority granting the Licenses has determined to be unsuitable to own Equity Shares;
 - (ii) any Person (including a Subject Shareholder) with a Significant Interest whose ownership of Equity Shares may result in the loss, suspension or revocation (or similar action) with respect to any Licenses or may result ~~in~~ in the Company or any affiliate being unable to obtain any new Licenses in the normal course, including, but not limited to, as a result of such Person’s failure to apply for a suitability review from or to otherwise fail to comply with the requirements of a Governmental Authority, all as determined by the board of directors; or
 - (iii) any Person who has not been determined by the applicable Governmental Authority to be an acceptable Person or otherwise have not received the requisite consent of such Governmental Authority to own the Equity Shares within a reasonable period of time acceptable to the board of directors or prior to acquiring any Equity Shares, as applicable.
- (b) Subject to Section 29(~~d~~.1(d)), no Subject Shareholder may acquire Equity Shares that would result in the holding of a Significant Interest, directly or indirectly, in one or more transactions, without providing not less than 30 days’ advance written notice (or such shorter period as the board of directors may approve) to the Company by written notice to the Company’s head office to the attention of the secretary of the Company and without having received all required approvals from all Governmental Authorities.
- (c) If the board of directors reasonably believes that a Subject Shareholder may have failed to comply with any of the provisions of Section 29(~~b~~.1(b)), the Company may, without prejudice to any other remedy hereunder, apply to the Supreme Court of British Columbia or another court of competent jurisdiction for an order directing that the Subject Shareholder disclose the number of Equity Shares Owned.
- (d) The provisions of Sections ~~28(b)~~29.1(b)– and ~~28(e)~~29.1(c) will not apply to the Ownership, acquisition or disposition of Equity Shares as a result of:

- (i) any transfer of Equity Shares occurring by operation of bankruptcy or insolvency law including, inter alia, the transfer of Equity Shares of the Company to a trustee in bankruptcy;
 - (ii) an acquisition or proposed acquisition by one or more underwriters or portfolio managers who hold Equity Shares for the purposes of distribution to the public or for the benefit of a third party provided that such third party is in compliance with Section 29~~(b)~~.1(b);
 - (iii) the holding by a recognized clearing agency or recognized depository in the ordinary course of its business; or
 - (iv) the conversion, exchange or exercise of securities of the Company or an affiliate (other than the Equity Shares) duly issued or granted by the Company or an affiliate, into or for Equity Shares, in accordance with their respective terms.
- (e) At the option of the Company and upon determination by the board of directors that an Unsuitable Person has not received the requisite approval of any Governmental Authority to own the Equity Shares, the Company may issue a notice prohibiting any Unsuitable Person owning Equity Shares from exercising any voting rights with respect to such Equity Shares and on and after the Determination Date specified therein, and/or providing that such holder will cease to have any rights whatsoever with respect to such Equity Shares, including any rights to the receipt of dividends from the Company, other than the right to receive the Applicable Price, without interest, on the Redemption Date or the Transfer Date, as applicable; provided, however, that if any such Equity Shares come to be owned solely by Persons other than an Unsuitable Person (such as by transfer of such Equity Shares to a liquidating trust, subject to the approval of the board of directors and any applicable Governmental Authority), such Persons may, in the discretion of the board of directors, exercise the voting and/or other rights attached to such Equity Shares and the board of directors may determine, in its sole discretion, not to redeem or require the Transfer of such Equity Shares.
- (f) Notwithstanding anything to the contrary contained herein, all transfers of Super Voting Shares and Multiple Voting Shares are subject to the other provisions of these Articles.
- (g) Following any Redemption in accordance with the terms of this Section 29, the redeemed Equity Shares will be cancelled.
- (h) At the option, but not obligation, of the Company, and at the discretion of the board of directors, any Equity Shares directly or indirectly owned by an Unsuitable Person may be (i) redeemed by the Company (for the Applicable Price) out of funds lawfully available on the Redemption Date (a "**Redemption**"), or (ii) required to be transferred to a third party for the Applicable Price and on such terms and conditions as the board of directors may direct (a "**Transfer**", and each Equity Share subject to a Transfer, a "**Transferred Share**"). Equity Shares to be redeemed or mandatorily transferred pursuant to this section will be redeemed or mandatorily transferred at any time and from time to time pursuant to the terms hereof.
- (i) In the case of a Redemption, the Company will send a written notice to the holder of the Equity Shares called for Redemption, which will set forth: (i) the Redemption Date, (ii) the number of Equity Shares to be redeemed on the Redemption Date, (iii) the Applicable Price or the formula pursuant to which the Applicable Price will be determined and the manner of payment therefor, (iv) the place where such Equity Shares (or certificate

- therefor, as applicable) must be surrendered, or accompanied by proper instruments of transfer (and if so determined by the board of directors, together with a medallion signature guarantee), and (v) any other requirement of surrender of the Equity Shares to be redeemed (the “**Redemption Notice**”). The Redemption Notice may be conditional such that the Company need not redeem the Equity Shares owned by an Unsuitable Person on the Redemption Date if the board of directors determines, in its sole discretion, that such Redemption is no longer advisable or necessary on or before the Redemption Date. If applicable, the Company will send a written notice confirming the amount of the Applicable Price promptly following the determination of such Applicable Price.
- (j) Upon receipt by the Unsuitable Person of a Redemption Notice in accordance with Section 29(4.1(i)) and surrender of the relevant Equity Share certificate, if applicable, the holder of the Equity Shares tendered for redemption (together with the applicable transfer documents) shall be entitled to receive the Applicable Price per redeemed Equity Share.
- (k) The Applicable Price payable in respect of the Equity Shares surrendered for Redemption during any calendar month shall be satisfied by way of cash payment no later than the last day of the calendar month following the month in which the Equity Shares were tendered for Redemption. Payments made by the Company of the cash portion of the Applicable Price, less any applicable taxes and any costs to the Company of the Redemption, are conclusively deemed to have been made upon the mailing of a cheque in a postage prepaid envelope addressed to the Unsuitable Person unless such cheque is dishonoured upon presentment. Upon such payment, the Company shall be discharged from all liability to the former Unsuitable Person in respect of the redeemed Equity Shares.
- (l) In the case of a required Transfer, the Company will send a written notice to the holder of the Equity Shares in question, which will set forth: (i) the Transfer Date, (ii) the number of Equity Shares to be Transferred on the Transfer Date, (iii) the Applicable Price or the formula pursuant to which the Applicable Price will be determined and the manner of payment therefor, (iv) the place where such Equity Shares (or certificate therefor, as applicable) must be surrendered, accompanied by proper instruments of transfer (and if so determined by the board of directors, together with a medallion signature guarantee), and (v) any other requirement in respect of the Equity Shares to be Transferred, which may without limitation include a requirement to dispose of the Equity Shares via the Exchange to a Person who would not be in violation of the provisions of this Section 29(4.1(i)) (the “**Transfer Notice**”). The Transfer Notice may be conditional such that the Company need not require the Transfer of the Equity Shares owned by an Unsuitable Person on the Transfer Date if the board of directors determines, in its sole discretion, that such Transfer is no longer advisable or necessary on or before the Transfer Date. If applicable, the Company will send a written notice confirming the amount of the Applicable Price promptly following the determination of such Applicable Price.
- (m) Upon receipt by the Unsuitable Person of a Transfer Notice in accordance with Section 29(4.1(i)) and surrender of the relevant Equity Share certificate, if applicable (together with applicable Transfer documents), the holder of the Equity Shares tendered for Transfer shall be entitled to receive the Applicable Price per Transferred Share.
- (n) The Applicable Price payable in respect of the Equity Shares surrendered for Transfer during any calendar month shall be satisfied, less any costs to the Company of the Transfer, by way of cash payment no later than the last day of the calendar month following the month in which the Equity Shares were tendered for Transfer. Payments made by the Company of the cash portion of the Applicable Price, less any applicable taxes and any costs to the Company of the Transfer, are conclusively deemed to have been made upon

the mailing of a cheque in a postage prepaid envelope addressed to the Unsuitable Person unless such cheque is dishonoured upon presentment. Upon such payment, the Company shall be discharged from all liability to the former Unsuitable Person in respect of the Transferred Shares.

- (o) If Equity Shares are required to be Transferred under Section 29(4.1(i)), the former owner of the Equity Shares immediately before the Transfer shall by that Transfer be divested of their interest or right in the Equity Shares, and the Person who, but for the Transfer, would be the registered owner of the Equity Shares or a Person who satisfies the Company that, but for the Transfer, they could properly be treated as the registered owner or registered holder of the Equity Shares shall, from the time of the Transfer, be entitled to receive only the Applicable Price per Transferred Share, without interest, less any applicable taxes and any costs to the Company of the Transfer.
- (p) Following the sending of any Redemption Notice or Transfer Notice, and prior to the completion of the Redemption or Transfer specified therein, the Company may refuse to recognize any other disposition of the Equity Shares in question.
- (q) If the Company does not know the address of the former holder of Equity Shares Transferred or Redeemed hereunder, it may retain the amount payable to the former holder thereof, title to which shall revert to the Company if not claimed within two (2) years (and at that time all rights thereto shall belong to the Company).
- (r) To the extent required by applicable laws, the Company may deduct and withhold any tax from the Applicable Price. To the extent any amounts are so withheld and are timely remitted to the applicable Governmental Authority, such amounts shall be treated for all purposes herein as having been paid to the Person in respect of which such deduction and withholding was made.
- (s) All notices given by the Company to holders of Equity Shares pursuant to this Schedule, including a Redemption Notice or Transfer Notice, will be in writing and will be deemed given when delivered by personal service, overnight courier or first-class mail, postage prepaid, to the holder's registered address as shown on the Company's share register.
- (t) The Company's right to Redeem or Transfer Equity Shares pursuant to this Section 29 will not be exclusive of any other right the Company may have or hereafter acquire under any agreement or any provision of the notice of articles or the articles of the Company or otherwise with respect to the Equity Shares or any restrictions on holders thereof.
- (u) In connection with the conduct of its or its affiliates' Business, the Company may require that a Subject Shareholder provide to one or more Governmental Authorities, if and when required, information and fingerprints for a criminal background check, individual history form(s), and other information required in connection with applications for Licenses.
- (v) The board of directors can waive any provision of this Section 29 in its sole discretion.
- (w) In the event that any provision (or portion of a provision) of this Section 29 or the application thereof becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of Section 29 (including the remainder of such provision, as applicable) will continue in full force and effect.
- (x) In the administration of the provisions of these Articles, the board of directors shall have, in addition to the powers set forth herein, all of the powers necessary or desirable, in their opinion, to carry out the intent and purpose of these Articles.

- (y) Wherever in these Articles it is necessary to determine the opinion of the board of directors of directors, such opinion shall be expressed and conclusively evidenced by a resolution of the board of directors duly adopted, including a resolution in writing executed pursuant these Articles and the *Business Corporations Act*.
- (z) No shareholder of the Company nor any other Person claiming an interest in shares of the Company shall have any claim or action against the Company or against any director or officer of the Company, and the Company shall have no claim or action against any director or officer of the Company, arising out of any act (including any omission to act) taken by any such director or officer pursuant to, or in intended pursuance of, the provisions of these articles or any breach or alleged breach of such provisions.

30. SPECIAL RIGHTS AND RESTRICTIONS ATTACHING TO THE PREFERRED SHARES

The Preferred Shares of the Company, without nominal or par value, shall have attached thereto the special rights and restrictions as set forth below:

30.1 Issuable in Series

The Preferred Shares may at any time and from time to time be issued in one or more series.

30.2 Name, Number and Special Rights and Restrictions of Preferred Shares

Subject to the *Business Corporations Act*, the board may from time to time, by directors' resolution, if none of the Preferred Shares of any particular series are issued, alter these Articles and authorize the alteration of the Notice of Articles of the Company, as the case may be, to do one or more of the following:

- (1) determine the maximum number of shares of any of those series of Preferred Shares that the Company is authorized to issue, determine that there is no such maximum number, or alter any determination made under this paragraph (i) or otherwise in relation to a maximum number of those shares;
- (2) create an identifying name by which the shares of any of those series of Preferred Shares may be identified, or alter any identifying name created for those shares; and
- (3) attach special rights or restrictions to the shares of any of those series of Preferred Shares or alter any special rights or restrictions attached to those shares, including, but without limiting or restricting the generality of the foregoing, special rights or restrictions with respect to:
 - (a) the rate, amount, method of calculation and payment of any dividends, whether cumulative, partly cumulative or non-cumulative, and whether such rate, amount, method of calculation or payment is subject to change or adjustment in the future;
 - (b) any rights upon a dissolution, liquidation or winding-up of the Company or upon any other return of capital or distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs;
 - (c) any rights of redemption, retraction or purchase for cancellation and the prices and terms and conditions of any such rights;
 - (d) any rights of conversion, exchange or reclassification and the terms and conditions of any such rights;

- (e) any voting rights and restrictions;
- (f) the terms and conditions of any share purchase plan or sinking fund;
- (g) restrictions respecting payment of dividends on, or the return of capital, repurchase or redemption of, any other shares of the Company; and
- (h) any other special rights or restrictions, not inconsistent with these share provisions, attaching to such series of Preferred Shares.

30.3 Alteration to Rights of Preferred Shares

As long as any Preferred Shares remain outstanding, the Company will not, without the consent of the holders of the Preferred Shares by separate special resolution, prejudice or interfere with any right or special right attached to the Preferred Shares as a class.

30.4 Rank

No special rights or restrictions attached to any series of Preferred Shares will confer upon the shares of that series a priority over the shares of any other series of Preferred Shares in respect of dividends or a return of capital in the event of the dissolution of the Company or on the occurrence of any other event that entitles the shareholders holding the shares of all series of the Preferred Shares to a return of capital. The Preferred Shares of each series will, with respect to the payment of dividends and the distribution of assets or return of capital in the event of dissolution or on the occurrence of any other event that entitles the shareholders holding the shares of all series of the Preferred Shares to a return of capital, rank on a parity with the shares of every other series.

30.5 Class Rights or Restrictions

- (1) Holders of Preferred Shares will be entitled to preference with respect to payment of dividends over the Super Voting Shares, the Multiple Voting Shares, the Subordinate Voting Shares and any other shares ranking junior to the Preferred Shares with respect to payment of dividends.
- (2) In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs, the holders of the Preferred Shares will be entitled to preference over the Super Voting Shares, the Multiple Voting Shares, the Subordinate Voting Shares and any other shares ranking junior to the Preferred Shares with respect to the repayment of capital paid up on and the payment of unpaid dividends accrued on the Preferred Shares.
- (3) The Preferred Shares may also be given such other preferences over the Super Voting Shares, the Multiple Voting Shares, the Subordinate Voting Shares and any other shares ranking junior to the Preferred Shares as may be fixed by directors' resolution as to the respective series authorized to be issued.

Appendix "D"
AMENDMENT RESOLUTION

BE IT RESOLVED as a special resolution that:

1. the authorized share structure of the Corporation be altered by creating an unlimited number of preferred shares without par value, issuable in series (the "**Preferred Shares**");
2. there be created and attached to the Preferred Shares as a class the special rights or restrictions set out in Article 30 of the form of Articles set out in Appendix "C" of the Corporation's management information circular dated May 20, 2022 (the "**Information Circular**");
3. in addition to the foregoing, the articles of the Corporation are authorized to be altered to amend the existing special rights or restrictions attached to all existing classes of shares of the Corporation substantially as set out in Appendix "C" of the Information Circular;
4. the Corporation be authorized to file a Notice of Alteration to reflect the above resolutions and to replace the existing Articles with amended and restated Articles which include all the amendments approved above as set out in Appendix "C" of the Information Circular;
5. any director or officer of the Corporation is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or to cause to be delivered, all such documents, agreements and instruments, and to do or to cause to be done all such other acts and things, as such person determines to be necessary or desirable or required by any regulatory authority in order to carry out the intent of this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing;
6. notwithstanding that this resolution shall have been passed by the shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered, without any further approval of the shareholders of the Corporation to revoke this resolution at any time and not proceed with the foregoing if such revocation is considered necessary or desirable by the directors; and
7. the alterations to the Articles approved above will not take effect until the Notice of Articles is altered to reflect such alterations.

Appendix "E"
AUDIT COMMITTEE CHARTER

See attached.

JUSHI HOLDINGS INC.

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

1. Purpose of this Charter

The Audit Committee (the “**Committee**”) is a standing committee of the board of directors (the “**Board**”) of Jushi Holdings Inc. (“**Jushi**”). The Committee is appointed by the Board to assist the Board in fulfilling its oversight responsibilities relating to financial accounting, reporting and internal controls for the Company. This Charter shall govern the operations of the Committee.

The Committee’s primary duties and responsibilities are to:

- (a) conduct such reviews and discussions with management and the external auditors relating to the audit and financial reporting as are deemed appropriate by the Committee;
- (b) assess the integrity of internal controls and financial reporting procedures of the Company and ensure implementation of such controls and procedures;
- (c) review the interim and annual financial statements and management’s discussion and analysis of the Company’s financial position and operating results and in the case of the annual financial statements and related management’s discussion and analysis, report thereon to the Board for approval of same;
- (d) select and monitor the independence and performance of the Company’s external auditors, including attending at private meetings with the external auditors and reviewing and approving all renewals or dismissals of the external auditors and their remuneration; and
- (e) provide oversight of all disclosure relating to, and information derived from, financial statements and management’s discussion and analysis.

The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may request the external auditors, as well as any officer of the Company, or outside counsel for the Company, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee shall have unrestricted access to the books and records of the Company and has the authority to retain, at the expense of the Company, special legal, accounting, or other consultants or experts to assist in the performance of the Committee’s duties.

The Committee shall review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board for approval.

In fulfilling its responsibilities, the Committee will carry out the specific duties set out in Part 4 of this Charter.

2. Authority of the Audit Committee

The Committee shall have the authority to:

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;

- (b) set and pay the compensation for advisors employed by the Committee; and
- (c) communicate directly with the internal and external auditors of the Company.

3. Composition and Meetings

- (a) The Committee shall be composed of three or more directors as shall be designated by the Board from time to time. Unless a Chair is elected by the Board, the members of the Committee shall designate from amongst themselves by majority vote of the full Committee a member who shall serve as Chair. The position description and responsibilities of the Chair are set out in Schedule "A" attached hereto.
- (b) The Committee and its membership shall meet all applicable legal, regulatory and listing requirements, including, without limitation, those of the Ontario Securities Commission ("**OSC**"), any exchange upon which the securities of the Company are listed, the *Business Corporations Act* (British Columbia) and all applicable securities regulatory authorities. Each of the members of the Committee shall be "independent" and "financially literate". An "independent" director is a director who has no direct or indirect material relationship with the Company. A "material relationship" is a relationship which, in the view of the Board, could be reasonably expected to interfere with the exercise of the director's independent judgement or a relationship deemed to be a material relationship pursuant to Sections 1.4 and 1.5 of National Instrument 52-110 — *Audit Committees*, as set out in Schedule "B" hereto. A "financially literate" director is a director who has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the accounting issues that can be reasonably expected to be raised in the Company's financial statements.
- (c) Each member of the Committee shall serve at the pleasure of the Board. The Committee shall report to the Board.
- (d) The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements. A minimum of two and at least 50% of the members of the Committee present, either in person or by telephone, shall constitute a quorum.
- (e) If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the next business day following the date of such meeting at the same place. If at the adjourned meeting a quorum is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum is not present, the quorum for the adjourned meeting shall consist of the members then present (a "**Reduced Quorum**").
- (f) If, and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office or a Reduced Quorum is present in respect of a specific Committee meeting.
- (g) The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other means of communication, by giving at least 48 hours' notice, provided that no notice of a

meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.

- (h) Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for the purposes hereof, to be present in person at the meeting.
- (i) The Committee shall keep minutes of its meetings. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.
- (j) Any director of the Company may attend meetings of the Committee, and the Committee may invite such officers and employees of the Company and its subsidiaries as the Committee may see fit, from time to time, to attend at meetings of the Committee.
- (k) Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. The Committee shall report its determinations to the Board at the next scheduled meeting of the Board, or earlier as the Committee deems necessary.
- (l) The Committee members will be appointed annually at the first meeting of the Board following the annual general meeting of shareholders.
- (m) The Board may at any time amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.

4. Responsibilities

- (a) Financial Accounting and Reporting Process and Internal Controls
- i. The Committee shall review the annual audited and interim financial statements and related management's discussion and analysis before the Company publicly discloses this information to satisfy itself that the financial statements are presented in accordance with applicable accounting principles and in the case of the annual audited financial statements and related management's discussion and analysis, report thereon and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. With respect to the annual audited financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the external auditors as and when the Committee deems it appropriate to do so. The Committee shall consider whether the Company's financial disclosures are complete, accurate, prepared in accordance with International Financial Reporting Standards and fairly present the financial position of the Company. The Committee shall also satisfy itself that, in the case of the annual financial statements, the audit function has been effectively carried out by the auditors and, in the case of the interim financial statements, that the review function has been effectively carried out.
 - ii. The Committee shall review and assess the adequacy and effectiveness of the Company's systems of internal control and management information systems through discussion with management and the external auditor to ensure that the Company maintains appropriate systems, is able to assess the pertinent risks of the Company and that the risk of a material misstatement in the financial disclosures can be detected.
 - iii. The Committee shall be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, management's discussion and analysis and annual and interim financial press releases, and periodically assess the adequacy of these procedures in consultation with any disclosure committee of the Company.
 - iv. The Committee shall review any press releases containing disclosure regarding financial information that are required to be reviewed by the Committee under any applicable laws or otherwise pursuant to the policies of the Company (including before the Company publicly discloses this information).
 - v. The Committee shall meet no less than annually with the external auditors and the Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Company in charge of financial matters, to review accounting practices, internal controls and such other matters as the Committee, Chief Financial Officer or, in the absence of a Chief Financial Officer, the officer of the Company in charge of financial matters, deem appropriate.
 - vi. The Committee shall inquire of management and the external auditors about significant financial and internal control risks or exposures and assess the steps management has taken to minimize such risks.

- vii. The Committee shall review the post-audit or management letter, if any, containing the recommendations of the external auditors and management's response and subsequent follow-up to any identified weaknesses.
- viii. The Committee shall be responsible for monitoring compliance with the Company's Code of Conduct and Business Ethics;
- ix. The Committee shall periodically review and make recommendations regarding the Code of Business Conduct and Ethics adopted by the Board;
- x. The Committee is responsible for creating a confidential and anonymous process whereby persons can report any concerns regarding matters which the complainant views to be illegal, unethical or contrary to the Company's policies;
- xi. The Committee shall periodically review and make recommendations regarding the Whistleblower Policy and any other policies adopted by the Board;
- xii. The Committee shall follow procedures established as set out in the Company's Whistleblower Policy, for:
 - 1. the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, auditing matters or violations to the Company's Code of Business Conduct and Ethics; and
 - 2. the submission by employees, consultants, contractors, directors or officers of the Company, on a confidential and anonymous basis, of concerns regarding questionable accounting, auditing matters or violations to the Company's Code of Business Conduct and Ethics.
- xiii. The Committee shall ensure that management establishes and maintains an appropriate budget process, which shall include the preparation and delivery of periodic reports from the Chief Financial Officer to the Committee comparing actual spending to the budget. The budget shall include assumptions regarding economic parameters that are well supported and shall take into account the risks facing the Company; and
- xiv. The Committee shall have the authority to adopt such policies and procedures as it deems appropriate to operate effectively.

(b) External Auditors

- i. The Committee shall recommend to the Board the external auditors to be nominated for the purpose of preparing or issuing an auditors' report or performing other audit, review or attest services for the Company, shall set the compensation for the external auditors, provide oversight of the external auditors and shall ensure that the external auditors report directly to the Committee.
- ii. The Committee shall ensure that procedures are in place to assess the audit activities of the external auditors and the internal audit functions.

- iii. The pre-approval of the Committee shall be required as further set out in Schedule "C" prior to the undertaking of any non-audit services not prohibited by law to be provided by the external auditors in accordance with this Charter.
- iv. The Committee shall monitor and assess the relationship between management and the external auditors and monitor, support and assure the independence and objectivity of the external auditors and attempt to resolve disagreements between management and the external auditors regarding financial reporting.
- v. The Committee shall review the external auditors' audit plan, including the scope, procedures and timing of the audit.
- vi. The Committee shall review the results of the annual audit with the external auditors, including matters related to the conduct of the audit.
- vii. The Committee shall obtain timely reports from the external auditors describing critical accounting policies and practices, alternative treatments of information within International Financial Reporting Standards that were discussed with management, their ramifications, and the external auditors' preferred treatment and material written communications between the Company and the external auditors.
- viii. The Committee shall review fees paid by the Company to the external auditors and other professionals in respect of audit and non-audit services on an annual basis.
- ix. The Committee shall review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former auditors of the Company.
- x. The Committee shall have the authority to engage the external auditors to perform a review of the interim financial statements.

(c) **Other Responsibilities**

The Committee shall perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate.

5. Performance Evaluation

The Committee shall conduct an annual evaluation of the performance of its duties under this Charter and shall present the results of the evaluation to the Board.

6. Access to Information

The Committee shall be granted unrestricted access to all information regarding the Company that is necessary or desirable to fulfill its duties and all directors, officers and employees of the Company will be directed to cooperate as requested by members of the Committee.

7. No Rights Created

This Charter is a broad policy statement and is intended to be part of the Committee's flexible governance framework. While the Charter should comply with all applicable laws, regulations and

listing requirements and the Company's articles and by-laws, this Charter does not create any legally binding obligations on the Committee, the Board or the Company. The terms of this Charter are not intended to give rise to civil liability on the part of the Company or its directors or officers to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.

The Board may, from time to time, and to the extent permitted by applicable law, permit departures from the terms of this Charter, either prospectively or retrospectively.

8. Oversight Function

It is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate or comply with applicable accounting standards, as applicable, and other applicable requirements. These are the responsibilities of management and the external auditors. The Committee, however, will consider whether these annual financial statements are complete, consistent with information known to the members of the Committee, and reflect appropriate accounting principles.

The role of the Committee is to provide broad oversight of the financial, risk and control related activities of the Company and are specifically not accountable or responsible for the day to day operation or performance of such activities. Although the designation of a member of the Committee as having accounting or related financial expertise for disclosure purposes is based that individual's education and experience, which that individual will bring to bear in carrying out his or her duties on the Committee, such designation does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Committee and Board in the absence of such designation. Rather, the role of a member of the Committee who is identified as having accounting or related financial expertise, like the role of all members of the Committee, is to oversee the process, not to certify or guarantee the internal or external audit of the Company's financial information or public disclosure.

9. Approval

Approved by the Board on August 8, 2019.

listing requirements and the Company's articles and by-laws, this Charter does not create any legally binding obligations on the Committee, the Board or the Company. The terms of this Charter are not intended to give rise to civil liability on the part of the Company or its directors or officers to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.

The Board may, from time to time, and to the extent permitted by applicable law, permit departures from the terms of this Charter, either prospectively or retrospectively.

8. Oversight Function

It is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate or comply with applicable accounting standards, as applicable, and other applicable requirements. These are the responsibilities of management and the external auditors. The Committee, however, will consider whether these annual financial statements are complete, consistent with information known to the members of the Committee, and reflect appropriate accounting principles.

The role of the Committee is to provide broad oversight of the financial, risk and control related activities of the Company and are specifically not accountable or responsible for the day to day operation or performance of such activities. Although the designation of a member of the Committee as having accounting or related financial expertise for disclosure purposes is based that individual's education and experience, which that individual will bring to bear in carrying out his or her duties on the Committee, such designation does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Committee and Board in the absence of such designation. Rather, the role of a member of the Committee who is identified as having accounting or related financial expertise, like the role of all members of the Committee, is to oversee the process, not to certify or guarantee the internal or external audit of the Company's financial information or public disclosure.

9. Approval

Approved by the Board on August 8, 2019.

SCHEDULE “A”

JUSHI HOLDINGS INC.

POSITION DESCRIPTION FOR THE CHAIR OF THE AUDIT COMMITTEE

1. PURPOSE

The Chair of the Committee shall be an independent director who is selected by the Board or designated by a majority vote of the Committee to act as the leader of the Committee in assisting the Board in fulfilling its financial reporting and control responsibilities to the shareholders of the Company.

2. WHO MAY BE CHAIR

The Chair will be selected from amongst the members of the Committee. For greater certainty, the Chair shall be “independent” and “financially literate” as defined in National Instrument 52-110 – *Audit Committees*.

The Chair will be selected annually at the first meeting of the Board following the annual general meeting of shareholders or designated by a majority vote of the Committee.

3. RESPONSIBILITIES

The following are the primary responsibilities of the Chair:

- a) chair all meetings of the Committee in a manner that promotes meaningful discussion;
- b) oversee adherence to the Committee’s Charter and that the adequacy of the Committee’s Charter is reviewed annually;
- c) provide leadership to the Committee to enhance the Committee’s effectiveness, including:
 - i) act as liaison and maintain communication with the Board to coordinate input from directors and to optimize the effectiveness of the Committee. This includes ensuring that Committee materials are available to any director upon request and reporting to the Board on all decisions of the Committee at the first meeting of the Board after each Committee meeting and at such other times and in such manner as the Committee considers advisable;
 - ii) oversee the Committee’s lines of communication with the independent auditors, financial and senior management and the Board for financial and control matters with the goal of achieving open lines of communication and the Committee working as a cohesive team;
 - iii) take steps necessary to ensure that the resources available to the Committee are adequate to support its work and to resolve issues in a timely manner;

- iv) take all necessary actions to maintain an independent and objective Committee to monitor the Company's financial reporting process and internal control systems, as well as to monitor the relationship between the Company and the independent auditors to ensure independence;
 - v) oversee the establishment of Committee procedures to assess the audit activities of the independent auditors and the internal audit functions; and
 - vi) oversee the establishment of Committee procedures to review the Company's public disclosure of financial information and assess the adequacy of such procedures periodically, in consultation with any disclosure committee of the Company;
- d) oversee the establishment of Committee procedures for dealing with complaints received by the Company regarding accounting, internal controls and auditing matters, and for employees to submit confidential anonymous concerns;
- e) manage the Committee, including:
- i) adopt procedures so that the Committee can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;
 - ii) prepare the agenda of the Committee meetings and ensure pre-meeting material is distributed in a timely manner and is appropriate in terms of relevance, efficient format and detail;
 - iii) ensure Committee meetings are appropriate in terms of frequency, length and content;
 - iv) obtain a report from the independent auditors on an annual basis, review the report with the Committee and arrange meetings with the auditors and financial management to review the scope of the proposed audit for the current year, its staffing and the audit procedures to be used;
 - v) oversee the Committee's participation in the Company's accounting and financial reporting process and the audits of its financial statements;
 - vi) ensure that the auditors' report directly to the Committee, as representatives of the Company's shareholders;
 - vii) annually review with the Committee its own performance, report annually to the Board on the role of the Committee and the effectiveness of the Committee in contributing to the effectiveness of the Board;
 - viii) together with the Board, oversee the structure, composition and membership of, and activities delegated to, the Committee from time to time;
 - ix) oversee the Committee's work plan for the year and monitor progress at each meeting; and

- x) ensure Committee minutes are reviewed and approved.
- f) perform such other duties as may be delegated from time to time to the Chair of the Committee by the Board.

SCHEDULE "B"

JUSHI HOLDINGS INC.

NATIONAL INSTRUMENT 52-110 AUDIT COMMITTEES ("NI 52-110")

Section 1.4 — Meaning of Independence

- (1) An audit committee member is independent if he or she has no direct or indirect material relationship with the issuer.
- (2) For the purposes of subsection (1), a "material relationship" is a relationship which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgment.
- (3) Despite subsection (2), the following individuals are considered to have a material relationship with an issuer:
 - (a) an individual who is, or has been within the last three years, an employee or executive officer of the issuer;
 - (b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
 - (c) an individual who:
 - (i) is a partner of a firm that is the issuer's internal or external auditor,
 - (ii) is an employee of that firm, or
 - (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
 - (d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
 - (i) is a partner of a firm that is the issuer's internal or external auditor,
 - (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or
 - (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
 - (e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the issuer's current executive officers serves or served at that same time on the entity's compensation committee; and

- (f) an individual who received, or whose immediate family member who is employed as an executive officer of the issuer received, more than \$75,000 in direct compensation from the issuer during any 12 month period within the last three years.
- (4) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because
 - (a) he or she had a relationship identified in subsection (3) if that relationship ended before March 30, 2004; or
 - (b) he or she had a relationship identified in subsection (3) by virtue of subsection (8) if that relationship ended before June 30, 2005.
- (5) For the purposes of clauses (3)(c) and (3)(d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service.
- (6) For the purposes of clause (3)(f), direct compensation does not include:
 - (a) remuneration for acting as a member of the board of directors or of any board committee of the issuer, and
 - (b) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.
- (7) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because the individual or his or her immediate family member
 - (a) has previously acted as an interim chief executive officer of the issuer, or
 - (b) acts, or has previously acted, as a chair or vice-chair of the board of directors or of any board committee of the issuer on a part-time basis.
- (8) For the purpose of section 1.4, an issuer includes a subsidiary entity of the issuer and a parent of the issuer.

Section 1.5 — Additional Independence Requirements for Audit Committee Members

- (1) Despite any determination made under section 1.4 of NI 52-110, an individual who
 - (a) accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee; or
 - (b) is an affiliated entity of the issuer or any of its subsidiary entities,

is considered to have a material relationship with the issuer.

- (2) For the purposes of subsection (1), the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes acceptance of a fee by
 - (a) an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or
 - (b) an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer.
- (3) For the purposes of subsection (1), compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

SCHEDULE "C"

JUSHI HOLDINGS INC.

PROCEDURES FOR APPROVAL OF NON-AUDIT SERVICES

1. The Company's external auditors shall be prohibited from performing for the Company the following categories of non-audit services:
 - (a) bookkeeping or other services related to the Company's accounting records or financial statements;
 - (b) appraisal or valuation services, fairness opinion or contributions-in-kind reports;
 - (c) actuarial services;
 - (d) internal audit outsourcing services;
 - (e) management functions;
 - (f) human resources;
 - (g) broker or dealer, investment adviser or investment banking services;
 - (h) legal services; and
 - (i) any other service that the Canadian Public Accountability Board or International Accounting Standards Board or other analogous board which may govern the Company's accounting standards, from time to time determines is impermissible.
2. In the event that the Company wishes to retain the services of the Company's external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Company shall consult with the Chair of the Committee, who shall have the authority, subject to confirmation that such services will not compromise the independence of the Company's external auditors, to approve or disapprove on behalf of the Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Committee as a whole.
3. The Chief Financial Officer of the Company shall maintain a record of non-audit services approved by the Chair of the Committee or the Committee for each fiscal year and provide a report to the Committee no less frequently than on a quarterly basis.

SCHEDULE “A”

JUSHI HOLDINGS INC.

POSITION DESCRIPTION FOR THE CHAIR OF THE AUDIT COMMITTEE

1. PURPOSE

The Chair of the Committee shall be an independent director who is selected by the Board or designated by a majority vote of the Committee to act as the leader of the Committee in assisting the Board in fulfilling its financial reporting and control responsibilities to the shareholders of the Company.

2. WHO MAY BE CHAIR

The Chair will be selected from amongst the members of the Committee. For greater certainty, the Chair shall be “independent” and “financially literate” as defined in National Instrument 52-110 – *Audit Committees*.

The Chair will be selected annually at the first meeting of the Board following the annual general meeting of shareholders or designated by a majority vote of the Committee.

3. RESPONSIBILITIES

The following are the primary responsibilities of the Chair:

- a) chair all meetings of the Committee in a manner that promotes meaningful discussion;
- b) oversee adherence to the Committee’s Charter and that the adequacy of the Committee’s Charter is reviewed annually;
- c) provide leadership to the Committee to enhance the Committee’s effectiveness, including:
 - i) act as liaison and maintain communication with the Board to coordinate input from directors and to optimize the effectiveness of the Committee. This includes ensuring that Committee materials are available to any director upon request and reporting to the Board on all decisions of the Committee at the first meeting of the Board after each Committee meeting and at such other times and in such manner as the Committee considers advisable;
 - ii) oversee the Committee’s lines of communication with the independent auditors, financial and senior management and the Board for financial and control matters with the goal of achieving open lines of communication and the Committee working as a cohesive team;
 - iii) take steps necessary to ensure that the resources available to the Committee are adequate to support its work and to resolve issues in a timely manner;

- iv) take all necessary actions to maintain an independent and objective Committee to monitor the Company's financial reporting process and internal control systems, as well as to monitor the relationship between the Company and the independent auditors to ensure independence;
 - v) oversee the establishment of Committee procedures to assess the audit activities of the independent auditors and the internal audit functions; and
 - vi) oversee the establishment of Committee procedures to review the Company's public disclosure of financial information and assess the adequacy of such procedures periodically, in consultation with any disclosure committee of the Company;
- d) oversee the establishment of Committee procedures for dealing with complaints received by the Company regarding accounting, internal controls and auditing matters, and for employees to submit confidential anonymous concerns;
- e) manage the Committee, including:
- i) adopt procedures so that the Committee can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;
 - ii) prepare the agenda of the Committee meetings and ensure pre-meeting material is distributed in a timely manner and is appropriate in terms of relevance, efficient format and detail;
 - iii) ensure Committee meetings are appropriate in terms of frequency, length and content;
 - iv) obtain a report from the independent auditors on an annual basis, review the report with the Committee and arrange meetings with the auditors and financial management to review the scope of the proposed audit for the current year, its staffing and the audit procedures to be used;
 - v) oversee the Committee's participation in the Company's accounting and financial reporting process and the audits of its financial statements;
 - vi) ensure that the auditors' report directly to the Committee, as representatives of the Company's shareholders;
 - vii) annually review with the Committee its own performance, report annually to the Board on the role of the Committee and the effectiveness of the Committee in contributing to the effectiveness of the Board;
 - viii) together with the Board, oversee the structure, composition and membership of, and activities delegated to, the Committee from time to time;
 - ix) oversee the Committee's work plan for the year and monitor progress at each meeting; and

- x) ensure Committee minutes are reviewed and approved.
- f) perform such other duties as may be delegated from time to time to the Chair of the Committee by the Board.

SCHEDULE "B"

JUSHI HOLDINGS INC.

NATIONAL INSTRUMENT 52-110 AUDIT COMMITTEES ("NI 52-110")

Section 1.4 — Meaning of Independence

- (1) An audit committee member is independent if he or she has no direct or indirect material relationship with the issuer.
- (2) For the purposes of subsection (1), a "material relationship" is a relationship which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgment.
- (3) Despite subsection (2), the following individuals are considered to have a material relationship with an issuer:
 - (a) an individual who is, or has been within the last three years, an employee or executive officer of the issuer;
 - (b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
 - (c) an individual who:
 - (i) is a partner of a firm that is the issuer's internal or external auditor,
 - (ii) is an employee of that firm, or
 - (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
 - (d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
 - (i) is a partner of a firm that is the issuer's internal or external auditor,
 - (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or
 - (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
 - (e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the issuer's current executive officers serves or served at that same time on the entity's compensation committee; and

- (f) an individual who received, or whose immediate family member who is employed as an executive officer of the issuer received, more than \$75,000 in direct compensation from the issuer during any 12 month period within the last three years.
- (4) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because
 - (a) he or she had a relationship identified in subsection (3) if that relationship ended before March 30, 2004; or
 - (b) he or she had a relationship identified in subsection (3) by virtue of subsection (8) if that relationship ended before June 30, 2005.
- (5) For the purposes of clauses (3)(c) and (3)(d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service.
- (6) For the purposes of clause (3)(f), direct compensation does not include:
 - (a) remuneration for acting as a member of the board of directors or of any board committee of the issuer, and
 - (b) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.
- (7) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because the individual or his or her immediate family member
 - (a) has previously acted as an interim chief executive officer of the issuer, or
 - (b) acts, or has previously acted, as a chair or vice-chair of the board of directors or of any board committee of the issuer on a part-time basis.
- (8) For the purpose of section 1.4, an issuer includes a subsidiary entity of the issuer and a parent of the issuer.

Section 1.5 — Additional Independence Requirements for Audit Committee Members

- (1) Despite any determination made under section 1.4 of NI 52-110, an individual who
 - (a) accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee; or
 - (b) is an affiliated entity of the issuer or any of its subsidiary entities,

is considered to have a material relationship with the issuer.

- (2) For the purposes of subsection (1), the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes acceptance of a fee by
 - (a) an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or
 - (b) an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer.
- (3) For the purposes of subsection (1), compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

SCHEDULE “C”

JUSHI HOLDINGS INC.

PROCEDURES FOR APPROVAL OF NON-AUDIT SERVICES

1. The Company’s external auditors shall be prohibited from performing for the Company the following categories of non-audit services:
 - (a) bookkeeping or other services related to the Company’s accounting records or financial statements;
 - (b) appraisal or valuation services, fairness opinion or contributions-in-kind reports;
 - (c) actuarial services;
 - (d) internal audit outsourcing services;
 - (e) management functions;
 - (f) human resources;
 - (g) broker or dealer, investment adviser or investment banking services;
 - (h) legal services; and
 - (i) any other service that the Canadian Public Accountability Board or International Accounting Standards Board or other analogous board which may govern the Company’s accounting standards, from time to time determines is impermissible.
2. In the event that the Company wishes to retain the services of the Company’s external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Company shall consult with the Chair of the Committee, who shall have the authority, subject to confirmation that such services will not compromise the independence of the Company’s external auditors, to approve or disapprove on behalf of the Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Committee as a whole.
3. The Chief Financial Officer of the Company shall maintain a record of non-audit services approved by the Chair of the Committee or the Committee for each fiscal year and provide a report to the Committee no less frequently than on a quarterly basis.