



**NOTICE OF MEETING
OF DEBENTUREHOLDERS
OF
GOLDEN LEAF HOLDINGS LTD.**

TO BE HELD ON JULY 6, 2020

GOLDEN LEAF HOLDINGS LTD.

NOTICE OF MEETING OF DEBENTUREHOLDERS

NOTICE IS HEREBY GIVEN THAT a meeting (the “**Meeting**”) of the holders (the “**Debentureholders**”) of debentures (the “**Debentures**”) of Golden Leaf Holdings Ltd. (“**Golden Leaf**” or the “**Corporation**”) issued pursuant to an indenture dated as of November 16, 2018 (as the same has otherwise been amended or may be amended, modified, restated, supplemented or replaced from time to time, the “**Indenture**”) will be held on Monday, July 6, 2020 at 11:00 a.m. (Toronto time) at www.agmconnect.com/goldendebts2020 for the following purposes:

1. To consider, and if deemed advisable, approve an Extraordinary Resolution:
 - a. to amend the Indenture to permit interest on the Debentures to be paid by delivering Common Shares, as described herein; and
 - b. to waive any Event of Default that may arise from the failure to pay the interest due on June 30, 2020, provided that interest is paid in the form of Common Shares or cash on or before July 31, 2020.
2. 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 either a form of proxy for registered Debentureholders or a voting instruction form for non-registered Debentureholders (collectively, the “**Meeting Materials**”).

Debentureholders are invited to attend the Meeting virtually through the platform of AGM Connect by going to www.agmconnect.com/goldendebts2020 or may be represented by proxy. Registered Debentureholders who are unable to attend the Meeting virtually are requested to complete, date and sign the form of proxy and send it to the Corporate Secretary of the Corporation, c/o the trustee under the Indenture, Capital Transfer Agency, ULC, 390 Bay Street, Suite 920, Toronto, ON M5H 2Y2. Electronic voting is also available for this Meeting through www.capitaltransferagency.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 Debentureholders 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 June 4, 2020 as the record date for the determination of the registered holders of debentures 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 11:00 a.m. (Toronto time) on Thursday, July 2, 2020, 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 trustee for the Debentures.

DATED at Toronto, Ontario, this 5th day of June, 2020.

BY ORDER OF THE BOARD

“John Varghese”

John Varghese
Executive Chairman

THE MEETING

The Corporation and Capital Transfer Agency, ULC, as Trustee (the “**Trustee**”) have entered into an indenture dated as of November 16, 2018 (as the same has otherwise been amended or may be amended, modified, restated, supplemented or replaced from time to time, the “**Indenture**”) pursuant to which the Corporation has issued convertible debentures with the designation of “Unsecured Subordinated Convertible Debentures due November 16, 2021” (the “**Debentures**”).

This document 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 meeting (the “**Meeting**”) of holders (collectively, the “**Debentureholders**”) of Debentures to be held on Monday, January 6, 2020, at the time and place and for the purposes set forth above and any adjournment or postponement thereof.

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 Corporation may also, upon request, reimburse brokers and other persons holding shares as nominees for their reasonable costs incurred in sending proxy material to beneficial owners of Debentures. The Corporation may also retain agents to assist in soliciting proxies, who may be paid a fee for such services. 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 June 4, 2020 (the “**Record Date**”) as the record date for the determination of the registered holders of Debentures entitled to notice of, and to vote at, the Meeting and any adjournment(s) or postponement(s) thereof. Debentureholders 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 Trustee as specified herein).

The Board has, by resolution, fixed 11:00 a.m. (Toronto time) on Thursday, July 2, 2020, 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 the Trustee at 390 Bay Street, Suite 920, Toronto, ON M5H 2Y2 Attention: Proxy Department or by facsimile at 416.350.5008 or by email at info@capitaltransferagency.com. Electronic voting is also available for this Meeting through www.capitaltransferagency.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 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.

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. **A Debentureholder 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 Trustee, 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 Debentureholder 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 Debentureholder or by an attorney authorized in writing to the Trustee at 390 Bay Street, Suite 920, Toronto, ON M5H 2Y2 Attention: Proxy Department or by facsimile at 416.350.5008 at any time up to and including the last business day preceding the day of the Meeting.

Meeting Procedures

The Meeting will be conducted in a manner substantially similar to the way the Corporation conducts its meetings of shareholders, including as required under the Corporation's by-laws and applicable law, as modified by the Indenture and for the fact that the Debentures are debt securities without general voting rights.

The Meeting will be conducted as a virtual meeting of Debentureholders by way of a virtual meeting webcast through AGM Connect. The virtual meeting webcast can be accessed at: <https://agmconnect.com/goldendebts2020>. *As a registered Debentureholder, you will be able to participate in the voting portion of the meeting by following the directions on the provided website. You will need to use the Control Number provided to you in your form of proxy to vote.* Debentureholders are encouraged to register in advance and, at the least, 15 minutes prior to the start of the Meeting.

Quorum

A quorum of Debentureholders is required to transact business at the Meeting. Pursuant to the Indenture, the quorum requirement for the Meeting will be satisfied and the Meeting will be properly constituted where there are present in person or represented by proxy, at the Meeting, Debentures representing at least 25% of the outstanding principal amount thereof.

Voting of Proxies

The persons named in the form of proxy will vote the Debentures in respect of which they are appointed in accordance with the direction of the Debentureholders appointing them. **In the absence of such direction, such Debentures 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 herein 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 Debentureholder, or by the registered Debentureholder's attorney with proof that they are authorized to sign. If you represent a registered Debentureholder 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 Debentureholder, or as an officer or attorney of a registered Debentureholder 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 Debentureholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Debentures beneficially owned by a holder who is not a registered Debentureholder (a "**Non-Registered Debentureholder**") are registered either: (i) in the name of an

intermediary with whom the Non-Registered Debentureholder deals in respect of the Debentures 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 this Notice and a Voting Instruction Form (as defined below) (collectively, the “**Mailed Materials**”) to the clearing agencies and Intermediaries for distribution to Non-Registered Debentureholders. Objecting Non-Registered Debentureholders 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 Debentureholders, and accordingly an objecting Non-Registered Debentureholder will not receive the Mailed Materials unless the Intermediary of the objecting Non-Registered Debentureholder assumes the cost of delivery.

If you are a non-objecting Non-Registered Debentureholder, and the Corporation or its agent has sent the Mailed Materials directly to you, your name and address and information about your holdings of Debentures have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Debentures on your behalf. The Corporation has elected to send the Mailed Materials directly to non-objecting Non-Registered Debentureholders through the services of the Trustee.

Non-Registered Debentureholders 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 Debentureholder 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 Debentureholders to direct the voting of the Debentures they beneficially own. Should a Non-Registered Debentureholder 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 Debentureholder), the Non-Registered Debentureholder 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 Debentureholder. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Non-Registered Debentureholders in order to ensure that their Debentures are voted at the Meeting. If you have any questions respecting the voting of Debentures held through a broker or other Intermediary, please contact the broker or other Intermediary for assistance.

PARTICULARS OF MATTERS TO BE ACTED UPON

Text of Extraordinary Resolution to Approve Payment of Interest in Shares

WHEREAS:

- A. By a trust indenture (hereinafter referred to as the "**Indenture**") made as of the 16th day of November, 2018 between Golden Leaf Holdings Ltd. (the "**Corporation**") and Capital Transfer Agency, ULC (the "**Trustee**"), as amended, provision was made for the various powers that may be exercised at a meeting of Debentureholders by way of "Extraordinary Resolution" or by an instrument in writing signed by the holders of 66 2/3% of the principal amount of all outstanding Debentures, including the capacity *"to assent to any modification of or change in or addition to or omission from the provisions contained in this Indenture or any Debenture which shall be agreed to by the Corporation and to authorize the Trustee to concur in and execute any indenture supplemental hereto embodying any modification, change, addition or omission;"*.
- B. The Corporation desires to amend the Indenture to allow the Corporation to satisfy its Interest Obligation from time to time by delivery of Common Shares.
- C. Changes to the terms of the Debentures and amendments to the Indenture of this nature must be approved by way of an Extraordinary Resolution pursuant to Article 12 of the Indenture.
- D. Terms defined in the Indenture and used herein are used with the same defined meaning herein.

BE IT RESOLVED THAT:

1. Section 1.1 of the Indenture be amended to add the following defined terms in appropriate alphabetical order:

"Recognized Stock Exchange" means the CSE or, if the Common Shares are not listed on the CSE, any other national securities exchange or market on which the Common Shares are then listed and posted for trading.

"VWAP" means the volume-weighted average trading price of the Common Shares for the applicable period (which must be calculated utilizing days in which the Common Shares actually trade). The VWAP shall be determined by dividing the aggregate sale price of all Common Shares sold on the applicable Recognized Stock Exchange or market, as the case may be, over the applicable period by the total number of Common Shares so sold, provided that the calculation may be revised by the CSE if the VWAP is, or a calculation using the VWAP would be, less than \$0.05.

2. Section 2.3 of the Indenture be amended to add the following as subsection (b.1) after subsection (b) thereof:

Notwithstanding any other provision hereof, the Corporation, from time to time, may satisfy its Interest Obligation on the Debentures on any Interest Payment Date (including, for greater certainty, following conversion or upon maturity or redemption) by delivering: (i) cash, or (ii) that number of Common Shares obtained by dividing the interest amount by 95% of the VWAP for the 20 consecutive trading days ending five trading days preceding the applicable Interest Payment Date, or any combination thereof, provided that if the foregoing results in a price per Common Share that is less than \$0.05, the number of Common Shares shall be determined by dividing (c) the interest amount by (d) 100% of the VWAP for the 20 consecutive trading days ending five trading days preceding the applicable Interest Payment Date.

3. Any Event of Default that may arise from the failure to pay interest on June 30, 2020 is waived, provided that interest is paid in the form of Common Shares, by direction to the transfer agent for the Common Shares to issue such shares, or by cash, on or before July 31, 2020.
4. All additional amendments to the Indenture reasonably necessary or desirable to give effect to the foregoing be and they are hereby approved. The Trustee and the Corporation are authorized and directed to enter into any supplemental indenture as may be deemed necessary or advisable in connection with the foregoing.

5. All other terms, conditions and provisions of the Indenture shall remain in full force and effect.

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

ON BEHALF OF THE BOARD

"John Varghese"

John Varghese
Executive Chairman
June 5, 2020