



NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

OF

GOLDEN LEAF HOLDINGS LTD.

TO BE HELD ON JUNE 29, 2018

GOLDEN LEAF HOLDINGS LTD.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the annual and special meeting (the “**Meeting**”) of the shareholders (the “**Shareholders**”) of Golden Leaf Holdings Ltd. (“**Golden Leaf**” or the “**Corporation**”) will be held on Friday, June 29, 2018 at 10:00 a.m. (Toronto time) at the offices of Cassels Brock & Blackwell LLP, 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2, for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Corporation as at and for the year ended December 31, 2017, together with the report of the auditors thereon;
2. to fix the number of directors to be elected at the Meeting at seven;
3. to elect the directors of the Corporation for the ensuing year, as more particularly described under the heading “Particulars of Matters to be Acted Upon – Election of Directors” in the Corporation’s management information circular dated May 22, 2018 (the “**Circular**”);
4. to appoint Jackson & Company, Chartered Professional Accountants, as auditor of the Corporation for the ensuing year, and to authorize the directors to fix their remuneration;
5. to confirm the adoption of the Corporation’s amended and restated new general by-law; and
6. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Your vote is important.

This notice is accompanied by the Circular, and either a form of proxy for registered Shareholders or a voting instruction form for non-registered Shareholders, (collectively, the “**Meeting Materials**”). Shareholders are able to request to receive copies of the Corporation’s audited consolidated financial statements and related management’s discussion and analysis (“**MD&A**”) and/or interim consolidated financial statements and related MD&A by marking the appropriate box on the enclosed financial statement request card, in the case of registered Shareholders, or return card, in the case of non-registered Shareholders. The audited consolidated financial statements of the Corporation for the year ended December 31, 2017 and related MD&A can be found under the Corporation’s profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com.

Shareholders are invited to attend the Meeting in person or may be represented by proxy. Registered Shareholders who are unable to attend the Meeting in person are requested to complete, date and sign the form of proxy and send it to the Corporate Secretary of the Corporation, c/o TSX Trust Company (“**TSX Trust**”), 301-100 Adelaide Street West, Toronto, ON M5H 4H1, Attention: Proxy Department, or by facsimile at 416-595-9593. Electronic voting is also available for this Meeting through www.voteproxyonline.com. Votes cast electronically are in all respects equivalent to, and will be treated in, the exact same manner as, votes cast via a paper form of proxy. Further details on the electronic voting process are provided in the form of proxy. Non-registered Shareholders who receive the Meeting Materials either directly from the Corporation or through their broker or other intermediary should complete and send the voting instruction form in accordance with the instructions provided.

The board of directors of the Corporation has, by resolution, fixed the close of business on May 22, 2018 as the record date for the determination of the registered holders of common shares entitled to receive notice of, and to vote at, the Meeting and any adjournment or postponement thereof. The board of directors of the Corporation has, by resolution, fixed 10:00 a.m. (Toronto time) on June 27, 2018, or no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment(s) or postponement(s) of the Meeting, as the time before which proxies to be used or acted upon at the Meeting or any adjournment or postponement thereof must be deposited with the Corporation’s transfer agent, TSX Trust.

DATED at Toronto, Ontario, this 24th day of May, 2018.

BY ORDER OF THE BOARD

“William Simpson”

William Simpson
Chief Executive Officer

MANAGEMENT INFORMATION CIRCULAR

This management information circular (the “**Circular**”) has been prepared in connection with the solicitation of proxies by or on behalf of the management of Golden Leaf Holdings Ltd. (“**Golden Leaf**” or the “**Corporation**”) for use at the annual meeting (the “**Meeting**”) of holders (collectively, the “**Shareholders**”, or individually, a “**Shareholder**”) of common shares of Golden Leaf (the “**Common Shares**”) to be held on Friday, June 29, 2018, at the time and place and for the purposes set forth in the accompanying notice of Meeting (the “**Notice**”) and any adjournment or postponement thereof. References in this Circular to the Meeting include any adjournment or postponement thereof.

Unless otherwise stated, the information contained in this Circular is given as of May 22, 2018. Unless otherwise indicated herein, references to “\$”, “C\$” or “Canadian dollars” are to Canadian dollars, and references to “US\$” or “U.S. dollars” are to United States dollars.

GENERAL PROXY MATTERS

Solicitation of Proxies

The enclosed proxy is being solicited by the management of the Corporation for use at the Meeting. Proxies may be solicited by mail, telephone, email, facsimile or other electronic means. Proxies may be solicited personally by directors or regular employees of the Corporation. These persons will receive no compensation for such solicitation other than their regular fees or salaries. The cost of solicitation of proxies will be paid by the Corporation.

The board of directors of the Corporation (the “**Board**”) has, by resolution, fixed the close of business on May 22, 2018 (the “**Record Date**”) as the record date for the determination of the registered holders of Common Shares entitled to notice of, and to vote at, the Meeting and any adjournment(s) or postponement(s) thereof. Shareholders of record at the close of business on the Record Date will be entitled to vote in person or by proxy at the Meeting or at any adjournment or postponement thereof (subject, in the case of voting by proxy, to the timely deposit of a properly completed, signed and dated proxy with the Corporation’s transfer agent, TSX Trust Company (“**TSX Trust**”) as specified herein and in the Notice).

The Board has, by resolution, fixed 10:00 a.m. (Toronto time) on June 27, 2018, or no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment(s) or postponement(s) of the Meeting, as the time before which proxies to be used or acted upon at the Meeting or any adjournment(s) or postponement(s) thereof must be deposited with TSX Trust at 301-100 Adelaide Street West, Toronto, ON M5H 4H1, Attention: Proxy Department, or by facsimile at 416-595-9593. Electronic voting is also available for this Meeting through www.voteproxyonline.com. Votes cast electronically are in all respects equivalent to, and will be treated in the exact same manner as, votes cast via a paper form of proxy. Further details on the electronic voting process are provided in the form of proxy. The Chairman of the Meeting may extend or waive the proxy deadline without notice.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Shareholders will also receive access to a supplementary mailing list return card to be used to request inclusion on the Corporation’s supplementary mailing list for its annual and interim financial statements.

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. **A Shareholder desiring to appoint some other person or entity to represent him, her or it at the Meeting may do so by inserting such person or entity's name in the blank space provided in that form of proxy or by completing another proper form of proxy and, in either case, depositing the completed proxy at the office of the Corporation's transfer agent, TSX Trust, as indicated on the envelope accompanying the form of proxy not later than the time specified in the Notice.**

In addition to revocation in any other manner permitted by law, a Shareholder may revoke a proxy given pursuant to this solicitation by depositing an instrument in writing (including another proxy bearing a later date) executed by the Shareholder or by an attorney authorized in writing to TSX Trust at 301-100 Adelaide Street West, Toronto, ON M5H 4H1 at any time up to and including the last business day preceding the day of the Meeting.

Voting of Proxies

The persons named in the form of proxy will vote the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. **In the absence of such direction, such Common Shares will be voted in favour of the passing of all the matters and resolutions described below. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting.** As at the date hereof, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters that are not now known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.

A proxy will not be valid unless it is signed by the registered Shareholder, or by the registered Shareholder's attorney with proof that they are authorized to sign. If you represent a registered Shareholder that is a corporation, your proxy should have the seal of the corporation, if applicable, and must be executed by an officer or an attorney, authorized in writing. If you execute a proxy as an attorney for an individual registered Shareholder, or as an officer or attorney of a registered Shareholder that is a corporation, you must include the original or notarized copy of the written authorization for the officer or attorney with your proxy form.

Non-Registered Holders

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a holder who is not a registered Shareholder (a "**Non-Registered Shareholder**") are registered either: (i) in the name of an intermediary with whom the Non-Registered Shareholder deals in respect of the Common Shares such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered Registered Retirement Savings Plans, Registered Retirement Income Funds, Registered Education Savings Plans and similar plans (an "**Intermediary**"); or (ii) in the name of a clearing agency (such as CDS & Co., of which the Intermediary is a participant).

In accordance with applicable securities law requirements, the Corporation will distribute copies of the Notice, the Circular, a Voting Instruction Form (as defined below) and the supplemental mailing list return card (collectively, the "**Mailed Materials**") to the clearing agencies and Intermediaries for distribution to Non-Registered Shareholders. Objecting Non-Registered Shareholders have objected to their Intermediary disclosing ownership information about themselves to the Corporation. The Corporation does not intend to pay for Intermediaries to deliver the Mailed Materials to objecting Non-Registered Shareholders, and accordingly an objecting Non-Registered Shareholder will not receive the Mailed Materials unless the Intermediary of the objecting Non-Registered Shareholder assumes the cost of delivery.

If you are a non-objecting Non-Registered Shareholder, and the Corporation or its agent has sent the Mailed Materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the

Intermediary holding the Common Shares on your behalf. The Corporation has elected to send the Mailed Materials directly to non-objecting Non-Registered Shareholders through the services of TSX Trust.

Non-Registered Shareholders will be given, in substitution for the proxy otherwise contained in the proxy-related materials, a request for voting instructions (the “**Voting Instruction Form**”) which, when properly completed and, if applicable, signed by the Non-Registered Shareholder and returned to the Intermediary or the Corporation, as applicable, will constitute voting instructions which the Intermediary or the Corporation, as applicable, must follow. The purpose of this procedure is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Shareholder who receives the Voting Instruction Form wish to vote at the Meeting in person (or have another person attend the vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should so indicate in the place provided for that purpose in the Voting Instruction Form and a form of legal proxy will be sent to the Non-Registered Shareholder. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Non-Registered Shareholders in order to ensure that their Common Shares are voted at the Meeting. If you have any questions respecting the voting of Common Shares held through a broker or other Intermediary, please contact the broker or other Intermediary for assistance.

Quorum

A quorum of Shareholders is required to transact business at the Meeting. Pursuant to the by-laws of the Corporation, the quorum requirement for the Meeting will be satisfied and the Meeting will be properly constituted where there are at least two persons, present in person or represented by proxy, at the Meeting, each of whom is entitled to vote at the Meeting and who hold in the aggregate at least 5% of the issued and outstanding Common Shares entitled to be voted at the Meeting.

Voting Securities and Principal Holders Thereof

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value. As of May 22, 2018, the Record Date, the Corporation had 576,338,334 Common Shares issued and outstanding. Each Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting.

To the knowledge of the directors and executive officers of the Corporation, as at May 22, 2018, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to the Common Shares.

Interest of Certain Persons or Companies in Matters to be Acted Upon

No (a) director or executive officer of the Corporation who has held such position at any time since January 1, 2017; (b) proposed nominee for election as a director of the Corporation; or (c) associate or affiliate of a person in (a) or (b) 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.

Overview of the Business and Corporate Structure

The Corporation was incorporated on April 12, 2011 as “Longacre Resources Inc.” (“**Longacre**”) under the *Business Corporations Act* (British Columbia). Golden Leaf Holdings Inc. (“**GLHI**”) was incorporated on April 8, 2014 under the *Business Corporations Act* (Ontario) (“**OBCA**”).

On October 6, 2015, Longacre was continued under the OBCA as “Golden Leaf Holdings Ltd.” and completed a reverse take-over with GLHI (the “**RTO**”). Pursuant to the RTO, the Corporation acquired all of the issued and outstanding shares of GLHI pursuant to a three-cornered amalgamation, whereby (i) Longacre incorporated 2470251 Ontario Inc. (“**Subco**”), a new wholly-owned Ontario subsidiary of Longacre; (ii) the Corporation issued one Common Share in exchange for each common share of GLHI then held by GLHI shareholders; and (iii) Subco amalgamated with GLHI to form an amalgamated subsidiary of the Corporation. Upon completion of the RTO, former shareholders of GLHI became shareholders of the Corporation, the former directors and officers of Longacre resigned and new directors

and officers of the Corporation were appointed, and the Corporation assumed the business operations of GLHI.

The Common Shares trade on the Canadian Securities Exchange under the symbol “GLH”. The Common Shares also trade on the OTCQX[®] operated by OTC Markets Group Inc. under the symbol “GLDFF” and on the Börse Frankfurt under the symbol “9GL”.

The registered and head office of the Corporation is located at 95 Richmond St. East, Toronto, Ontario, M5C 2C5 and its principal place of business is located at 13315 NE Airport Way, Suite 700, Portland, Oregon, 97230.

Further information about Golden Leaf can be found under the Corporation’s profile on the System for Electronic Document Analysis and Retrieval (“SEDAR”) at www.sedar.com and on the Corporation’s website at www.goldenleafholdings.com.

PARTICULARS OF MATTERS TO BE ACTED UPON

Presentation of Financial Statements

The audited consolidated financial statements of the Corporation as at and for the year ended December 31, 2017, together with the report of the auditors thereon, have been approved by the Board and will be presented at the Meeting. No vote of the Shareholders is required with respect to this item of business.

Election of Directors

The Board presently consists of seven directors and has fixed the number of directors for election at the Meeting at seven. The Board has nominated seven individuals to stand for election as directors. Six of the seven nominees are currently directors of the Corporation. Each elected director will hold office until the next annual meeting of Shareholders, or any postponement(s) or adjournment(s) thereof, unless his office is earlier vacated or until his successor is elected or appointed. Each of the nominees has confirmed his willingness to serve on the Board for the next year.

Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the persons named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any nominee or nominees unable to serve.

Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Common Shares represented by such form of proxy, properly executed, FOR the election of the seven director nominees.

The following table sets forth information about each director nominee, including (i) his province or state and country of residence; (ii) the period during which each has served as a director; (iii) membership on committees of the Board; (iv) principal occupation, business or employment over the past five years; and (v) the number of Common Shares beneficially owned, controlled or directed, directly or indirectly by each nominee. In addition, below are the biographies of each Nominee.

Information regarding the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by the nominees not being within the knowledge of the Corporation, is based upon information furnished by the respective nominee and is as at the date hereof.

Name and Residence	Position with the Corporation and Period Served as a Director	Principal Occupation	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly
Dr. Michael William Crooke Oregon, United States	Nominee	Professor at the University of Oregon Business School; CEO and Chief Investment Officer of RandE Holdings LLC (private family office)	nil
Bob McKnight California, United States	Director since June 28, 2017	Retired; part-time consultant	0 ⁽¹⁾
Rick Miller Oregon, United States	Director since April 24, 2018	Founder and served as chairman of the Avamere Group, serves on the boards of the Oregon Investment Council, Diabetomics, Payless Pharmacy and is Chairman of Portland State University Board of Trustees	7,445,028 ⁽²⁾
Peter Saladino Washington, United States	Director since March 2, 2016	Founder and Chief Executive Officer of BMF Washington LLC	21,939,151 ⁽³⁾
John Varghese Ontario, Canada	Nominee	Businessman; Corporate director	580,000 ⁽⁴⁾
Alexander Winch Ontario, Canada	Director since October 3, 2016	Businessman; retired hedge fund owner	1,200,000 ⁽⁵⁾
Gary Zipfel Illinois, United States	Director since June 28, 2017	President, Studio Z Investment LLC; consultant	29,553,627 ⁽⁶⁾

Notes:

⁽¹⁾ Mr. McKnight also holds 2,250,000 stock options exercisable at C\$0.21 per share.

⁽²⁾ Mr. Miller also holds 2,250,000 stock options exercisable at C\$0.26 per share.

⁽³⁾ Mr. Saladino also holds 2,250,000 stock options exercisable at C\$0.21 per share and 250,000 warrants exercisable at US\$0.39 per share.

⁽⁴⁾ Mr. Varghese also holds 263,571 warrants exercisable at C\$0.37 per share and 550,050 warrants exercisable at C\$0.55 per share.

⁽⁵⁾ Mr. Winch also holds 200,000 stock options exercisable at C\$0.30 per share and 2,250,000 stock options exercisable at C\$0.21 per share.

⁽⁶⁾ Mr. Zipfel also holds 1,750,000 stock options exercisable at C\$0.21 per share, 714,000 common share purchase warrants exercisable at C\$0.21 per share, 1,785,750 common share purchase warrants exercisable at C\$0.28 per share and C\$750,000 convertible debentures convertible to common shares at C\$0.21 per share.

Director Nominee Biographies

Dr. Michael Crooke

Dr. Michael Crooke is a professor of business strategy at the Lundquist College of Business at University of Oregon. Previously he was the founding and lead faculty of the Socially, Environmentally and Ethically Responsible (SEER) business certificate program at Pepperdine University. Dr. Crooke is also an independent consultant counseling high-growth businesses on strategic issues, in particular, developing direct to customer strategies that create an emotional connection to the brand. He currently serves on the board of directors of The Nantucket Project, an annual gathering of some of the world's leading thinkers, visionaries, and performers. He also is chairman of ForB, a juvenile products company. Dr. Crooke has been recognized by Trust Across America as one of Top 100 Thought Leaders in Trustworthy Business Behavior (2012-13). In April of 2012 the Ford Foundation named Dr. Crooke one of the "10 Innovators Changing Our World," and profiled him as one of ten cutting-edge innovators who are shaping new sustainable businesses and influencing positive change around the world.

Bob McKnight

Mr. McKnight co-founded Quiksilver, Inc. in 1976 and has served as the company's President, CEO and Chairman of the board of directors from its inception until 2015. Under his watch, Quiksilver grew from a

startup to a worldwide corporation with revenues of \$2.5 billion. Today, Quiksilver is a globally diversified, world leader in outdoor lifestyle apparel with their three main brands of Quiksilver, Roxy and DC. Quiksilver, Inc. has over 5000 employees, operates in over 100 countries and has close to 700 retail stores in the world. Today, Mr. McKnight serves as a consultant and ambassador to the company, and manages the Quiksilver Foundation.

Rick Miller

Mr. Miller is a seventh-generation Oregonian with a prominent local presence as an entrepreneur, highlighted by his co-founding of Rogue Venture Partners, a private equity firm that provides funding and mentorship to other entrepreneurs in Oregon. He was also a founder and served as chairman of the Avamere Group, one of the Northwest's largest senior care and housing providers. Mr. Miller currently serves on the boards of the Oregon Investment Council, Diabetomics, Payless Pharmacy and is Chairman of Portland State University Board of Trustees. Rick is past chairman of the American Health Care Organization, the Oregon Health Care Association and the Portland-based chapter of the Young Presidents' Organization. Mr. Miller also previously served as Non-Executive Chairman of the Board at Golden Leaf for approximately 2 months in late 2015, before stepping down due to personal reasons.

Peter Saladino

Mr. Saladino is a passionate entrepreneur who has built and managed a variety of successful companies, including BMF Washington LLC ("**BMF**"), one of the largest cannabis producer processors in the state of Washington. He has designed and developed turn-key marijuana facilities in Seattle and Raymond, Washington, and is the principal owner of South Fork Business Park which is a 20 acre site zoned exclusively for cannabis production. He helped found the Washington CannaBusiness Association which has played a significant role in supporting the growth and evolution of the legal cannabis industry in Washington. Mr. Saladino is also currently President of Charter Construction, a multi-state construction company with over 300 employees and sales of \$150 million annually. He is a graduate of the University of Washington and sits on the board of Big Brothers and Big Sisters of King County.

John Vaghese

Mr. Vaghese has a deep background in mergers and acquisition, investing, operations and the capital markets. Mr. Vaghese's professional experience ranges from private equity, venture capital and investment banking to senior management and board of director roles in various industries in both public (TSX and NASDAQ) and private companies. Having held CEO, COO, SVP and CFO positions, his career has included senior management roles within multi-national corporations including Quarterhill Inc., CI Financial Corp., Royal Bank Capital Corporation, Midland Walwyn Capital Inc. (Merrill Lynch Canada), Dell Computer Corporation and Jim Pattison Industries Ltd. He has served on over 20 boards, acting as Chairman on 6 of those, as well as chairing multiple compensation committees and participating on numerous audit committees.

Alexander David Winch

Mr. Winch has worked on Bay Street in Toronto, Ontario as a stock market analyst with McCarthy Securities, Davidson Partners and Sprott Securities. He then launched and ran a private stock market research company, selling independent research on Canadian publicly traded companies to US hedge funds. Seeing an underserved opportunity, Mr. Winch launched a Canadian hedge fund in 1990, one of the first in Canada, and began managing US private accounts. In 1993, he set up an office in New York City and launched a US hedge fund serving US investors but focused on Canadian publicly traded companies. He retired on performance fees at the age of 31, and has since been managing his own capital. He has joined boards of directors and served as Chairman of a publicly-traded casino company, Thunderbird Resorts, founded and ran a private solar thermal Power Purchase Agreement company which saw installation of large solar thermal installations in Toronto including the Hospital for Sick Children, and served as Chairman of a private renewable energy monitoring company, Sunreports Inc.. Currently, Mr. Winch is a private investor in real estate and publicly-traded equities. Mr. Winch holds a Bachelor of Science in Engineering Physics from Queen's University and is a CFA Charterholder.

Gary Zipfel

Mr. Zipfel serves as capital partner and board-level advisor for start-up stage companies, providing business planning, strategic direction, and scenario analysis. Mr. Zipfel has worked with companies from a diverse array of industries including cannabis, vertical green space appliances, mountain-home design and construction, commercial real estate, bicycle parts design and manufacturing, digital advertising, jet engine repair, healthcare notification systems, restaurants, and breweries. Prior to becoming a start-up investor, Mr. Zipfel spent 15 years in the global financial markets as a technologist and technology leader.

Corporate Cease Trade Orders

No proposed director of the Corporation is, as at the date hereof, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days 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.

Bankruptcies and Other Proceedings

No proposed director of the Corporation is, as at the date hereof, or has been within 10 years prior to the date hereof, 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.

Other than Mr. Varghese, no proposed director of the Corporation has, within the 10 years prior to the date hereof, 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. On April 28, 2017, Mr. Varghese filed a commercial proposal under the *Bankruptcy and Insolvency Act* (Canada). On December 5, 2017, the Ontario Superior Court of Justice approved the proposal. As of May 22, 2018, Mr. Varghese remains subject to the proposal proceedings.

Penalties and Sanctions

No proposed director of the Corporation has been subject to:

- (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important in deciding whether to vote for a proposed director.

Appointment of Auditors

Jackson & Company, Vancouver, BC, are the current auditors of the Corporation and were first appointed as auditors of the Corporation by the Board on January 10, 2018.

In accordance with National Instrument 51-102 – Continuous Disclosure Obligations (“**NI 51-102**”), attached hereto as Appendix “B” is a copy of the reporting package (as defined in NI 51-102) filed by the Corporation with securities regulators on January 15, 2018.

The reporting package is comprised of (i) the change of auditor notice (the “**Change of Auditor Notice**”) containing the information required by NI 51-102; (ii) the letter provided by Grant Thornton LLP, former auditors of the Corporation, acknowledging and confirming the Change of Auditor Notice; and (iii) the letter provided by Jackson & Company, the current auditors of the Corporation, acknowledging and confirming the Change of Auditor Notice. The Change of Auditor Notice confirms that there have been no reservations contained in the auditor’s reports on the financial statements for the Corporation’s last two fiscal periods, that the Board approved the resignation of Grant Thornton LLP, and the appointment of Jackson & Company and that there were no reportable events (as defined in NI 51-102) in connection with Grant Thornton LLP’s audits of the Corporation, which occurred prior to its resignation.

Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Common Shares represented by such form of proxy, properly executed, FOR the appointment of Jackson & Company, Chartered Professional Accountants as auditors of the Corporation until the close of the next annual meeting of Shareholders and to authorize the Board to fix their remuneration.

Confirmation of Adoption of Restated By-Law

On February 27, 2018, the Board approved the adoption of a restated general by-law of the Corporation (the “**Restated By-Law**”) that replaces the prior general by-law of the Corporation. The previous version of the Corporation’s general by-law was not as comprehensive the Restated By-Law. The Restated By-Law is more closely aligned with the provisions of the OBCA, better provides for electronic meetings of directors and Shareholders, more explicitly provides for the delivery of documents to Shareholders in electronic format and adds a provision requiring that advance notice be given for the nomination of directors of the Corporation (the “**Advance Notice Requirement**”). A summary of the Advance Notice Requirement is set out below.

The Restated By-Law became effective upon its approval by the Board. However, pursuant to the provisions of the OBCA, the Restated By-Law will cease to be effective unless approved, ratified and confirmed by a resolution adopted by a simple majority of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting. The full text of the Restated By-Law is set forth in Schedule “C” to this Circular.

Advance Notice Requirement

Among other things, the Advance Notice Requirement fixes a deadline by which eligible Shareholders must submit a notice of director nominations to the Corporation prior to any annual or special meeting of Shareholders where directors are to be elected and sets forth the information that a Shareholder must include in the notice for it to be valid.

In the case of an annual meeting of Shareholders, notice to the Corporation must be given not less than 30 and not more than 65 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement. In the case of a special meeting of Shareholders (which is not also an annual meeting), notice to the Corporation must be given not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

To be in proper written form, a nominating Shareholder’s notice must set forth as to each person whom the nominating Shareholder proposes to nominate for election as a director:

- (a) the name, age, business address and residence address of the person;
- (b) the principal occupation or employment of the person;
- (c) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of

Shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and

- (d) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the OBCA and applicable securities laws.

A nominating Shareholder's notice must also set forth, as to the nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the OBCA and applicable securities laws.

The Corporation and the Board believe that the Advance Notice Requirement provides a clear process for Shareholders to follow to nominate directors and sets out a reasonable time frame for nominee submissions along with a requirement for accompanying information, allowing the Corporation and the Shareholders to evaluate all nominees' qualifications and suitability as a director of the Corporation. The purpose of the Advance Notice Requirement is to treat all Shareholders fairly by ensuring that all Shareholders, including those participating in a meeting by proxy rather than in person, receive adequate notice of the nominations to be considered at a meeting and sufficient information with respect to all nominees and can thereby exercise their voting rights in an informed manner. In addition, the Advance Notice Requirement should assist in facilitating an orderly and efficient meeting process.

The Board may, in its sole discretion, waive any requirement of the Advance Notice Requirement.

Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Common Shares represented by such form of proxy, properly executed, FOR the Restated By-Law.

CORPORATE GOVERNANCE

The Corporation and the Board recognize the importance of corporate governance to the effective management of the Corporation and to the protection of its stakeholders, particularly Shareholders. The Corporation's approach to issues of corporate governance is designed with a view to ensuring that the business and affairs of the Corporation are effectively managed so as to enhance Shareholder value. The Board fulfills its mandate directly and through the Audit Committee at regularly scheduled meetings or as required. The directors are kept informed regarding the Corporation's operations at regular meetings, or as otherwise required and through reports and discussions with management on matters within their particular areas of expertise. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Corporation's affairs and in light of opportunities or risks that the Corporation faces.

National Policy 58-201 – *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices which disclosure is set out below, in accordance with Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)*.

The Board of Directors

Pursuant to National Instrument 52-110 – *Audit Committees ("NI 52-110")*, a director is considered independent if he or she has no direct or indirect material relationship with the Corporation that the Board believes could reasonably be perceived to materially interfere with his or her ability to exercise independent judgment. NI 52-110 sets out certain situations where a director is deemed to have a material relationship with the Corporation.

The Board is currently comprised of seven directors, six of whom are independent within the meaning of NI 52-110. Messrs. Cohl, Miller, Winch, Yeoman, McKnight and Zipfel are independent directors. Mr. Saladino is the sole owner of BMF Washington, LLC, the Corporation's strategic partner in Washington State and with whom the Corporation has a business relationship and accordingly, he is not considered to be independent. Mr. Yeoman and Mr. Cohl have decided not to seek re-election to the Board. Their

potential replacements, Messrs. Crooke and Varghese, would be independent directors. See “*Election of Directors*” above.

Other Public Company Directorships

No members of the Board currently hold directorships in other reporting issuers.

Independence of the Board

The independent directors did not hold any separate regularly - scheduled meetings during the fiscal year ended December 31, 2017, at which non-independent directors and members of management were not in attendance. However, at various Board meetings throughout 2017, there were meetings where the Board believed a conflict of interest could arise or where it was otherwise appropriate to have directors or management recuse themselves. To facilitate open and candid discussion among the independent directors and enhance its ability to act independently of management, the Board will in the future meet in the absence of non-independent directors and members of management or may continue to excuse such persons from all or a portion of any meeting where a potential conflict of interest arises or where otherwise appropriate.

Orientation and Continuing Education

The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. The Corporation has not yet developed an official orientation or training program for new directors or a formal continuing education program for existing directors. Nevertheless, through discussions and meetings with other directors, officers and employees, new directors will be provided with a thorough description of the Corporation’s business, properties, assets, operations and strategic plans and objectives. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

Ethical Business Conduct

As part of its responsibility for the stewardship of the Corporation, the Board seeks to foster a culture of ethical conduct by requiring the Corporation to carry out its business in line with high business and moral standards and applicable legal and financial requirements.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to employees, consultants, officers and directors to help them recognize and deal with ethical issues; promoting a culture of honesty, integrity and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

The Board takes steps to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or an employee or consultant of the Corporation has a material interest, which include ensuring that such individuals are familiar with rules concerning reporting conflicts of interest and obtaining direction from the Board or a member of senior management of the Corporation regarding any potential conflicts of interest.

The Board has adopted a written Code of Business Conduct and Ethics (the “**Code**”). The Code has been filed with regulators, in accordance with applicable legislation, and is available under the Corporation’s profile on SEDAR at www.sedar.com.

Nomination of Directors

In order to facilitate the process for the nomination of directors and identification of new candidates for appointment to the Board, the Board has established a nominating and corporate governance committee (the “**Nominating and Corporate Governance Committee**”).

In collaboration with the Board, the Nominating and Corporate Governance Committee is responsible for the nomination of directors and identifying new candidates for appointment to the Board. In that regard, the Nominating and Corporate Governance Committee is also responsible for identifying the

competencies and skills required for nominees to the Board, with a view to ensuring that the Board is comprised of directors with the necessary skills and experience to facilitate effective decision-making. In collaboration with the Board, the Nominating and Corporate Governance Committee may retain external consultants or advisors to conduct searches for appropriate potential director candidates if necessary.

The Nominating and Corporate Governance Committee considers its size each year when it determines the number of directors to be nominated for election. The criteria for selecting new directors reflects the requirements of the listing standards of the Canadian Securities Exchange (“CSE”) with respect to independence and the following factors:

- (i) the appropriate size of the Board;
- (ii) the needs of the Corporation with respect to the particular talents and experience of its directors;
- (iii) the personal and professional integrity of the candidate;
- (iv) the level of education and/or business experience of the candidate;
- (v) the broad-based business acumen of the candidate;
- (vi) the level of the candidate’s understanding of the Corporation’s business and the industry in which it operates and other industries relevant to the Corporation’s business;
- (vii) the ability and willingness of the candidate to commit adequate time to the Board and committee matters;
- (viii) the fit of the individual’s skills and personality with those of other directors and potential directors so that the Board is effective, collegial and responsive to the needs of Golden Leaf;
- (ix) the candidate’s ability to think strategically and a willingness to share ideas; and
- (x) the diversity of experiences, expertise and background of the Board as a whole.

The Nominating and Corporate Governance Committee is presently comprised of Messrs. McKnight (Chair), Winch and Yeoman. See “Board Committees” below.

Compensation

In order to facilitate the process for the determining the compensation of directors and executive officers of the Corporation, the Board has established a compensation committee (the “**Compensation Committee**”).

In collaboration with the Board, the Compensation Committee is responsible for determining the compensation of directors and the Chief Executive Officer, and for reviewing the Chief Executive Officer’s recommendations regarding compensation of the other executive officers of the Corporation. The Compensation Committee generally reviews compensation paid to directors and chief executive officers of companies of a similar size and stage of development and in the same or similar industries as the Corporation operates in, and determines appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and executive officers of the Corporation while taking into account the financial and other resources of the Corporation. No formal compensation program or benchmarking has been established given the size and stage of the Corporation. In setting the compensation of the Chief Executive Officer, the Compensation Committee, in collaboration with the Board, will annually review the performance of the Chief Executive Officer and consider other factors which may have impacted the success of the Corporation in achieving its objectives.

The Compensation Committee is presently comprised of Messrs. Zipfel (Chair), McKnight and Cohl.

For further details regarding the compensation of directors, as well as details regarding the Corporation’s approach to the compensation of the Chief Executive Officer and other executive officers, see “Board Committees” and “Statement of Executive Compensation” below.

Board Committees

The Board has established the Audit Committee to assist it in carrying out its mandate. In addition, the Board is in the process of establishing a nominating and corporate governance committee and a corporate governance committee. The Audit Committee is currently comprised of Messrs. Cohl (Chair), Zipfel and Winch.

The Compensation Committee makes recommendations to the Board regarding the determination of the compensation of the directors and the Chief Executive Officer of the Corporation, and for reviewing the Chief Executive Officer's recommendations regarding compensation of the other executive officers of the Corporation. In addition, the Compensation Committee oversees all of the Corporation's compensation programs, pay administration, including reviewing and approving compensation adjustments for the CEO and executive officers and ensuring competitiveness of executive compensation, and other functions including oversight of executive and director stock ownership guidelines and director compensation.

The Nominating and Corporate Governance Committee is responsible for identifying, evaluating and recommending Board candidates, evaluating Board structure and organization and reviewing and monitoring corporate governance policies and procedures.

In addition to the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee, independent committees will be appointed from time to time, when appropriate.

Assessments

The Board does not formally review the contributions of individual directors; however, it believes that its current size facilitates informal discussion and evaluation of members' contributions within that framework. All directors and/or committee members are free to make suggestions for improvement of the practice of the Board and/or its committees at any time and are encouraged to do so.

AUDIT COMMITTEE

The Audit Committee's Charter

A copy of the Charter of the Audit Committee of the Corporation is attached as Schedule "A" to this Circular.

Composition of the Audit Committee

The Audit Committee is currently comprised of Michael Cohl (Chair), Alexander Winch and Gary Zipfel. Each member of the Audit Committee is considered to be both independent and financially literate as defined under NI 52-110.

Relevant Education and Experience

Set out below is a brief description of the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as a member of the Audit Committee and that would provide the member with:

- (i) an understanding of the accounting principles used by the Corporation to prepare its financial statements;
- (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- (iii) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising one or more individuals engaged in such activities; and
- (iv) an understanding of internal controls and procedures for financial reporting.

A general description of the education and experience of each Audit Committee member which is relevant to the performance of their responsibilities as an Audit Committee member is contained in their respective biographies set out under “Particulars of Matters to be Acted Upon – Election of Directors”.

Audit Committee Oversight

At no time since the commencement of the Corporation’s most recently completed financial year have any recommendations by the Audit Committee respecting the appointment or compensation of the Corporation’s external auditors not been adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation’s most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*) of NI 52-110.

Exemption for Venture Issuers

Pursuant to Section 6.1 of NI 52-110, the Corporation is exempt from the requirements of Part 3 (*Composition of the Audit committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

Pre-Approval Policies and Procedures

Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable by the Audit Committee, on a case by case basis.

External Auditor Service Fees

The aggregate fees billed by the Corporation’s external auditor during the years ended December 31, 2017 and 2016 are set out in the table below.

Audit Fee Category	Year Ended December 31, 2017	Year Ended December 31, 2016
Audit Fees ⁽¹⁾	\$554,000	\$325,000
Audit-Related Fees ⁽²⁾	\$61,544	Nil
Tax Fees ⁽³⁾	\$50,000	\$90,000
All Other Fees ⁽⁴⁾	\$45,000	Nil
TOTAL	\$710,544	\$415,000

Notes:

- ⁽¹⁾ “Audit Fees” refers to the aggregate fees billed by the Corporation’s external auditor for audit fees.
- ⁽²⁾ “Audit-Related Fees” refers to the aggregate fees billed for assurance and related services by the Corporation’s external auditor that are reasonably related to the performance of the audit or review of the Corporation’s financial statements and are not reported under the category Audit Fees.
- ⁽³⁾ “Tax Fees” refers to the aggregate fees billed for professional services rendered by the Corporation’s external auditor for tax compliance, tax advice, and tax planning and assistance with tax matters or specific transactions.
- ⁽⁴⁾ “All Other Fees” refers to the aggregate fees billed by the Corporation’s external auditor for products and services provided, other than the services reported under the other three items.

STATEMENT OF DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

The following section provides details of all compensation paid to each of the directors and named executive officers (“**Named Executive Officers**”) of the Corporation for each of the three most recently completed financial years. In connection with the RTO, on October 6, 2015, the Corporation changed its financial year end from March 31 to December 31.

The following information is presented in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* (“**Form 51-102F6V**”), and provides details of all compensation for each of the directors and Named Executive Officers of the Corporation for the year ended December 31, 2017.

For the purposes of this Circular, a Named Executive Officer of the Corporation means each of the following individuals:

- (a) the chief executive officer of the Corporation (“**CEO**”);
- (b) the chief financial officer of the Corporation (“**CFO**”);
- (c) each of the Corporation’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the Corporation’s most recently completed fiscal year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that fiscal year; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that fiscal year.

The Corporation had six Named Executive Officers during the year ended December 31, 2017, namely William Simpson (CEO), Don Robinson (Former CEO), Eugene Hill (CFO at year end), Andy Hartogh (President), Andreas Moppin (Vice President, Sales of Greenpoint Oregon Inc., a wholly-owned subsidiary of the Corporation (“**GPO**”)) and Tim Fitzpatrick (Vice President, Operations of GPO).

Director and Named Executive Officer Compensation – Excluding Compensation Securities

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation to each current and former Named Executive Officer and director, in any capacity, for the last three years ended December 31, 2017, 2016 and 2015.

Name and position	Year	Salary, consulting fee, retainer or commission (US\$)	Bonus (US\$)	Committee or meeting fees (US\$)	Value of perquisites (US\$)	Value of all other compensation (US\$)	Total compensation (US\$)
William Simpson ⁽¹⁾ <i>CEO and President</i>	2017	141,346	Nil	Nil	1,025	Nil	142,371
	2016	n/a	n/a	n/a	n/a	n/a	n/a
	2015	n/a	n/a	n/a	n/a	n/a	n/a
Don Robinson ⁽²⁾ <i>Former CEO and Director</i>	2017	300,000	Nil	Nil	Nil	Nil	300,000
	2016	300,000	Nil	Nil	Nil	Nil	300,000
	2015	200,000 ⁽²⁾	Nil	Nil	Nil	Nil	200,000

Name and position	Year	Salary, consulting fee, retainer or commission (US\$)	Bonus (US\$)	Committee or meeting fees (US\$)	Value of perquisites (US\$)	Value of all other compensation (US\$)	Total compensation (US\$)
Eugene Hill ⁽³⁾ <i>CFO (at year end)</i>	2017	200,000	6,688	Nil	Nil	Nil	206,668
	2016	30,077	Nil	Nil	Nil	Nil	30,077
	2015	N/A	N/A	N/A	N/A	N/A	N/A
Mike Genovese ⁽⁴⁾ <i>Chief Operating Officer</i>	2017	121,154	Nil	Nil	7,110	Nil	128,264
	2016	N/A	N/A	N/A	N/A	N/A	N/A
	2015	N/A	N/A	N/A	N/A	N/A	N/A
Bliss Dake ⁽⁵⁾ <i>Chief Marketing Officer</i>	2017	200,000	Nil	Nil	Nil	Nil	200,000
	2016	184,983	Nil	Nil	Nil	Nil	184,983
	2015	76,692	Nil	Nil	Nil	Nil	76,692
Andy Hartogh ⁽⁶⁾ <i>Former President and Director</i>	2017	265,237	Nil	Nil	Nil	Nil	265,237
	2016	250,000 ⁽⁴⁾	Nil	Nil	Nil	Nil	250,000
	2015	250,000 ⁽⁴⁾	Nil	Nil	Nil	Nil	250,000
Andreas Moppin ⁽⁷⁾ <i>VP, Sales of GPO</i>	2017	203,812	Nil	Nil	Nil	Nil	203,812
	2016	185,000	Nil	Nil	Nil	Nil	185,000
	2015	15,416	Nil	Nil	Nil	Nil	15,416
Tim Fitzpatrick ⁽⁸⁾ <i>VP, Operations of GPO</i>	2017	159,750	Nil	Nil	Nil	Nil	159,750
	2016	195,000	Nil	Nil	Nil	Nil	195,000
	2015	65,000	Nil	Nil	Nil	Nil	65,000

Name and position	Year	Salary, consulting fee, retainer or commission (US\$)	Bonus (US\$)	Committee or meeting fees (US\$)	Value of perquisites (US\$)	Value of all other compensation (US\$)	Total compensation (US\$)
Michael Cohl <i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
	2015	N/A	N/A	N/A	N/A	N/A	N/A
Peter Saladino <i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
	2015	N/A	N/A	N/A	N/A	N/A	N/A
Alexander Winch <i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
	2015	N/A	N/A	N/A	N/A	N/A	N/A
Gary Zipfel <i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	N/A	N/A	N/A	N/A	N/A	N/A
	2015	N/A	N/A	N/A	N/A	N/A	N/A
Bob McKnight <i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	N/A	N/A	N/A	N/A	N/A	N/A
	2015	N/A	N/A	N/A	N/A	N/A	N/A
Gary Yeoman <i>Director (not standing for election)</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	N/A	N/A	N/A	N/A	N/A	N/A
	2015	N/A	N/A	N/A	N/A	N/A	N/A

Name and position	Year	Salary, consulting fee, retainer or commission (US\$)	Bonus (US\$)	Committee or meeting fees (US\$)	Value of perquisites (US\$)	Value of all other compensation (US\$)	Total compensation (US\$)
Solomon (Sam) Pillersdorf ⁽⁹⁾ <i>Former Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Mr. Simpson was appointed President on July 9, 2017 and appointed Chief Executive Officer on July 27, 2017.
(2) Mr. Robinson ceased to be a director and officer of the Corporation on July 27, 2017. Mr. Robinson was both a director and Named Executive Officer during the years ended December 31, 2017, 2016 and 2015. He did not receive any compensation in his role as a director of the Corporation.
(3) Mr. Hill ceased to be Chief Financial Officer of the Corporation on January 15, 2018.
(4) Mr. Genovese was appointed Chief Operating Officer of the Corporation on November 1, 2018.
(5) Mr. Dake ceased to be the Chief Marketing Officer on January 26, 2018.
(6) Mr. Hartogh previously served as the President of Greenpoint Oregon, Inc., a wholly-owned subsidiary of the Corporation, having been appointed on April 8, 2014. Mr. Hartogh was appointed as President and a director of the Corporation following completion of the RTO. Mr. Hartogh ceased to be a Director on June 28, 2017 and ceased to be President on July 9, 2017.
(7) Mr. Moppin ceased to be Vice President of Sales of GPO on November 28, 2017.
(8) Mr. Fitzpatrick ceased to be Vice President of Sales of GPO on July 18, 2017.
(9) Mr. Pillersdorf ceased to be a Director as of June 15, 2017.

Stock Options and Other Compensation Securities

The following table provides information regarding all compensation securities granted or issued to each Named Executive Officer and director by the Corporation for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries during the year ended December 31, 2017.

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion, or exercise price	Closing price of security or underlying security on date of grant	Closing price of security or underlying security at year end ⁽¹⁾	Expiry date
William Simpson <i>CEO and President</i>	N/A	Nil	Nil	Nil	Nil	Nil	N/A
Don Robinson ⁽²⁾ <i>Former CEO and Director</i>	N/A	Nil	Nil	Nil	Nil	Nil	N/A
Eugene Hill ⁽³⁾ <i>CFO (at year end)</i>	N/A	Nil	Nil	Nil	Nil	Nil	N/A
Mike Genovese <i>Chief Operating Officer</i>	N/A	Nil	Nil	Nil	Nil	Nil	N/A
Bliss Dake ⁽⁴⁾ <i>Chief Marketing Officer</i>	N/A	Nil	Nil	Nil	Nil	Nil	N/A
Andy Hartogh ⁽⁵⁾ <i>Former President and Director</i>	N/A	Nil	Nil	Nil	Nil	Nil	N/A

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion, or exercise price	Closing price of security or underlying security on date of grant	Closing price of security or underlying security at year end ⁽¹⁾	Expiry date
Andreas Moppin <i>VP, Sales of GPO</i>	N/A	Nil	Nil	Nil	Nil	Nil	N/A
Tim Fitzpatrick <i>VP, Operations of GPO</i>	N/A	Nil	Nil	Nil	Nil	Nil	N/A
Michael Cohl <i>Director</i>	Stock options ⁽⁷⁾	2,250,000	11/13/17	C\$0.21	C\$0.235	C\$0.375	11/13/2022
Peter Saladino <i>Director</i>	Stock options ⁽⁷⁾	2,250,000	11/13/17	C\$0.21	C\$0.235	C\$0.375	11/13/2022
Alexander Winch ⁽⁷⁾ <i>Director</i>	Stock options ⁽⁶⁾	2,250,000	11/13/17	C\$0.21	C\$0.235	C\$0.375	11/13/2022
Gary Zipfel <i>Director</i>	Stock options ⁽⁷⁾	1,750,000	11/13/17	C\$0.21	C\$0.235	C\$0.375	11/13/2022
Bob McKnight <i>Director</i>	Stock options ⁽⁷⁾	2,250,000	11/13/17	C\$0.21	C\$0.235	C\$0.375	11/13/2022
Gary Yeoman <i>Director (not standing for election)</i>	Stock options ⁽⁷⁾	7,000,000	11/13/17	C\$0.21	C\$0.235	C\$0.375	11/13/2022
Sam Pillersdorf <i>Former Director</i>	N/A	Nil	Nil	Nil	Nil	Nil	N/A

Notes:

⁽¹⁾ Reflects the closing price of the Common Shares on the CSE on December 30, 2017.

⁽²⁾ As at December 31, 2017, Mr. Robinson held 1,000,000 warrants (750,000 vested).

⁽³⁾ As at December 31, 2017, Mr. Hill held 600,000 options (200,000 vested).

⁽⁴⁾ As at December 31, 2017, Mr. Dake held 600,000 options (501,370 vested).

⁽⁵⁾ As at December 31, 2017, Mr. Hartogh held 2,550,000 warrants, all of which had vested.

⁽⁶⁾ As at December 31, 2017, Mr. Winch also held 200,000 options, all of which had vested.

⁽⁷⁾ Each option entitles the holder to acquire one Common Share upon exercise. Other than as set out herein, all options vest in accordance with the following vesting schedule: For further details regarding vesting and restrictions and conditions of exercise, see "Executive Compensation - Stock Option Plans and Other Incentive Plans".

No Named Executive Officer or director of the Corporation exercised compensation securities during the fiscal year ended December 31, 2017.

Stock Option Plan and Other Incentive Plans

The Corporation's stock option plan (the "**Stock Option Plan**") provides for the grant of options to purchase Common Shares to eligible service providers of the Corporation, including the Corporation's directors, officers, employees, consultants and other eligible persons specified in the Stock Option Plan. The Stock Option Plan will be administered by the Board or a committee established by the Board for that purpose (the "**Committee**").

The maximum number of Common Shares that may be issued pursuant to options granted under the Stock Option Plan is equal to 10% of the total number of Common Shares issued and outstanding from time to time.

The Stock Option Plan permits a maximum of 10% of the issued and outstanding Common Shares to be issued to holders of options granted thereunder. As of May 22, 2018, 45,260,000 options are outstanding, representing approximately 8% of the issued and outstanding Common Shares. Accordingly, as of May 22, 2018, 15,559,448 options are available to be issued under the Stock Option Plan, representing approximately 3% of the issued and outstanding Common Shares.

The total number of Common Shares which may be issued or reserved for issuance to any one individual under the Stock Option Plan within any 12-month period shall not exceed 5% of the issued and outstanding Common Shares.

The maximum number of Common Shares which may be reserved for issuance to insiders under the Stock Option Plan or any other security-based compensation plans or arrangements shall be 10% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis). In addition, the maximum number of options which may be granted to insiders under the Stock Option Plan, together with any other previously established or proposed share compensation arrangements within any 12-month period, shall be 10% of the issued and outstanding Common Shares.

The maximum number of options which may be granted to any one consultant under the Stock Option Plan or any other security-based compensation plans or arrangements, within any 12-month period, must not exceed 2% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis). In addition, the maximum number of options which may be granted to Investor Relations Persons (as defined in the Stock Option Plan) under the Stock Option Plan or any other security-based compensation plans or arrangements, within any 12-month period must not exceed, in the aggregate, 2% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis).

The exercise price for the Common Shares under each option shall be determined by the Board or Committee, as applicable, on the basis of the Market Price. For the purpose of the Stock Option Plan, "**Market Price**" shall mean: (i) the prior trading day closing price of the Common Shares on any stock exchange on which the Common Shares are listed or the last trading price on the prior trading day on any dealing network where the Common Shares trade; or (ii) where there is no such closing price or trade on the prior trading day, shall mean the average of the daily high and low board lot trading prices of the Common Shares on any stock exchange on which the Common Shares are listed or dealing network on which the Common Shares trade for the five immediately preceding trading days; or (iii) in the event the Common Shares are not listed on any exchange and do not trade on any dealing network, the Market Price will be determined by the Board.

Unless otherwise limited by the terms of the Stock Option Plan or any regulatory or stock exchange requirement, the Board or the Committee, as applicable, shall have full and final authority to determine the terms and conditions attached to any grant of options to an eligible participant, including when such options shall become vested and exercisable. Subject to the provisions of the Stock Option Plan, the optionee may exercise any vested options, in whole or in part, at any time prior to the tenth anniversary of the date of grant or such earlier date fixed by the Board or the Committee, as applicable (the "**Expiry Date**"). All unexercised options shall expire and terminate following such Expiry Date.

In the event of the death of an optionee, vested options held by such optionee may be exercised by the personal representatives of the optionee until the earlier of (i) the date which is one year from the date of death of the optionee and (ii) the Expiry Date of the options.

If an optionee who is a service provider shall cease to be an eligible participant under the Stock Option Plan for any reason, whether or not for cause, the optionee may exercise the option, but only to the extent that such Option has vested at the date the optionee ceased to be an eligible participant under the Stock Option Plan and only within the period of (i) 90 days following the date of such cessation, or (ii) 30 days following the date of such cessation if the participant is an Investor Relations Person (as defined in the Stock Option Plan), unless in either case such period is extended by the Board or the Committee, as applicable, to a maximum of one year following the date of such cessation, and approval is obtained from the stock exchange on which the Common Shares trade where required, and in no event after the Expiry Date of the option.

Options granted under the Stock Option Plan shall be non-assignable and non-transferable by an optionee otherwise than by will or by the laws of descent and distribution, and such option shall be exercisable, during an optionee's lifetime, only by the optionee.

If at any time when an option granted under the Stock Option Plan remains unexercised:

- (i) the Corporation seeks approval from Shareholders for a transaction which, if completed, would constitute an Acceleration Event (as defined in the Stock Option Plan); or
- (ii) a third party makes a bona fide formal offer or proposal to the Corporation or the Shareholders which, if accepted, would constitute an Acceleration Event,

the Corporation shall notify the optionee in writing of such transaction, offer or proposal as soon as practicable and, provided that the Board or Committee, as applicable, has determined that no adjustment shall be made pursuant to the provisions of the Stock Option Plan, (a) the Board or Committee, as applicable, may permit the optionee to exercise the option, as to all or any of the Common Shares in respect of which such option has not previously been exercised (regardless of any vesting restrictions), during the period specified in the notice (but in no event later than the Expiry Date), so that the optionee may participate in such transaction, offer or proposal; and (b) the Board or Committee, as applicable, may require the acceleration of the time for the exercise of the said option and of the time for the fulfillment of any conditions or restrictions on such exercise.

The Stock Option Plan provides that upon implementation, the Board or Committee, as applicable, may at any time amend, suspend or terminate the Stock Option Plan, provided that no such amendment, suspension or termination may be made without obtaining any required regulatory or stock exchange approval, and may not materially prejudice the rights of any optionee under any option previously granted to the optionee without the consent or deemed consent of the optionee.

Other than the Stock Option Plan, the Corporation does not have any other incentive or compensation - based security plans under which awards are granted.

Employment, Consulting and Management Agreements

The material terms of each agreement under which compensation was provided during the year ended December 31, 2017, or is payable in respect of services provided to the Corporation by each Named Executive Officer or director, is set out below.

William Simpson – CEO and President

The Corporation is party to an employment agreement with William Simpson pursuant to which Mr. Simpson provides his services as President of the Corporation in consideration of a gross annual salary in the amount of US\$294,000, as well as participation in any employee benefit plans maintained by the Corporation and entitlement to reimbursement from the Corporation for reasonable costs and expenses in accordance with the Corporation's expense reimbursement policy.

In the event Mr. Simpson's employment is terminated for cause, he would not be entitled to any further compensation or benefits under his employment agreement as of the termination date unless otherwise required by law. Other than for cause, Mr. Simpson's employment agreement may be terminated by the Corporation upon delivery of a written notice of termination at least 60 days prior to the specified termination date, and Mr. Simpson would be entitled to payment of his salary at the rate in effect upon the date of termination for six months following his date of termination. Mr. Simpson would not, however, be entitled to any other post-employment benefits except for benefits payable under applicable benefit plans of the Corporation during such notice period.

Don Robinson – Former Chief Executive Officer and Former Director

Prior to his resignation, the Corporation was party to an employment agreement with Don Robinson pursuant to which Mr. Robinson provided his services as Chief Executive Officer of the Corporation in consideration of a gross annual salary in the amount of US\$300,000, as well as participation in any employee benefit plans maintained by the Corporation and entitlement to reimbursement from the Corporation for reasonable costs and expenses in accordance with the Corporation's expense reimbursement policy. Upon entering into the employment agreement, Mr. Robinson was also awarded 2,000,000 Common Shares as a one-time signing bonus, and 1,000,000 Common Share purchase

warrants of the Corporation with an exercise price of US\$1.00 per Common Share which vest equally in monthly installments over a three-year period.

In connection with Mr. Robinson's resignation, the unvested portion of his 1,000,000 warrants became vested. No other compensation or benefits were paid to Mr. Robinson as a result of his resignation.

Eugene Hill – Former Chief Financial Officer

Mr. Hill did not have a formal employment agreement in place with the Corporation. Accordingly, when Mr. Hill resigned, he was paid 90 days of severance but was otherwise not entitled to any other contractual payment in connection with his resignation.

Mike Genovese – Chief Operating Officer

The Corporation is party to an employment agreement with Mike Genovese pursuant to which Mr. Genovese provides his services as Chief Operating Officer of Oregon of the Corporation in consideration of a gross annual salary in the amount of US\$252,000, as well as participation in any employee benefit plans maintained by the Corporation and entitlement to reimbursement from the Corporation for reasonable costs and expenses in accordance with the Corporation's expense reimbursement policy.

In the event Mr. Genovese's employment is terminated for cause, he would not be entitled to any further compensation or benefits under his employment agreement as of the termination date unless otherwise required by law. Other than for cause, Mr. Genovese's employment agreement may be terminated by the Corporation upon delivery of a written notice of termination at least 60 days prior to the specified termination date, and Mr. Genovese would be entitled to payment of his salary at the rate in effect upon the date of termination for six months following his date of termination. Mr. Genovese would not, however, be entitled to any other post-employment benefits except for benefits payable under applicable benefit plans of the Corporation during such notice period.

Bliss Dake – Former Chief Marketing Officer

Mr. Dake provided his services to the Corporation as Chief Marketing Officer in consideration of a gross annual salary of \$200,000. Mr. Dake was entitled to 60 days notice of termination, which was provided on January 26, 2018. His formal employment was terminated as of March 28, 2018.

Andy Hartogh – Former President

Prior to his resignation on December 4, 2017, the Corporation was party to an employment agreement with Mr. Hartogh pursuant to which Mr. Hartogh provided his services as President of the Corporation in consideration of a gross annual salary in the amount of US\$250,000, as well as participation in any employee benefit plans maintained by the Corporation and entitlement to reimbursement from the Corporation for reasonable costs and expenses in accordance with the Corporation's expense reimbursement policy.

In connection with Mr. Hartogh's resignation, the Corporation settled all potential claims he had against the Corporation for a single payment of \$45,000. No other compensation or benefits were paid to Mr. Hartogh as a result of his resignation.

Andreas Moppin – Former Vice President of Sales of GPO

Prior to his termination on November 28, 2017 Mr. Moppin provided his services as Vice President of Sales for gross annual compensation of US\$200,000. Mr. Moppin did not have a formal employment agreement in place with the Corporation but was entitled to payment of outstanding wages and paid time off at upon his termination.

Tim Fitzpatrick – Former Vice President of Operations of GPO

Prior to his termination, Mr. Fitzpatrick provided his services as Vice President of Sales for gross annual compensation of US\$195,000. Mr. Fitzpatrick did not have a formal employment agreement in place with the Corporation but was entitled to 90 days' notice of termination by the Corporation, which was provided on July 18, 2017 subsequent to which his employment was formally terminated on October 18, 2017.

Oversight and Description of Director and Named Executive Officer Compensation

Compensation of Directors

The Compensation Committee, in collaboration with the Board, is responsible for approval all forms of compensation to be granted and paid to the directors of the Corporation. The form and amount of compensation for directors is determined after consideration of various relevant factors, including an individual's current and expected future performance, level of responsibilities, comparison with compensation paid by other issuers of a similar size and stage of development and in the same or similar industries as the Corporation operates in, as well as the availability of financial and other resources of the Corporation. No formal compensation policy or benchmarking has been established given the size and stage of the Corporation.

Director compensation can consist of annual cash retainers and cash retainers for acting on the various committees, with additional amounts for acting as chair of a committee. Compensation also includes eligibility for participation in the Stock Option Plan. Non-executive directors do not currently receive directors' fees or fees for participation on Board committees. Long-term incentives in the form of options are granted to non-executive directors from time to time, based on an existing complement of long term-incentives, corporate performance and to be competitive with other companies of similar size and scope.

The Compensation Committee will periodically review the responsibilities and risks involved in being an effective director and will report and make recommendations accordingly.

Compensation of Named Executive Officers

The Compensation Committee, in collaboration with the Board, is responsible for determining all forms of compensation to be granted and paid to the Chief Executive Officer, and for reviewing the Chief Executive Officer's recommendations regarding compensation of the other Named Executive Officers of the Corporation in order to ensure such arrangements reflect the responsibilities and risks associated with each position.

While the Corporation does not have a formal compensation policy, the general objectives of the Corporation's executive compensation strategy are: (i) recruiting, retaining and motivating high performing executives critical to the success of the Corporation; (ii) providing fair and competitive compensation; (iii) linking the interests of management with those of the Shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general. In order to achieve these objectives, the compensation paid to Named Executive Officers of the Corporation consists of base salary, discretionary bonus payments (none have been paid to date) and/or long-term incentives in the form of stock options, as set out below.

The Corporation's executive compensation strategy is designed to retain, encourage, compensate and reward executives on the basis of individual and corporate performance, both in the short- and the long-term. Base salaries will be based on a number of factors enabling the Corporation to compete for and retain executives critical to the Corporation's long-term success. Share ownership opportunities through stock options will be provided to align the interests of executive officers with the longer - term interests of Shareholders.

In reviewing and determining specific compensation amounts for Named Executive Officers, the Compensation Committee, in collaboration with the Board, considers, among other things, factors such as experience, individual performance, length of service, contribution towards the achievement of corporate objectives, stock price, and compensation compared to other employment opportunities for executives.

Elements of Named Executive Officer Compensation

Base Salary

The Named Executive Officers of the Corporation each receive base salaries. The Compensation Committee reviews these salaries annually to ensure that they reflect each respective Named Executive Officer's responsibilities, performance and experience in fulfilling his role. In determining the base salary for each Named Executive Officer, the Compensation Committee, in collaboration with the Board, takes into consideration available market data for other issuers of a similar size and stage of development and in the same or similar industries as the Corporation operates in, although a specific benchmark is not

targeted and a formal peer group has not been established. The Chief Executive Officer makes recommendations regarding the compensation of Named Executive Officers for approval by the Board.

Bonus Payments

Certain employment agreements with Named Executive Officers provide that bonuses may be awarded at the discretion of the Board. No such bonus payments have been approved.

Long-Term Incentives

Long-term incentives are performance-based grants of stock options. The Compensation Committee, in collaboration with the Board, will determine the number of stock options to be granted to the Corporation's Named Executive Officers.

In establishing the number of stock options to be granted to the Named Executive Officers, reference is made to the number of stock options granted to officers of other issuers of a similar size and stage of development and in the same or similar industries as the Corporation operates in, as well as those of other publicly-traded Canadian companies of a comparable size to that of the Corporation. The Compensation Committee also considers previous grants of options and the overall number of options that are outstanding relative to the number of outstanding Common Shares in determining whether to make any new grants of stock options and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the Named Executive Officer in determining the level of incentive stock option compensation.

For a description of the material terms of the Stock Option Plan, see "Statement of Director and Named Executive Officer Compensation – Stock Option Plan and Other Incentive Plans".

Director and Officer Liability Insurance

The Corporation has obtained and maintains customary liability insurance for the benefit of its directors and officers.

Pension Disclosure

The Corporation does not have a pension plan and does not provide any pension plan benefits.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides details of compensation plans under which equity securities of the Corporation are authorized for issuance as of December 31, 2017.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans ⁽²⁾
Equity compensation plans approved by securityholders	45,260,000		12,373,834
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	45,260,000		12,373,834

Notes:

⁽¹⁾ Represents the number of Common Shares reserved for issuance upon exercise of the denoted outstanding options granted in accordance with the Stock Option Plan as at December 31, 2017.

⁽²⁾ Based on the maximum aggregate number of Common Shares that were available for issuance under the Stock Option Plan as at December 31, 2017 and based on 10% of the number of Common Shares issued and outstanding as of December 31, 2017. The maximum number of Common Shares reserved for issuance under the Stock Option Plan at any time is 10% of the Corporation's issued and outstanding Common Shares at that time, less any Common Shares reserved for issuance under other share compensation arrangements.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Circular, no executive officer, director, employee or former executive officer, director or employee of the Corporation or any of its subsidiaries is indebted to the Corporation, or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Corporation or any of its subsidiaries.

No person who is, or at any time during the most recently completed financial year was, a director or executive officer of the Corporation, a proposed nominee for election as a director of the Corporation or any associate of any one of the foregoing persons is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Corporation or any of its subsidiaries. In addition, neither the Corporation nor any of its subsidiaries has provided a guarantee, support agreement, letter of credit or other similar arrangement for any indebtedness of any of these individuals to any other entity.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The Corporation is not aware of any informed person of the Corporation, any proposed director of the Corporation, or any associate or affiliate of any informed person or proposed director, who has had a material interest, direct or indirect, in any transaction involving the Corporation since January 1, 2017 or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries, other than:

- (a) Mr. Saladino held 18.75% of the outstanding membership interests of NevWa, LLC, doing business as Grassroots ("NevWa"). On June 7, 2017 the Corporation purchased certain assets of NevWa and Mr. Saladino received consideration for his interests in NevWa pursuant to this transaction.
- (b) Gary Yeoman, a current Director and Non-Executive Chairman of the Board:

- (i) was a shareholder of Medical Marijuana Group Corporation (“**MMGC**”). Pursuant to an agreement entered into prior to Mr. Yeoman becoming an informed person of the Corporation, the Corporation acquired all of the issued and outstanding shares of MMGC and Mr. Yeoman received consideration for his interest of 2,171,428 common shares pursuant to this transaction.
 - (ii) was a shareholder of Medical Marijuana Group Consulting, Ltd. (“**MMCC**”). Pursuant to an agreement entered into prior to Mr. Yeoman becoming an informed person of the Corporation, the Corporation all of the issued and outstanding shares of MMCC and Mr. Yeoman will receive consideration for his interest of 1,785,714 common shares pursuant to this transaction.
 - (iii) lent C\$50,000 to the Corporation as part of the bridge loan completed in September 2017. This loan were repaid and Mr. Yeoman reinvested the proceeds into the convertible debentures placed on November 2, 2017. In addition, Mr. Yeoman received 47,600 warrants in conjunction with the bridge loan and 119,050 warrants in conjunction with the debentures, respectively.
- (c) Gary Zipfel, Director, and Phillip Millar, President of MMGC and MMCC, participated in the bridge loan which was completed in September 2017 in the amounts of C\$750,000 and C\$50,000 respectively. These loans were repaid and Messrs. Zipfel and Millar reinvested the proceeds into the convertible debentures placed on November 2, 2017. In addition, Mr. Zipfel and Mr. Millar received 47,600 and 714,000 warrants in conjunction with the bridge loan and 119,050 and 1,785,750 warrants in conjunction with the debentures, respectively.
 - (d) Gary Yeoman, Director, and Phillip Millar, President of MMGC and MMCC, received, 937,500 and 2,812,500 warrants, respectively, on November 13, 2017 as consideration for making a share loan used to facilitate the Corporation’s convertible debenture placement in November 2017.
 - (e) In September 2017, Sam Pillersdorf, former Director, participated in the conversion of the debentures originally placed to secure the Corporation’s Aurora property which resulted in issuance 6,207,739 common shares.
 - (f) On November 15, 2017 the Corporation remitted US\$467,049 to BMF Washington for a variety of expenses incurred to support the assets of NevWA, LLC prior to the acquisition close in June 2017.
 - (g) On November 20, 2017 the Corporation remitted US\$267,845 to Peter Saladino, Director for various costs incurred in support of financing efforts and the NevWa, LLC assets.
 - (h) Phillip Millar, presently the President of the Corporation’s wholly-owned subsidiaries MMGC and MMCC, owned shares of MMCC which were sold to the Corporation on December 29, 2017, for common shares of the Corporation pursuant to an agreement that was entered into prior to Mr. Millar becoming an informed person of the Corporation. Mr. Millar received 5,537,143 common shares as consideration.
 - (i) The Corporation leases both its corporate headquarters in Portland and its grow facility outside of Portland, which is currently under construction, from CPPOR LLC, of which Gary Zipfel, Director, is the sole member. During 2017, the Corporation paid total rents of US\$96,000 for these properties. The Corporation is currently party to a rent abatement agreement with the Corporation for the entirety of 2018. Rent payments will resume in 2019.
 - (j) The Corporation is engaged in a licensing and leasing arrangement with BMF Washington, LLC in connection with the assets purchased in January 2016. BMF Washington is 100% owned by Peter Saladino, Director. During 2017, the Corporation recorded US\$1,100,006 of royalty revenues from BMF Washington under this arrangement, which terminated as of February 9, 2018.
 - (k) Don Robinson, former CEO, provided a personal guarantee of the \$1.5 million promissory note between Golden Leaf and BMF/Peter Saladino – Director. This note was settled in full as of December 31, 2017 as part of an offset agreement between Saladino, BMF and GLH.

MANAGEMENT CONTRACTS

No management functions of the Corporation or its subsidiaries are performed to any substantial degree by a person other than the directors or executive officers of the Corporation or its subsidiaries.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available under the Corporation's profile on SEDAR at www.sedar.com and on the Corporation's website at www.goldenleafholdings.com.

Financial information relating to the Corporation is provided in the Corporation's audited consolidated financial statements and the management's discussion and analysis ("**MD&A**") for the year ended December 31, 2017. Shareholders may obtain the financial statements and MD&A under the Corporation's profile on SEDAR at www.sedar.com or by contacting the Corporation directly to request copies of the financial statements and MD&A by: (i) mail to 95 Richmond St. East, Toronto, Ontario, M5C 2C5; or (ii) fax to 416-848-0790.

The Board has approved the contents of this Circular and the sending thereof to the Corporation's Shareholders.

ON BEHALF OF THE BOARD

"William Simpson"

William Simpson
Chief Executive Officer
May 24, 2018

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

GOLDEN LEAF HOLDINGS LTD.

AUDIT COMMITTEE CHARTER

PURPOSE

1. The Audit Committee ("Committee") is a committee of the board of directors (the "Board") of Golden Leaf Holdings Ltd. (the "Corporation"). Its primary function shall be to assist the Board in fulfilling its oversight responsibilities with respect to:
 - (a) the financial reporting process and the quality, transparency and integrity of the Corporation's financial statements and other related public disclosures;
 - (b) the Corporation's internal controls over financial reporting;
 - (c) the Corporation's compliance with legal and regulatory requirements relevant to the financial statements and financial reporting;
 - (d) ensuring that there is an appropriate standard of corporate conduct for senior financial personnel and employees including, if necessary, adopting a corporate code of ethics;
 - (e) the external auditors' qualifications and independence; and
 - (f) the performance of the internal audit function and the external auditors.
2. The function of the Committee is oversight. The members of the Committee are not full-time employees of the Corporation. The Corporation's management is responsible for the preparation of the Corporation's financial statements in accordance with applicable accounting standards and applicable laws and regulations. The Corporation's external auditors are responsible for the audit or review, as applicable, of the Corporation's financial statements in accordance with applicable auditing standards and laws and regulations.

COMPOSITION

3. The Committee shall be appointed by the Board annually on the recommendation of the Corporate Governance Committee and shall be comprised of a minimum of three directors. If an appointment of members of the Committee is not made as prescribed, the members shall continue as such until their successors are appointed. The Board may remove a member of the Committee at any time in its sole discretion by resolution of the Board.
4. The majority of the members of the Committee shall be directors whom the Board has determined are independent and "financially literate", taking into account the applicable rules and regulations of securities regulatory authorities and/or stock exchanges.
5. The Chair of the Committee will be designated by the Board from among the members of the Board. Such Chair shall serve as a liaison between members and senior management. If for any reason a Chair of the Committee is not appointed by the full Board, members of the Committee may designate a Chair of the Committee by majority vote of the full membership of the Committee.

MEETINGS

6. The Committee shall have a minimum of four meetings per year, to coincide with the Corporation's financial reporting cycle. Additional meetings will be scheduled as considered necessary or appropriate, including considering specific matters at the request of the external auditors or the head of internal audit.

7. The time and place of the meetings of the Committee, the calling of meetings and the procedure in all things at such meetings shall be determined by the Chair of the Committee. A meeting of the Committee may be called by notice, which may be given by written notice, telephone, facsimile, email or other communication equipment, given at least 48 hours prior to the time of the meeting provided that no notice of a meeting will be necessary if all of the members are present either in person or by means of conference telephone or if those absent waive notice or otherwise signify their consent to the holding of such meeting.
8. At least two members of the Committee will constitute a quorum at each meeting.
9. The Committee will hold an in camera session without any senior officers present at each meeting.
10. The Committee will keep minutes of its meetings, which shall be available for review by the Board.
11. The Committee may appoint any individual, who need not be a member, to act as the secretary at any meeting.
12. The Committee may invite such directors, senior officers and other employees of the Corporation and such other advisors and persons as is considered appropriate to attend any meeting of the Committee.
13. Any matter to be determined by the Committee will be decided by a majority of the votes cast at a meeting of the Committee called for such purpose. Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority. The Chair will not have a deciding or casting vote in the case of an equality of votes. Any action of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee (including in counterpart) and any such action will be as effective as if it had been decided by a majority of the votes cast at a meeting of the Committee called for such purpose.
14. The Committee will report its determinations and recommendations to the Board.

RESOURCES AND AUTHORITY

15. The Committee has the authority to:
 - (a) engage, at the expense of the Corporation, independent counsel, accounting and other experts or advisors as considered advisable in its sole discretion, at the expense of the Corporation, which shall provide adequate funding for such purposes;
 - (b) determine and pay the compensation for any independent counsel, accounting and other experts or advisors retained by the Committee;
 - (c) conduct any investigation in the Corporation's business or affairs that it considers appropriate; and
 - (d) request unrestricted access to the books and records of the Corporation, management, the external auditors and the head of internal audit, including private meetings, as it considers necessary or appropriate to discharge its duties and responsibilities.

DUTIES AND RESPONSIBILITIES

16. The responsibilities of a member of the Committee shall be in addition to such Member's duties as a member of the Board. The duties and responsibilities of the Committee shall be as follows:

Financial Reporting and Disclosure

- (a) The Committee has the duty to determine whether the Corporation's financial disclosures are complete, accurate, are in accordance with international financial reporting standards and fairly present the financial position and risks of the organization. The Committee should, where it deems appropriate, resolve disagreements, if any, between management and the external auditor, and review compliance with laws and regulations and the Corporation's own policies.

- (b) Review and discuss with management and the external auditor at the completion of the annual examination:
 - (i) the Corporation's audited financial statements and related notes;
 - (ii) the external auditor's audit of the annual financial statements and their report thereon;
 - (iii) any significant changes required in the external auditor's audit plan;
 - (iv) any serious difficulties or disputes with management encountered during the course of the audit; and
 - (v) other matters related to the conduct of the audit, which are to be communicated to the Committee under generally accepted auditing standards.
- (c) Review and discuss with management and, where authorized by the Board, the external auditor at the completion of any review engagement or other examination of the Corporation's quarterly unaudited financial statements:
 - (i) the Corporation's unaudited financial statements and related notes;
 - (ii) any significant changes required in the external auditor's audit plan resulting from the preparation of the unaudited financial statements;
 - (iii) any serious difficulties or disputes with management encountered during the course of the preparation of the unaudited financial statements; and
 - (iv) other matters related to the preparation of the unaudited financial statements, which are to be communicated to the Committee.
- (d) Approve unaudited financial statements and the notes thereto and the Corporation's management discussion and analysis with respect to such financial statements.
- (e) Review, discuss with management the annual reports, the quarterly reports, the related Management Discussion and Analysis, the annual information form, any prospectus and other disclosures and, if thought advisable, recommend the acceptance of such documents to the Board for approval.
- (f) Review disclosure respecting the activities of the Committee included in the Corporation's annual filings.
- (g) Review and discuss with management any guidance being provided to shareholders on the expected future results and financial performance of the Corporation and provide their recommendations on such documents to the Board.
- (h) Inquire of the auditors the quality and acceptability of the Corporation's accounting principles, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates.
- (i) Meet independently with the external auditor and management in separate executive sessions, as necessary or appropriate.
- (j) Ensure that management has the proper systems in place so that the Corporation's financial statements, financial reports and other financial information satisfy legal and regulatory requirements. Based upon discussions with the external auditor and the financial statement review, if it deems appropriate, provide the Board with such recommendations and reports with respect to the financial disclosures of the Corporation.
- (k) Review and approve any significant amendments to the Corporation's Disclosure Policy.
- (l) Review and if appropriate, ratify the mandate of the Disclosure Committee.

External Auditor

- (m) Retaining and terminating, and/or making recommendations to the Board and the shareholders with respect to the retention or termination of, an external auditing firm to conduct review engagements on a quarterly basis and an annual audit of the Corporation's financial statements.
- (n) Communicating to the external auditors that they are ultimately accountable to the Board and the Committee as representatives of the shareholders.
- (o) Obtaining and reviewing an annual report prepared by the external auditors describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues.
- (p) Evaluating the independence of the external auditor and any potential conflicts of interest and (to assess the auditors' independence) all relationships between the external auditors and the Corporation, including obtaining and reviewing an annual report prepared by the external auditors describing all relationships between the external auditors and the Corporation.
- (q) Approving, or recommending to the Board for approval, all audit engagement fees and terms, as well as all non-audit engagements of the external auditors prior to the commencement of the engagement.
- (r) Reviewing with the external auditors the plan and scope of the quarterly review and annual audit engagements.
- (s) Setting hiring policies with respect to the employment of current or former employees of the external auditors.

Internal Controls and Audit

- (t) Reviewing and discussing with management, the external auditors and the head of internal audit the effectiveness of the Corporation's internal controls over financial reporting, including reviewing and discussing any significant deficiencies in the design or operation of internal controls, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal controls over financial reporting.
- (u) Discussing the Corporation's process with respect to risk assessment (including fraud risk), risk management and the Corporation's major financial risks and financial reporting exposures, all as they relate to internal controls over financial reporting, and the steps management has taken to monitor and control such risks.
- (v) Reviewing and discussing with management the Corporation's Code of Business Conduct and Ethics and anti-fraud program and the actions taken to monitor and enforce compliance.
- (w) Establishing procedures for:
 - (i) the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters, including reviewing and discussing Whistleblower Policy with management; and
 - (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting, internal controls or auditing matters.
- (x) Reviewing and discussing with management, the external auditors and the head of internal audit the responsibilities and effectiveness of the Corporation's internal audit function, including reviewing the internal audit mandate, independence, organizational structure,

internal audit plans and adequacy of resources, receiving periodic internal audit reports and meeting privately with the head of internal audit on a periodic basis.

- (y) Approving in advance the retention and dismissal of the head of internal audit.

Other

- (z) Reporting regularly to the Board.
- (aa) Reviewing and assessing its mandate and recommending any proposed changes to the Corporate Governance Committee of the Board on an annual basis.
- (bb) Evaluating the functioning of the Committee on an annual basis, including with reference to the discharge of its mandate, with the results to be reported to the Corporate Governance Committee, which shall report to the Board.
- (cc) Review periodically, together with the Corporate Governance Committee, the directors' and officers' liability insurance and indemnities of the Corporation and consider the adequacy of such coverage.

ADOPTION

This Charter was adopted by the Board on May 31, 2016.

SCHEDULE "B"
REPORTING PACKAGE
(attached)



Notice of Change of Auditor

To: Grant Thornton, LLP
Jackson and Company, Chartered Accountants
Ontario Securities Commission
Alberta Securities Commission
British Columbia Securities Commission
Canadian Securities Exchange

Golden Leaf Holdings Ltd. (the “Company”) gives the following notice pursuant to Section 4.11 of National Instrument 51-102 Continuous Disclosure Obligations (“NI 51-102”):

1. The Company’s auditor Grant Thornton LLP (“GT”) has resigned as the Company’s auditor effective January 8, 2018 (the “Effective Date”). The resignation was not at the request of the Company. The Company has appointed Jackson & Co. (“Jackson”) as the auditor of the Company to fill the resulting vacancy as of the Effective Date.
2. The acceptance of the resignation of GT and the appointment of Jackson was, in each case, considered and approved by the Board of Directors, following consideration and recommendation by the Audit Committee, and constitutes the “resignation” of GT and the “appointment” of Jackson for the purposes of NI 51-102.
3. There were no modified opinions expressed in GT’s audit reports in connection with the audits of the two most recently completed fiscal years, being the years ended December 31, 2016 and 2015; and
4. There have been no “reportable events” (as defined in Section 4.11 of NI 51-102).

Dated this 8th day of January, 2018.

“William Simpson”

ON BEHALF OF THE BOARD OF DIRECTORS per: William Simpson, Chief Executive Officer



Ontario Securities Commission
Alberta Securities Commission
British Columbia Securities Commission
Canadian Securities Exchange

Grant Thornton LLP
11th Floor
200 King Street West, Box 11
Toronto, ON
M5H 3T4
T +1 416 366 0100
F +1 416 360 4949
www.GrantThornton.ca

January 11, 2018

To whom it may concern,

This letter is being prepared in accordance with National Instrument 51-102 §4.11 5(a)(ii) – *Requirements Upon Auditor Termination or Resignation*.

We have read Golden Leaf Holdings Ltd.'s Change of Auditor Notice dated January 8, 2018 and agree with the information contained therein, based upon our knowledge of the information at this date.

Yours very truly,

Grant Thornton LLP

January 12, 2017

British Columbia Security Commission

P.O. Box 10142, Pacific Centre
9TH Floor – 701 West Georgia Street
Vancouver, B.C. V7Y 1L2

Alberta Securities Commission

Suite 600, 250 – 5th Street S.W.
Calgary, Alberta T2P 0R4

Ontario Securities Commission

20 Queen Street West, 22nd Floor
Toronto, ON M5H 3S8

Canadian Security Exchange

220 Bay Street, 9th Floor
Toronto, Ontario, M5J 2W4

Dear Sirs/Mesdames:

**RE: Golden Leaf Holdings Ltd (the “Company”)
Notice Pursuant to National Instrument 51-102 - Change of Auditor**

As required by the National Instrument 51-102 and in connection with our proposed engagement as auditor of the Company, we have reviewed the information contained in the Company's Notice of Change of Auditor, dated January 8, 2018 and agree with the information contained therein, based upon our knowledge of the information relating to the said notice and of the Company at this time

Yours very truly,

Jackson & Company

CHARTERED PROFESSIONAL ACCOUNTANTS

SCHEDULE "C"
RESTATED BY-LAW
(attached)

BY-LAW NO. 3

A by-law relating generally to
the conduct of the affairs of

GOLDEN LEAF HOLDINGS LTD.

CONTENTS

1. Interpretation
2. Business of the Corporation
3. Directors
4. Committees
5. Officers
6. Protection of Directors, Officers and Others
7. Shares
8. Dividends and Rights
9. Meetings of Shareholders
10. Notices
11. Electronic Documents
12. Repeal
13. Effective Date

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of Golden Leaf Holdings Ltd. (the “**Corporation**”) as follows:

SECTION ONE

INTERPRETATION

1.01 Definitions

In the by-laws of the Corporation, unless the context otherwise requires:

- (1) “Act” means the Business Corporations Act, R.S.O. 1990 c. B.16 and the regulations under the Act, as from time to time amended, and every statute that may be substituted therefor and, in the case of such substitution, any reference in the by-laws of the Corporation to provisions of the Act shall be read as references to the substituted provisions therefor in the new statute or statutes;
- (2) “appoint” includes “elect” and vice versa;
- (3) “articles” means the articles of the Corporation as from time to time amended or restated;
- (4) “board” means the board of directors of the Corporation;

- (5) “by-laws” means this by-law and all other by-laws of the Corporation from time to time in force and effect;
- (6) “meeting of shareholders” includes an annual meeting of shareholders and a special meeting of shareholders; “special meeting of shareholders” includes a meeting of any class or classes of shareholders and a special meeting of all shareholders entitled to vote at an annual meeting of shareholders;
- (7) “non-business day” means Saturday, Sunday and any other day that is a holiday as defined in the Interpretation Act (Ontario);
- (8) “recorded address” means in the case of a shareholder his address as recorded in the securities register; and in the case of joint shareholders the address appearing in the securities register in respect of such joint holding or the first address so appearing if there is more than one; and in the case of a director, officer, auditor or member of a committee of the board his latest address as recorded in the records of the Corporation;
- (9) “*Securities Transfer Act*” means the *Securities Transfer Act* (Ontario) 2006, c.8. as amended from time to time;
- (10) “signing officer” means, in relation to any instrument, any person authorized to sign the same on behalf of the Corporation by paragraph 2.03 or by a resolution passed pursuant thereto;
- (11) all terms contained in the by-laws that are not otherwise defined in the by-laws and which are defined in the Act, such as “resident Canadian”, shall have the meanings given to such terms in the Act; and
- (12) the singular shall include the plural and the plural shall include the singular; the masculine shall include the feminine and neuter genders; and the word “person” shall include individuals, bodies corporate, corporations, companies, partnerships, syndicates, trusts, unincorporated organizations and any number or aggregate of persons.

1.02 Conflict with Laws

In the event of any inconsistency between the by-laws and mandatory provisions of the Act or the *Securities Transfer Act*, the provisions of the Act or the *Securities Transfer Act*, as applicable, shall prevail.

SECTION TWO

BUSINESS OF THE CORPORATION

2.01 Corporate Seal

The Corporation may, but need not adopt a corporate seal and if one is adopted it shall be in such form as the directors may by resolution adopt from time to time.

2.02 Financial Year

The financial year of the Corporation shall be as determined by the board from time to time.

2.03 Execution of Instruments

Contracts, documents or instruments in writing requiring the signature of the Corporation may be signed on behalf of the Corporation by any two of the President, Vice-President, Secretary or Treasurer and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The board shall have power from time to time by resolution to appoint any officer or officers or any person or persons or any legal entity on behalf of the Corporation either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing.

The seal of the Corporation, if any, may when required be affixed to contracts, documents and instruments in writing signed as set out above or by any officer or officers, person or persons, appointed as set out above by resolution of the board.

The term "contracts, documents or instruments in writing" as used in this by-law shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, movable or immovable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, share warrants, stocks, bonds, debentures, notes or other securities and all paper writings.

The signature or signatures of the Chairman of the Board (if any), the Vice-Chairman of the Board, the President, any Executive Vice-President, or any Vice-President together with any one of the Secretary, the Treasurer, an Assistant Secretary, an Assistant Treasurer or any one of the foregoing officers together with any one director of the Corporation and/or any other officer or officers, person or persons, appointed as aforesaid by resolution of the board may, if specifically authorized by resolution of the directors, be printed, engraved, lithographed or otherwise mechanically or electronically reproduced upon any contracts, documents or instruments in writing or bonds, debentures, notes or other securities of the Corporation executed or issued by or on behalf of the Corporation and all contracts, documents or instruments in writing or bonds, debentures, notes or other securities of the Corporation on which the signature or signatures of any of the foregoing officers or directors or persons authorized as aforesaid shall be so reproduced pursuant to special authorization by resolution of the board, shall be deemed to have been manually signed by such officers or directors or persons whose signature or signatures is or are so reproduced and shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that the officers or directors or persons whose signature or signatures is or are so reproduced may have ceased to hold office at the date of the delivery or issue of such contracts, documents or instruments in writing or bonds, debentures, notes or other securities of the Corporation.

2.04 Banking Arrangements

The banking business of the Corporation, or any part thereof, including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the board. Such banking business or any part

thereof shall be transacted under such agreements, instructions and delegations of powers as the board may from time to time by resolution prescribe or authorize.

2.05 Custody of Securities

All shares and securities owned by the Corporation shall be lodged (in the name of the Corporation) with a chartered bank or a trust company or in a safety deposit box or, if so authorized by resolution of the board, with such other depositaries or in such other manner as may be determined from time to time by resolution of the board.

All share certificates, bonds, debentures, notes or other obligations or securities belonging to the Corporation may be issued or held in the name of a nominee or nominees of the Corporation (and if issued or held in the names of more than one nominee shall be held in the names of the nominees jointly with the right of survivorship) and shall be endorsed in blank with endorsement guaranteed in order to enable transfer to be completed and registration to be effected.

2.06 Voting Shares and Securities in other Companies

All of the shares or other securities carrying voting rights of any other body corporate held from time to time by the Corporation may be voted at any and all meetings of shareholders, bondholders, debenture holders or holders of other securities (as the case may be) of such other body corporate and in such manner and by such person or persons as the board shall from time to time by resolution determine. The proper signing officers of the Corporation may also from time to time execute and deliver for and on behalf of the Corporation proxies and/or arrange for the issuance of voting certificates and/or other evidence of the right to vote in such names as they may determine without the necessity of a resolution or other action by the board.

SECTION THREE

DIRECTORS

3.01 Number of Directors and Quorum

The number of directors of the Corporation shall be the number of directors as specified in the articles or, where a minimum and maximum number of directors is provided for in the articles, the number of directors of the Corporation shall be the number of directors determined from time to time by special resolution or, if a special resolution empowers the directors to determine the number, the number of directors determined by resolution of the board. Subject to the Act, the quorum for the transaction of business at any meeting of the board shall be a majority of the number of directors then in office and or such greater number of directors as the board may from time to time by resolution determine.

3.02 Qualification

No person shall be qualified for election as a director if disqualified in accordance with the Act (which would currently include: a person who is less than 18 years of age; a person who has been found under the *Substitute Decisions Act*, 1992 or under the *Mental Health Act* to be incapable of managing property or who has been found to be incapable by a court in Canada or elsewhere; a person who is not an individual; or a person who has the status of a bankrupt).

A director need not be a shareholder. The board shall be comprised of the number of Canadian residents as may be prescribed from time to time by the Act (which is currently a minimum of 25%). If the Corporation is or becomes an offering corporation within the meaning of the Act, at least one-third of the directors of the Corporation shall not be officers or employees of the Corporation or any of its affiliates.

3.03 Election and Term

The election of directors shall take place at the first meeting of shareholders and at each succeeding annual meeting of shareholders and all the directors then in office shall retire but, if qualified, shall be eligible for re-election. The number of directors to be elected at any such meeting shall be the number of directors as specified in the articles or, if a minimum and maximum number of directors is provided for in the articles, the number of directors determined by special resolution or, if the special resolution empowers the directors to determine the number, the number of directors determined by resolution of the board. The voting on the election shall be by show of hands unless a ballot is demanded by any shareholder. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

3.04 Nomination of Directors

Subject only to the Act and the articles of the Corporation, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors, (a) by or at the direction of the board or an authorized officer of the Corporation, including pursuant to a notice of meeting, (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act or (c) by any person (a "**Nominating Shareholder**") (i) who, at the close of business on the date of the giving of the notice provided for below in this Section 3.04 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and (ii) who complies with the notice procedures set forth below in this Section 3.04A:

- a) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the secretary of the Corporation at the principal executive offices of the Corporation in accordance with this Section 3.04.
- b) To be timely, a Nominating Shareholder's notice to the secretary of the Corporation must be made (a) in the case of an annual meeting of shareholders, not less than 30 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the 10th day following the Notice Date; and (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for

the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

- c) To be in proper written form, a Nominating Shareholder's notice to the secretary of the Corporation must set forth (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, and (iv) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and (b) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below). The Corporation may require any proposed nominee to furnish such other information, including a written consent to act, as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.
- d) No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this Section 3.04; provided, however, that nothing in this Section 3.04 shall be deemed to preclude discussion by a shareholder (as distinct from nominating directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chairperson of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- e) For purposes of this Section 3.04, (i) "public announcement" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and (ii) "Applicable Securities Laws" means the applicable *Securities Act* of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.

- f) Notwithstanding any other provision of the by-laws of the Corporation, notice given to the secretary of the Corporation pursuant to this Section 3.04 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the secretary at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Toronto time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.
- g) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Section 3.04.

3.05 Removal of Directors

Subject to the provisions of the Act, the shareholders may by ordinary resolution passed at a meeting specially called for such purpose remove any director from office and the vacancy created by such removal may be filled at the same meeting failing which it may be filled by a quorum of the directors.

3.06 Vacation of Office

A director ceases to hold office when he dies or, subject to the Act, resigns; he is removed from office by the shareholders in accordance with the Act; he becomes of unsound mind and is so found by a court in Canada or elsewhere or if he acquires the status of a bankrupt.

3.07 Vacancies

Subject to the Act, a quorum of the board may fill a vacancy in the board, except a vacancy resulting from an increase in the number or maximum number of directors or from a failure of the shareholders to elect the number of directors required to be elected at any meeting of shareholders. In the absence of a quorum of the board, or if the vacancy has arisen from a failure of the shareholders to elect the number of directors required to be elected at any meeting of shareholders, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy. If the directors then in office fail to call such meeting or if there are no directors then in office, any shareholder may call the meeting.

3.08 Action by the Board

The board shall manage or supervise the management of the business and affairs of the Corporation. Subject to paragraph 3.09, the powers of the board may be exercised at a meeting at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy in the board, the remaining directors may exercise all the powers of the board so long as a quorum of the board remains in office.

3.09 Electronic Participation

Subject to the Act, if all of the directors consent, a director may participate in a meeting of the board or a committee of the board by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate adequately with each other, and a director participating in a meeting by such means shall be deemed to be present at that meeting. A consent is effective whether given before or after the meeting and may be given with respect to all meetings of the board and committees of the board.

3.10 Place of Meetings

Meetings of the board may be held at any place within or outside Ontario. In any financial year of the Corporation a majority of the meetings of the board need not be held within Canada.

3.11 Calling of Meetings

Subject to the Act, meetings of the board shall be held from time to time on such day and at such time and at such place as the board, the Chairman of the Board (if any), the President, an Executive Vice-President or a Vice-President who is a director or any one director may determine and the Secretary or Assistant Secretary, when directed by the board, the Chairman of the Board (if any), the President, an Executive Vice-President or a Vice-President who is a director or any one director shall convene a meeting of the board.

3.12 Notice of Meeting

Notice of the date, time and place of each meeting of the board shall be given in the manner provided in paragraph 10.01 to each director not less than 48 hours (exclusive of any part of a non-business day) before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified.

A director may in any manner waive notice of or otherwise consent to a meeting of the board.

3.13 First Meeting of New Board

Provided a quorum of directors is present, each newly elected board may without notice hold its first meeting immediately following the meeting of shareholders at which such board is elected.

3.14 Adjourned Meeting

Notice of an adjourned meeting of the board is not required if the time and place of the adjourned meeting is announced at the original meeting.

3.15 Regular Meetings

The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of a schedule of regular

meetings of the board setting forth the proposed dates, times and places of such regular meetings shall be sent to each director at the commencement of each calendar year, however, each director shall also be provided with a follow-up notice of meeting and agenda prior to each regularly scheduled meeting.

3.16 Chairman

The chairman of any meeting of the board shall be the first mentioned of such of the following officers as have been appointed and who is a director and is present at the meeting: the Chairman of the Board, the President, an Executive Vice-President or a Vice-President. If no such officer is present, the directors present shall choose one of their number to be chairman.

3.17 Votes to Govern

At all meetings of the board every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chairman of the meeting shall not be entitled to a second or casting vote.

3.18 Conflict of Interest

A director or officer who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or transaction or proposed material contract or transaction with the Corporation shall disclose in writing to the Corporation or request to have entered in the minutes of the meetings of the directors the nature and extent of his interest at the time and in the manner provided by the Act. Any such contract or transaction or proposed contract or transaction shall be referred to the board or shareholders for approval even if such contract is one that in the ordinary course of the Corporation's business would not require approval by the board or shareholders, and a director interested in a contract or transaction so referred to the board shall not attend any part of a meeting of the board during which the contract or transaction is discussed and shall not vote on any resolution to approve the same except as permitted by the Act. If no quorum exists for the purpose of voting on a resolution to approve a contract or transaction only because a director is not permitted to be present at the meeting by reason of this section, the remaining directors shall be deemed to constitute a quorum for the purposes of voting on the resolution. Where all of the directors are required to disclose their interests pursuant to this section, the contract or transaction may be approved only by the shareholders.

3.19 Remuneration and Expenses

The directors shall be paid such remuneration for their services as the board may from time to time determine. The directors shall also be entitled to be reimbursed for traveling and other expenses properly incurred by them in attending meetings of the shareholders or of the board or any committee thereof or otherwise in the performance of their duties. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving remuneration therefor.

SECTION FOUR

COMMITTEES

4.01 Committee of Directors

The board may appoint a committee of directors, however designated, and delegate to such committee any of the powers of the board except those which pertain to items which, under the Act, a committee of directors has no authority to exercise.

4.02 Transaction of Business

The powers of a committee of directors may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at any place within or outside Ontario.

4.03 Audit Committee

The board may, and shall if the Corporation becomes an offering corporation within the meaning of the Act, elect annually from among its number an audit committee to be composed of not fewer than three directors of whom a majority shall not be officers or employees of the Corporation or its affiliates. The audit committee shall have the powers and duties provided in the Act.

4.04 Advisory Committees

The board may from time to time appoint such other committees as it may deem advisable, but the functions of any such other committees shall be advisory only.

4.05 Procedure

Unless otherwise determined by the board, each committee shall have power to fix its quorum at not less than a majority of its members, to elect its chairman and to regulate its procedure.

SECTION FIVE

OFFICERS

5.01 Appointment

The board may from time to time appoint a Chairman of the Board, a President, one or more Vice-Presidents (to which title may be added words indicating seniority or function), a Secretary, a Treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. The board may specify the duties of and, in accordance with this by-law and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Subject to paragraph 5.02, an officer may but need not be a director and one person may hold more than one office. In case and whenever the same person holds the offices of Secretary and Treasurer, he may but need not be known as the Secretary-Treasurer. All officers shall sign such contracts, documents, or

instruments in writing as require their respective signatures. In the case of the absence or inability to act of any officer or for any other reason that the board may deem sufficient, the board may delegate all or any of the powers of such officer to any other officer or to any director for the time being.

5.02 Chairman of the Board

The Chairman of the Board, if appointed, shall be a director and shall, when present, preside at all meetings of the board. Each committee of the board shall appoint a Chairman which shall be a member of the relevant committee of the board and shall, when present, preside at all meetings of committees of the board. The Chairman of the Board shall be vested with and may exercise such powers and shall perform such other duties as may from time to time be assigned to him by the board. During the absence or disability of the Chairman of the Board, his duties shall be performed and his powers exercised by the President.

5.03 President

The President shall, and unless and until the board designates any other officer of the Corporation to be the Chief Executive Officer of the Corporation, be the Chief Executive Officer and, subject to the authority of the board, shall have general supervision of the business and affairs of the Corporation and such other powers and duties as the board may specify. The President shall be vested with and may exercise all the powers and shall perform all the duties of the Chairman of the Board if none be appointed or if the Chairman of the Board is absent or unable or refuses to act.

5.04 Executive Vice-President or Vice-President

Each Executive Vice-President or Vice-President shall have such powers and duties as the board or the President may specify. The Executive Vice-President or Vice-President or, if more than one, the Executive Vice-President or Vice-President designated from time to time by the board or by the President, shall be vested with all the powers and shall perform all the duties of the President in the absence or inability or refusal to act of the President, provided, however, that an Executive Vice-President or a Vice-President who is not a director shall not preside as chairman at any meeting of the board.

5.05 Secretary or Assistant Secretary

The Secretary or Assistant Secretary shall give or cause to be given as and when instructed, all notices to shareholders, directors, officers, auditors and members of committees of the board; he shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and all books, papers, records, documents and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose; and he shall have such other powers and duties as the board may specify.

5.06 Treasurer or Assistant Treasurer

The Treasurer or Assistant Treasurer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation; he shall render to the board whenever required an account of all his transactions as Treasurer or Assistant Treasurer and of

the financial position of the Corporation; and he shall have such other powers and duties as the board may specify. Unless and until the board designates any other officer of the Corporation to be the Chief Financial Officer of the Corporation, the Treasurer or Assistant Treasurer shall be the Chief Financial Officer of the Corporation.

5.07 Powers and Duties of Other Officers

The powers and duties of all other officers shall be such as the terms of their engagement call for or as the board may specify. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board otherwise directs.

5.08 Variation of Powers and Duties

The board may from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer.

5.09 Term of Office

The board, in its discretion, may remove any officer of the Corporation, with or without cause, without prejudice to such officer's rights under any employment contract. Otherwise each officer appointed by the board shall hold office until his successor is appointed or until the earlier of his resignation or death.

5.10 Terms of Employment and Remuneration

The terms of employment and the remuneration of an officer appointed by the board shall be settled by it from time to time. The fact that any officer or employee is a director or shareholder of the Corporation shall not disqualify him from receiving such remuneration as may be so determined.

5.11 Conflict of Interest

An officer shall disclose his interest in any material contract or transaction or proposed material contract or transaction with the Corporation in accordance with paragraph 3.18.

5.12 Agents and Attorneys

The board shall have power from time to time to appoint agents or attorneys for the Corporation in or outside Canada with such powers of management or otherwise (including the powers to subdelegate) as may be thought fit.

SECTION SIX

PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

6.01 Submission of Contracts or Transactions to Shareholders for Approval

The board in its discretion may submit any contract, act or transaction for approval, ratification or confirmation at any meeting of the shareholders called for the purpose of considering the same and any contract, act or transaction that shall be approved, ratified or confirmed by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act or by the Corporation's articles or any other by-law) shall be as valid and as binding upon the Corporation and upon all the shareholders as though it had been approved, ratified or confirmed by every shareholder of the Corporation.

6.02 For the Protection of Directors and Officers

In supplement of and not by way of limitation upon any rights conferred upon directors by the provisions of the Act, it is declared that no director shall be disqualified by his office from, or vacate his office by reason of, holding any office or place of profit under the Corporation or under any body corporate in which the Corporation shall be a shareholder or by reason of being otherwise in any way directly or indirectly interested or contracting with the Corporation either as vendor, purchaser or otherwise or being concerned in any contract or arrangement made or proposed to be entered into with the Corporation in which he is in any way directly or indirectly interested either as vendor, purchaser or otherwise nor shall any director be liable to account to the Corporation or any of its shareholders or creditors for any profit arising from any such office or place of profit; and, subject to the provisions of the Act, no contract or arrangement entered into by or on behalf of the Corporation in which any director shall be in any way directly or indirectly interested shall be avoided or voidable and no director shall be liable to account to the Corporation or any of its shareholders or creditors for any profit realized by or from any such contract or arrangement by reason of the fiduciary relationship existing or established thereby. Subject to the provisions of the Act and to paragraph 3.18, no director shall be obliged to make any declaration of interest or refrain from voting in respect of a contract or proposed contract with the Corporation in which such director is in any way directly or indirectly interested.

6.03 Limitation of Liability

Except as otherwise provided in the Act, no director or officer for the time being of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any persons, firm or corporation including any person, firm or corporation with whom or which any moneys, securities or effects shall be lodged or deposited for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the

Corporation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his respective office or trust or in relation thereto unless the same shall happen by or through his failure to exercise the powers and to discharge the duties of his office honestly, in good faith and in the best interests of the Corporation and in connection therewith to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The directors for the time being of the Corporation shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the board. If any director or officer of the Corporation shall be employed by or shall perform services for the Corporation otherwise than as a director or officer or shall be a member of a firm or a shareholder, director or officer of a company which is employed by or performs services for the Corporation, the fact of his being a director or officer of the Corporation shall not disentitle such director or officer or such firm or company, as the case may be, from receiving proper remuneration for such services.

6.04 Indemnity

Subject to the limitations contained in the Act, the Corporation shall indemnify a director or officer, a former director or officer, or another individual who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity, if

- (a) the individual acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which the individual acted as a director or officer or in a similar capacity at the Corporation's request;
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful; and
- (c) a court or other competent authority has not judged that the individual has committed any fault or omitted to do anything that the individual ought to have done.

The Corporation shall also indemnify such person in such other circumstances as the Act permits or requires. The Corporation may advance monies to a director, officer or other individual for costs, charges and expenses of a proceeding referred to above. The individual shall repay the monies if he or she does not fulfill the conditions set out in paragraphs (a) and (b) above. Nothing in this by-law shall limit the right of any individual entitled to indemnity to claim indemnity apart from the provisions of this by-law.

6.05 Insurance

The Corporation may purchase and maintain insurance for the benefit of any person referred to in paragraph 6.04 against such liabilities and in such amounts as the board may from time to time determine and are permitted by the Act.

SECTION SEVEN

SHARES

7.01 Allotment

The board may from time to time allot or grant options to purchase the whole or any part of the authorized and unissued shares of the Corporation at such times and to such persons and for such consideration as the board shall determine, provided that no share shall be issued until it is fully paid as provided by the Act. Shares may be issued as uncertificated securities or be represented by share certificates in accordance with the provisions of the Act and the Securities Transfer Act.

7.02 Commissions

The board may from time to time authorize the Corporation to pay a reasonable commission to any person in consideration of such person purchasing or agreeing to purchase shares of the Corporation, whether from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares.

7.03 Registration of Transfers

All transfers of securities of the Corporation shall be made in accordance with the Act and the *Securities Transfer Act*. Subject to the provisions of the Act and the Securities Transfer Act, no transfer of shares represented by a security certificate (as defined in the Act) shall be registered in a securities register except upon presentation of the certificate representing such shares with an endorsement which complies with the Act and the *Securities Transfer Act* made thereon or delivered therewith duly executed by an appropriate person as provided by the Act and the *Securities Transfer Act*, together with such reasonable assurance that the endorsement is genuine and effective as the board may from time to time prescribe, upon payment of all applicable taxes and any fees prescribed by the board, upon compliance with such restrictions on transfer as are authorized by the articles and upon satisfaction of any lien referred to in paragraph 7.05.

7.04 Transfer Agents and Registrars

The board may from time to time appoint one or more agents to maintain, in respect of each class of securities of the Corporation issued by it in registered form, a securities register and one or more branch securities registers. Such a person may be designated as transfer agent and registrar according to his functions and one person may be designated both registrar and transfer agent. The board may at any time terminate such appointment.

7.05 Lien for Indebtedness

The Corporation shall have a lien on any share registered in the name of a shareholder or his legal representatives for a debt of that shareholder to the Corporation, provided that if the shares of the Corporation are listed on a stock exchange in or outside Canada, the Corporation shall not have such lien. The Corporation may enforce any lien that it has on shares registered in the name of a shareholder indebted to the Corporation by the sale of the shares thereby affected or by any other action, suit, remedy or proceeding authorized or

permitted by law and, pending such enforcement, the Corporation may refuse to register a transfer of the whole or any part of such shares.

7.06 Non-recognition of Trusts

Subject to the provisions of the Act and the Securities Transfer Act, the Corporation may treat as absolute owner of any share the person in whose name the share is registered in the securities register as if that person had full legal capacity and authority to exercise all rights of ownership, irrespective of any indication to the contrary through knowledge or notice or description in the Corporation's records or on the share certificate.

7.07 Share Certificates and Written Evidence of Ownership

Every holder of one or more shares of the Corporation that are certificated securities under the Act shall be entitled, at his option, to a share certificate, or to a non-transferable written acknowledgement of his right to obtain a share certificate, stating the number and class or series of shares held by him as shown on the securities register. Share certificates and acknowledgements of a shareholder's right to a share certificate, respectively, shall be in such form as the board shall from time to time approve. Any share certificate shall be signed in accordance with paragraph 2.03 and need not be under the corporate seal; provided that, unless the board otherwise determines, certificates representing shares in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. The signature of one of the signing officers or, in the case of share certificates which are not valid unless countersigned by or on behalf of a transfer agent and/or registrar, the signatures of both signing officers, may be printed or mechanically reproduced in facsimile upon share certificates and every such facsimile signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. A share certificate executed as aforesaid shall be valid notwithstanding that one or both of the officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate. Holders of uncertificated securities of the Corporation shall be entitled to receive a written notice or other documentation as provided by the Act.

7.08 Replacement of Share Certificates

The board or any officer or agent designated by the board may in its or his discretion direct the issue of a new share certificate in lieu of and upon cancellation of a share certificate that has been mutilated or in substitution for a share certificate claimed to have been lost, destroyed or wrongfully taken on payment of such fee, not exceeding \$3.00, and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the board may from time to time prescribe, whether generally or in any particular case.

7.09 Joint Shareholders

If two or more persons are registered as joint holders of any share, the Corporation shall not be bound to issue more than one certificate in respect thereof, and delivery of such certificate to one of such persons shall be sufficient delivery to all of them. Any one of such persons may give effectual receipts for the certificate issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such shares.

7.10 Deceased Shareholders

In the event of the death of a holder, or of one of the joint holders, of any share, the Corporation shall not be required to make any entry in the securities register in respect thereof or to make payment of any dividends thereon except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation and its transfer agents.

SECTION EIGHT

DIVIDENDS AND RIGHTS

8.01 Dividends

Subject to the provisions of the Act, the board may from time to time declare dividends payable to the shareholders according to their respective rights and interest in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation.

8.02 Dividend Cheques

A dividend payable in cash shall be paid either electronically by direct deposit or by cheque drawn on the Corporation's bankers or one of them to the order of each registered holder of shares of the class or series in respect of which it has been declared and, if paid by cheque, mailed by prepaid ordinary mail to such registered holder at his recorded address, unless such holder otherwise directs. In the case of joint holders any cheque issued shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and mailed to them at their recorded address. The mailing of such cheque as set out in this section, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

8.03 Non-receipt of Cheques

In the event of non-receipt of any dividend cheque by the person to whom it is sent as set out in section 8.02, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the board may from time to time prescribe, whether generally or in any particular case.

8.04 Record Date for Dividends and Rights

The board may fix in advance a date, preceding by not more than 50 days the date for the payment of any dividend or the date for the issue of any warrant or other evidence of the right to subscribe for securities of the Corporation, as a record date for the determination of the persons entitled to receive payment of such dividend or to exercise the right to subscribe for such securities, and notice of any such record date shall be given not less than seven days before such record date in the manner provided by the Act. If no record date is so fixed, the record date for the determination of the persons entitled to receive payment of any dividend or to exercise the right to subscribe for securities of the Corporation shall be at the close of

business on the day on which the resolution relating to such dividend or right to subscribe is passed by the board.

8.05 Unclaimed Dividends

Any dividend unclaimed after a period of six years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

SECTION NINE

MEETINGS OF SHAREHOLDERS

9.01 Annual Meetings

The annual meeting of shareholders shall be held at such time in each year as the board, the Chairman of the Board (if any) or the President may from time to time determine, in any event no later than the earlier of (i) six months after the end of each of the Corporation's financial years, and (ii) fifteen months after the Corporation's last annual meeting of shareholders, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing an auditor and for the transaction of such other business as may properly be brought before the meeting.

9.02 Special Meetings

The board, the Chairman of the Board (if any) or the President shall have the power to call a special meeting of shareholders at any time.

9.03 Place of Meetings

Subject to the Corporation's articles, a meeting of shareholders of the Corporation shall be held at such place in or outside of Ontario as the board may determine or, in the absence of such a determination, at the place where the registered office of the Corporation is located. If the Corporation makes available a telephonic, electronic or other communication facility that permits all participants of a shareholders meeting to communicate adequately with each other during the meeting and otherwise complies with the Act, any person entitled to attend such meeting may participate by means of such communication facility in the manner prescribed by the Act, and any person participating in the meeting by such means is deemed to be present at the meeting.

9.04 Notice of Meetings

Notice of the time and place of each meeting of shareholders shall be given in the manner provided in paragraph 10.01 not less than 21 days nor more than 50 days before the date of the meeting to each director, to the auditor and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting. Notice of a meeting of shareholders called for any purpose other than consideration of the financial statements and auditor's report, election of directors and reappointment of the incumbent auditor shall state or be accompanied by a statement of the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and the text of any special resolution or by-law to be submitted to the meeting. A shareholder and any other person entitled to attend a meeting of

shareholders may in any manner waive notice of or otherwise consent to a meeting of shareholders.

9.05 List of Shareholders Entitled to Notice

For every meeting of shareholders, the Corporation shall prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares held by each shareholder entitled to vote at the meeting. If a record date for the meeting is fixed pursuant to paragraph 9.06, the list of shareholders entitled to receive notice of the meeting shall be prepared not later than ten days after such record date. If no record date is fixed, the list of shareholders entitled to receive notice of the meeting shall be prepared as of the close of business on the day immediately preceding the day on which notice of the meeting is given, or where no such notice is given, on the day on which the meeting is held. The list shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where the central securities register is maintained and at the meeting of shareholders for which the list was prepared.

9.06 Record Date for Notice

The board may fix in advance a date, preceding the date of any meeting of shareholders by not more than 60 days and not less than 30 days (or pursuant to the time limitations as may be prescribed by the Act from time to time), as a record date for the determination of the shareholders entitled to receive notice of the meeting, provided that notice of any such record date shall be given not less than seven days before such record date by newspaper advertisement in the manner provided in the Act and, if any shares of the Corporation are listed for trading on a stock exchange in Canada, by written notice to each such stock exchange. If no record date is so fixed, the record date for the determination of the shareholders entitled to receive notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is given or, if no notice is given, the day on which the meeting is held.

9.07 Meetings Held by Electronic Means

If the directors or shareholders of the Corporation call a meeting of shareholders pursuant to the Act, the directors may determine that the meeting shall be held, in accordance with the Act, entirely by means of a telephonic, electronic or other communications facility that permits all participants to communicate adequately with each other during the meeting.

9.08 Meetings without Notice

A meeting of shareholders may be held without notice at any time and place permitted by the Act

- (a) if all the shareholders entitled to vote thereat are present in person or represented by proxy waive notice of or otherwise consent to such meeting being held, and
- (b) if the auditor and the directors are present or waive notice of or otherwise consent to such meeting being held, so long as such shareholders, auditor and directors present are not attending for the express purpose of objecting to the

transaction of any business on the grounds that the meeting is not lawfully called. At such a meeting any business may be transacted which the Corporation at a meeting of shareholders may transact. If the meeting is held at a place outside Canada, shareholders not present or represented by proxy, but who have waived notice of or otherwise consented to such meeting, shall also be deemed to have consented to the meeting being held at such place.

9.09 Chairman, Secretary and Scrutineers

The Chairman of the Board or any other director or officer of the Corporation, as determined by the board, may act as chairman of any meeting of shareholders. If no such director or officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chairman. If the Secretary or Assistant Secretary of the Corporation is absent, the chairman shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chairman with the consent of the meeting.

9.10 Persons Entitled to be Present

The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and the auditor of the Corporation and others who, although not entitled to vote are entitled or required under any provision of the Act or the articles or the by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chairman of the meeting or with the consent of the meeting.

9.11 Quorum

Subject to the Act, a quorum for the transaction of business at any meeting of shareholders shall be two persons present in person, each being a shareholder entitled to vote thereat or a duly appointed proxy or proxyholder for an absent shareholder so entitled, holding or representing in the aggregate not less than 5% of the issued shares of the Corporation enjoying voting rights at such meeting.

9.12 Right to Vote

The persons entitled to vote at any meeting of shareholders shall be the persons entitled to vote in accordance with the Act.

9.13 Proxies

Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, who need not be shareholders, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the shareholder or his attorney authorized in writing (or by electronic signature) and shall conform with the requirements of the Act.

9.14 Time for Deposit of Proxies

The board may by resolution specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting or an adjournment thereof by not more than 48 hours exclusive of any part of a non-business day, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or, if no such time is specified in such notice, only if it has been received by the Secretary of the Corporation or by the chairman of the meeting or any adjournment thereof prior to the time of voting.

9.15 Joint Shareholders

If two or more persons hold shares jointly, any one of them present in person or represented by proxy at a meeting of shareholders may, in the absence of the other or others, vote the shares; but if two or more of those persons are present in person or represented by proxy and vote, they shall vote as one the shares jointly held by them.

9.16 Votes to Govern

At any meeting of shareholders every question shall, unless otherwise required by the articles or by-laws or by law, be determined by a majority of the votes cast on the question. In case of an equality of votes either upon a show of hands or upon a poll, the chairman of the meeting shall not be entitled to a second or casting vote.

9.17 Show of Hands

Subject to the provisions of the Act, any question at a meeting of shareholders shall be decided by a show of hands, which may include such other indication of a vote made by means of the telephonic, electronic or other communication facility, if any, made available by the Corporation for that purpose, unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands, every person who is present, in person or by means of the telephonic, electronic or other communications facility, if any that the Corporation has made available for such purpose, and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question. For the purpose of this section, if at any meeting the Corporation has made available to shareholders the means to vote electronically, any vote made electronically shall be included in tallying any votes by show of hands.

9.18 Ballots

On any question proposed for consideration at a meeting of shareholders, and whether or not a vote by show of hands has been taken thereon, any shareholder or proxyholder entitled to vote at the meeting may require or demand a ballot. A ballot so required or demanded shall be taken in such manner as the chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is

taken each person present shall be entitled, in respect of the shares which he is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said question.

9.19 Adjournment

The chairman at the meeting of shareholders may with the consent of the meeting and subject to such conditions as the meeting may decide, or where otherwise permitted under the provisions of the Act, adjourn the meeting from time to time and from place to place. If a meeting of shareholders is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

9.20 Resolution in Writing

A resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of the shareholders unless a written statement with respect to the subject matter of the resolution is submitted by a director or the auditor in accordance with the Act.

SECTION TEN

NOTICES

10.01 Method of Giving Notices

Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the regulations thereunder, the articles, the by-laws or otherwise to a shareholder, director, officer, auditor or member of a committee of the directors shall be sufficiently given if delivered personally to the person to whom it is to be given; delivered to the recorded address of the person; mailed to the person's recorded address by prepaid or ordinary or air mail; sent to the person's recorded address by any means of prepaid transmitted or recorded communication; or an electronic document is provided in accordance with Part Eleven of this by-law.

A notice delivered as set out in this section is deemed to have been given when it is delivered personally or to the recorded address; a notice mailed as set out in this section shall be deemed to have been given when deposited in a post office or public letter box; and a notice sent by means of transmitted or recorded communication as set out in this section is deemed to have been dispatched or delivered to the appropriate communication company or agency or its representative for dispatch; and a notice sent by electronic means as set out in this section and Part Eleven shall be deemed to have been given upon receipt of reasonable confirmation of transmission to the designated information system indicated by the person entitled to receive such notice. The corporate secretary may change or cause to be changed the recorded address of any shareholder, director, officer, auditor or member of a committee of the directors in accordance with any information believed by him or her to be reliable. The Secretary or

Assistant Secretary may change or cause to be changed the recorded address of any shareholder, director, officer, auditor or member of a committee of the board in accordance with any information believed by him to be reliable.

10.02 Signature to Notices

The signature of any director or officer of the Corporation to any notice or document to be given by the Corporation may be written, stamped, mechanically reproduced or electronically reproduced in whole or in part.

10.03 Proof of Service

With respect to every notice sent by post it is sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed as provided in this by-law and put into a post office or into a letter box. With respect to every notice or other document sent as an electronic document it is sufficient to prove that the electronic document was properly addressed to the designated information system as provided in this by-law and sent by electronic means. A certificate of the Chairman of the Board (if any), the President, an Executive Vice-President, a Vice-President, the Secretary, the Assistant Secretary, the Treasurer or the Assistant Treasurer or of any other officer of the Corporation in office at the time of the making of the certificate or of a transfer officer or any transfer agent or branch transfer agent of shares of any class of the Corporation as to the facts in relation to the mailing or delivery of any notice or other document to any shareholder, director, officer or auditor or publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every shareholder, director, officer or auditor of the Corporation as the case may be.

10.04 Notice to Joint Shareholders

All notices with respect to shares registered in more than one name shall, if more than one address appears on the records of the Corporation in respect of such joint holdings, be given to all of such joint shareholders at the first address so appearing, and notice so given shall be sufficient notice to the holders of such shares.

10.05 Computation of Time

In computing the date when notice must be given under any provision requiring a specified number of days notice of any meeting or other event both the date of giving the notice and the date of the meeting or other event shall be excluded.

10.06 Undelivered Notices

If any notice given to a shareholder pursuant to paragraph 10.01 is returned on three consecutive occasions because he cannot be found, the Corporation shall not be required to give any further notices to such shareholder until he informs the Corporation in writing of his new address.

10.07 Omissions and Errors

The accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the board or the non-receipt of any notice by any such

person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise found thereon.

10.08 Deceased Shareholders

Any notice or other document delivered or sent by post or left at the address of any shareholder as the same appears in the records of the Corporation shall, notwithstanding that such shareholder be then deceased, and whether or not the Corporation has notice of his decease, be deemed to have been duly served in respect of the shares held by such shareholder (whether held solely or with any person or persons) until some other person be entered in his stead in the records of the Corporation as the holder or one of the holders thereof and such service shall for all purposes be deemed a sufficient service of such notice or document on his heirs, executors or administrators and on all persons, if any, interested with him in such shares.

10.09 Persons Entitled by Death or Operation of Law

Every person who, by operation of law, transfer, death of a shareholder or any other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the shareholder from whom he derives his title to such share prior to his name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which he became so entitled) and prior to his furnishing to the Corporation the proof of authority or evidence of his entitlement prescribed by the Act.

10.10 Waiver of Notice

Any shareholder (or his duly appointed proxyholder), director, officer, auditor or member of a committee of the board may at any time waive any notice, or waive or abridge the time for any notice, required to be given to him under any provision of the Act, the regulations thereunder, the articles, the by-laws or otherwise and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of shareholders or of the board or of a committee of the board which may be given in any manner.

SECTION ELEVEN

ELECTRONIC DOCUMENTS

11.01 Creation and Provision of Information

Unless the Corporation's articles provide otherwise, and subject to and in accordance with the Act, the Corporation may satisfy any requirement of the Act to create or provide a notice, document or other information to any person by the creation or provision of an electronic document. Except as provided in the Act, "electronic document" means any form of representation of information or of concepts fixed in any medium in or by electronic, optical or other similar means that can be read or perceived by a person by any means, including without limitation, electronic mail.

SECTION TWELVE

REPEAL

12.1 Repeal

As of the coming into effect of this by-law, By-law No. 1 and No. 2 of the Corporation are repealed provided that such repeal does not affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under, or the validity of any contract or agreement made pursuant to, or the validity of any articles or predecessor charter documents of the Corporation obtained pursuant to, any such by-law prior to its repeal. All officers and persons acting under any by-law so repealed shall continue to act as if appointed under the provisions of this by-law and all resolutions of the shareholders or the board with continuing effect passed under any repealed by-law shall continue good and valid except to the extent inconsistent with this by-law and until amended or repealed.

SECTION THIRTEEN

EFFECTIVE DATE

13.01 Effective Date

This by-law shall come into force upon being passed by the board.

Enacted the 27th day of February, 2018.
